



Registration of a Charge

Company name: **AMG SUPERALLOYS UK LIMITED**

Company number: **00345279**

Received for Electronic Filing: **09/02/2018**



Details of Charge

Date of creation: **01/02/2018**

Charge code: **0034 5279 0014**

Persons entitled: **HSBC BANK USA, NATIONAL ASSOCIATION**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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:

SHEARMAN & STERLING (LONDON) LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 345279

Charge code: 0034 5279 0014

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st February 2018 and created by AMG SUPERALLOYS UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th February 2018 .

Given at Companies House, Cardiff on 13th February 2018

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

EXECUTION VERSION

Dated 1 February **2018**

THE PERSONS LISTED IN SCHEDULE 1

(as "Chargors")

in favour of

HSBC BANK USA, NATIONAL ASSOCIATION
(as "Administrative Agent")

DEBENTURE

ABU DHABI | BEIJING | BRUSSELS | DUBAI | FRANKFURT | HONG KONG | LONDON | MENLO PARK | MILAN | NEW YORK
PARIS | ROME | SAN FRANCISCO | SÃO PAULO | SAUDI ARABIA* | SHANGHAI | SINGAPORE | TOKYO | TORONTO | WASHINGTON, DC

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*DR. SULTAN ALMASOUD & PARTNERS IN ASSOCIATION WITH SHEARMAN & STERLING LLP

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THIS DEBENTURE is made by way of deed on 1 February 2018.

BY:

- (1) **THE PERSONS** listed in Schedule 1 (*The Chargors*) (each a "**Chargor**") in favour of;
- (2) **HSBC BANK USA, NATIONAL ASSOCIATION** as trustee for each of the Secured Parties on the terms and conditions set out in the Credit Agreement (the "**Administrative Agent**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture:

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

"**Administration Event**" means:

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

"**Administrator**" means an administrator appointed under Schedule B1 of the Insolvency Act 1986.

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

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

"**Credit Agreement**" means the credit agreement dated on or about the date of this Debenture between, among others, AMG Advanced Metallurgical Group N.V. as the Parent Borrower and HSBC Bank USA, National Association as administrative agent and collateral agent.

"**Declared Default**" means the Administrative Agent or the Required Lenders delivering a notice to the Parent Borrower accelerating the Loans in accordance with section 7.01 of the Credit Agreement.

"**Excluded Bank Account**" and "**Excluded Bank Accounts**" shall mean:

- (a) any "zero-balance" accounts or accounts with an average monthly balance of less than \$100 (or its equivalent); and
- (b) any account bank in which the average monthly account balance does not exceed \$500,000 (or its equivalent), provided the aggregate average monthly account balances of all such accounts excluded pursuant to this paragraph (b) do not exceed \$5,000,000 (or its equivalent).

in each case which has been notified by the relevant Chargor to the Administrative Agent as being excluded from the Security granted pursuant this Debenture.

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

"Insurance Policy" means each policy of insurance specified in Schedule 4 (*Insurance Policies*) and any other contract or policy of insurance (including any renewal or replacement thereof) in respect of business interruption, property or marine cargo in which any Chargor may from time to time have an interest (to the extent of its interest) if the aggregate amount that may be claimed under that or policy (pursuant to one or more claims from time to time) exceeds \$10,000,000 (or its equivalent in another currency or currencies).

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

"Material Intellectual Property" means the registered Intellectual Property specified in Schedule 3 (*Material Intellectual Property*) or any other Intellectual Property which is reasonably necessary to conduct the respective businesses of the Parent Borrower and its Restricted Subsidiaries.

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

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 5 (*Form of Notice of Security to Account Bank*) and Schedule 6 (*Form of Notice of Assignment of Insurance Policy*) or in such form as may be specified by the Administrative Agent.

"Notice of Charge" means a notice of charge in substantially the form set out in Schedule 5 (*Form of Notice of Security to Account Bank*) or in such form as may be specified by the Administrative Agent.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver in respect of the Charged Assets appointed by the Administrative Agent pursuant to this Debenture or otherwise, and that term will include any appointee made under a joint or several appointment.

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

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

"Secured Obligations" means all Obligations, together with (a) all Banking Services Obligations and (b) all Secured Hedging Obligations; provided that Banking Services Obligations and Secured Hedging Obligations shall cease to constitute Secured Obligations on and after the Termination Date.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

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

"Shares" means any stocks, shares, debentures and other securities listed in Schedule 2 (*Shares*) and all of each Chargor's other present and future shares in the capital of any member of the Group that is a Loan Party from time to time.

1.2 **Credit Agreement**

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

1.3 **Construction**

In this Debenture:

- (a) the rules of interpretation contained in section 1.03 (*Terms Generally*) of the Credit Agreement shall apply to the construction of this Debenture, or in any notice given under or in connection with this Debenture;
- (b) any reference to the **"Administrative Agent"**, the **"Secured Parties"**, the **"Loan Parties"** or any **"Chargor"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Administrative Agent, any person for the time being appointed as Administrative Agent in accordance with the Credit Agreement;
- (c) any reference to **"including"** and **"include"** shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Debenture to any Clause or Schedule shall be to a Clause or Schedule contained in this Debenture.

1.4 **Deed**

This document is to take effect as a deed notwithstanding that the Administrative Agent has executed it under hand only.

1.5 **Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the other Loan Documents and other documents under which the Secured Liabilities arise and of any side letters relating thereto between each Chargor and any of the Secured Parties are incorporated herein to the extent required for any purported disposition of the Charged Assets contained in this Debenture to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 **Law of Property (Miscellaneous Provisions) Act 1994**

The obligations of the Chargors under this Debenture and any document entered into pursuant to this Debenture shall be in addition to the covenants deemed to be included in this Debenture or such other document by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.7 **Schedules**

Any failure to state any Shares or Intellectual Property of any Chargor on the date of this Debenture in any of SCHEDULE 2 (*Shares*) and SCHEDULE 3 (*Material Intellectual Property*) will not affect any charges over such assets.

1.8 **Third party rights**

Save as expressly stated in this Debenture, a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.9 **Present and future assets**

A reference in this Debenture to any Charged Asset or other asset includes, unless the contrary intention appears, present and future Charged Assets and other assets.

1.10 **Separate Security**

Clauses 4.1 (*Fixed charge over Accounts*) to 4.6 (*Fixed charge over Insurance Policies*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Debenture and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Debenture or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not.

1.11 **Administrative Agent assumes no obligation**

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

2. **COVENANT TO PAY**

Each Chargor covenants with the Administrative Agent that it shall, on demand of the Administrative Agent pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

3. **COMMON PROVISIONS AS TO ALL SECURITY**

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

- (a) created in favour of the Administrative Agent as trustee for the Secured Parties and the Administrative Agent shall hold the benefit of this Debenture and the Security created by or pursuant to it on trust for the Secured Parties;
- (b) made with full title guarantee save in relation to Monetary Claims which is made subject to the items referred to in Clause 4.2 below; and
- (c) continuing security for the payment and discharge of all the Secured Obligations.

4. **FIXED SECURITY**

4.1 **Charge over Accounts**

Each Chargor charges, by way of first priority charge, all of its rights, title and interest present and future in and to its Accounts and all Related Rights.

4.2 **Charge over Monetary Claims**

Each Chargor charges, by way of first priority charge, all of its rights, title and interest present and future in and to its Monetary Claims and all Related Rights pursuant to this Debenture, subject to any existing security in connection with Permitted Receivables Financing.

4.3 **Fixed charge over Shares**

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

4.4 **Fixed charge over Material Intellectual Property**

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

4.5 **Fixed charge over goodwill**

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

4.6 **Fixed charge over Insurance Policies**

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest present and future in and to the Insurance Policies and all Related Rights.

5. **FLOATING CHARGE**

5.1 **Floating charge**

- (a) Each Chargor charges by way of first floating charge in favour of the Administrative Agent all present and future assets and undertaking of that Chargor.

- (b) The floating charge created pursuant to paragraph (a) above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Loan Documents in favour of the Administrative Agent as security for the Secured Obligations.
- (c) The floating charge created by each Chargor under this Clause is a qualifying floating charge for the purposes of paragraph 14 of Schedule B1 of the Insolvency Act 1986.

5.2 **Crystallisation: by notice**

The Administrative Agent may at any time by notice in writing to any Chargor convert the floating charge created pursuant to Clause 5.1 (*Floating charge*) with immediate effect into a fixed charge as regards such assets as may be specified (whether generally or specifically) in such notice if:

- (a) an Event of Default is continuing;
- (b) the Administrative Agent reasonably considers that it is necessary in order to protect or preserve the Security over any of the Charged Assets and/or the priority of the security; or
- (c) any Chargor requests the Administrative Agent to exercise any of its powers under this Debenture.

5.3 **Crystallisation: automatic**

Notwithstanding any other provision of this Debenture and without prejudice to any law which may have a similar effect, the floating charge created pursuant to this Debenture will automatically be converted (without notice) and with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) any Chargor creates or attempts to create any Security or trust over any of those assets which is prohibited under the terms of the Loan Documents;
- (b) any person levies or attempts to levy any distress, execution, attachment, sequestration, expropriation or other legal process against any of the Charged Assets;
- (c) a resolution is passed or an order is made or a petition is presented for the winding-up or administration, dissolution or reorganisation of any Chargor or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced in respect of any Chargor, or any corporate action, legal proceeding or other analogous procedure or step is taken in any jurisdiction in respect of any Chargor; or
- (d) an Administrator or Receiver is appointed in respect of a Chargor or any person (who is entitled to do so) gives notice of its intention to appoint an Administrator in respect of a Chargor pursuant to paragraphs 15 or 26 of Schedule B1 of the Insolvency Act 1986 or files such notice with the court.

6. **PROVISIONS AS TO SECURITY AND PERFECTION**

6.1 **Negative pledge and restriction on dealings**

Except as permitted under the Credit Agreement, no Chargor shall at any time during the Security Period:

- (a) create or permit to subsist any Security over all or any part of the Charged Assets and/or assign the benefit of a Charged Asset; or
- (b) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, transfer, assign, lease, license, sub-license, hire out, grant,

lend or otherwise dispose of any of the Charged Assets or the equity of redemption therein or permit any person to do any such thing except as permitted pursuant to the terms of this Debenture and the Loan Documents.

6.2 Notice of Security: Accounts

- (a) Each Chargor shall, if requested by the Administrative Agent from time to time, promptly deliver to the Administrative Agent (or procure the delivery of) a Notice of Charge in relation to the Accounts (except any Excluded Bank Accounts) duly executed by, or on behalf of, that Chargor and each such Chargor shall use its reasonable endeavours (for a period up to a maximum of 120 days) to procure from each account bank, building society, financial institution or other person with which any Account is opened or maintained, an acknowledgement in the form set out in such Notice of Charge.
- (b) The execution of this Debenture by each Chargor and the Administrative Agent shall be deemed to constitute notice to the Administrative Agent of a charge created over any Account opened or maintained with the Administrative Agent.

6.3 Notice of Security: other assets

- (a) Each Chargor shall, promptly following the date of this Debenture or, if later, when requested by the Administrative Agent from time to time, promptly deliver to the Administrative Agent (or procure the delivery of) a Notice of Assignment or a Notice of Charge (as appropriate) duly executed by, or on behalf of, that Chargor in relation to any asset (other than the Accounts) which is the subject of the Fixed Security and any floating charge which is converted into a fixed charge pursuant to Clauses 5.2 (*Crystallisation: by notice*) and 5.3 (*Crystallisation: automatic*), provided that a Notice of Charge shall only be required to be delivered in respect of Monetary Claims following the occurrence of a Declared Default.
- (b) Each Chargor shall use all reasonable endeavours to procure from each recipient of such a Notice of Assignment or a Notice of Charge (as appropriate) an acknowledgement in the form set out therein.

6.4 Deposit of share certificates

Each Chargor shall:

- (a) promptly, and in any event within 5 Business Days of the date of this Debenture, (and upon its coming into possession thereof at any time), deposit with the Administrative Agent (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (executed in blank by it or on its behalf) in respect of the Shares; and
- (b) as soon as practicable following the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares (or upon acquiring any interest therein), notify the Administrative Agent of that occurrence and deposit with the Administrative Agent (or procure the deposit of) (i) all certificates or other documents of title representing such assets and (ii) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Administrative Agent may reasonably request.

6.5 Registration of Intellectual Property

Each Chargor shall, if requested by the Administrative Agent, execute all such documents and do all such acts as the Administrative Agent may reasonably require to record the interest of the Administrative Agent in any registers relating to any registered Material Intellectual Property.

6.6 Further advances

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

6.7 Custodians and nominees

The Administrative Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to all or any part of the Charged Assets as the Administrative Agent may determine and the Administrative Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any such person or be bound to supervise the proceedings or acts of any such person.

7. FURTHER ASSURANCE

7.1 Further assurance

Subject to the Security Principles, each Chargor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Administrative Agent may reasonably specify (and in such form as the Administrative Agent may reasonably require) in favour of the Administrative Agent or its nominee(s):

- (a) to create, perfect, protect and/or maintain the Security created or intended to be created in respect of the Charged Assets (which may include the execution by that Chargor of a charge or assignment over all or any of the assets constituting, or intended to constitute, the Charged Assets) or for the exercise of the Collateral Rights;
- (b) to confer on the Administrative Agent Security over any asset or undertaking of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture; and/or
- (c) following the occurrence of an Event of Default which is continuing, to facilitate the realisation of the Charged Assets, or the exercise of any right, power or discretion in relation to any Charged Asset vested in the Administrative Agent, any Receiver or delegate,

including, without limitation, the execution (including by sealing) of any transfer, assignment, mortgage, charge or security or any other document or any notice or instruction required to enable the Administrative Agent or its nominee to obtain legal title to any Charged Assets in circumstances in which it is entitled to obtain such legal title under this Debenture.

7.2 Consents

- (a) Subject to the Security Principles, each Chargor shall, as soon as possible, use all reasonable endeavours to obtain any consents necessary or to remove any restriction on the creation of Security to enable the assets of that Chargor to be the subject of the relevant Fixed Security pursuant to this Debenture.
- (b) Immediately upon obtaining any such consent or removing any such restriction, the asset concerned will become subject to that Fixed Security and each relevant Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Administrative Agent.

8. SHARES

8.1 Dividends prior to an Event of Default

Prior to the occurrence of an Event of Default which is continuing, each Chargor shall be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Shares.

8.2 Dividends after an Event of Default

Upon the occurrence of an Event of Default which is continuing, the Administrative Agent may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor, apply all dividends, interest and other monies arising from the Shares as though they were the proceeds of sale in accordance with Clause 15 (*Application of Proceeds*).

8.3 Voting rights prior to Administrative Agent Notice

Prior to the giving of notice pursuant to Clause 8.4 (*Voting rights after Administrative Agent Notice*), each Chargor shall be entitled to exercise all voting rights in relation to the Shares.

8.4 Voting rights after Administrative Agent Notice

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

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

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

8.5 Waiver of voting rights by Administrative Agent

- (a) The Administrative Agent may, in its absolute discretion and without any consent or authority from the other Secured Parties or any relevant Chargor, at any time, by notice to any relevant Chargor (which notice shall be irrevocable), with a copy to the Administrative Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Shares conferred or to be conferred on the Administrative Agent

pursuant to Clause 8.4 (*Voting rights after Administrative Agent Notice*) and the other Secured Parties unconditionally waive any rights they may otherwise have to require the Administrative Agent not to make such election or to require the Administrative Agent to indemnify, compensate or otherwise make good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Administrative Agent making such election.

- (b) Once a notice has been issued by the Administrative Agent under paragraph (a) above, on and from the date of such notice the Administrative Agent shall cease to have the rights to exercise or refrain from exercising voting rights and powers in respect of the Shares conferred or to be conferred on it pursuant to Clause 8.4 (*Voting rights after Administrative Agent Notice*) or any other provision of this Debenture and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Shares.

8.6 **Shares: Voting rights**

Except as permitted under the Credit Agreement, no Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Shares in any manner, or otherwise permit or agree to or concur or participate in any:

- (a) variation of the rights attaching to or conferred by all or any part of the Shares;
- (b) increase in the issued share capital of any company whose shares are charged pursuant to this Debenture;
- (c) exercise, renunciation or assignment of any right to subscribe for any shares or securities; or
- (d) reconstruction, amalgamation, sale or other disposal of any company or any of the assets or undertaking of any company (including the exchange, conversion or reissue of any shares or securities as a consequence thereof) whose shares are charged pursuant to this Debenture,

which could reasonably be expected to materially prejudice the value of, or the ability of the Administrative Agent to realise, the Security created pursuant to this Debenture **provided that** the proceeds of any such action shall form part of the Shares.

8.7 **Shares: Payment of calls**

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Shares, and in any case of default by it in such payment, the Administrative Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Administrative Agent shall be reimbursed by each relevant Chargor to the Administrative Agent on demand and shall carry interest from the date of payment by the Administrative Agent until reimbursed, such interest to be calculated in accordance with the Credit Agreement.

9. **ACCOUNTS**

9.1 **Accounts: Notification and variation**

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

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

Each Chargor shall, prior to the occurrence of an Event of Default which is continuing, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account.

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

After the occurrence of an Event of Default which is continuing no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior written consent of the Administrative Agent.

9.4 **Accounts: Application of monies**

The Administrative Agent shall, upon the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 15 (*Application of Proceeds*).

10. **MONETARY CLAIMS**

10.1 **Dealing with Monetary Claims**

Except as permitted under the Credit Agreement, no Chargor shall at any time during the Security Period, without the prior written consent of the Administrative Agent:

- (a) deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Administrative Agent) and paying the proceeds of those Monetary Claims into an Account (or, if one or more Accounts have been designated for this purpose by the Administrative Agent, the relevant Account(s)) or as the Administrative Agent may reasonably require (and such proceeds shall be held upon trust by the relevant Chargor for the Administrative Agent on behalf of the Secured Parties prior to such payment in);
- (b) factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting; or
- (c) be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account.

11. **INSURANCES**

11.1 **Insurance: Undertakings**

Each Chargor shall at all times during the Security Period:

- (a) keep the Charged Assets insured in accordance with the terms of the Credit Agreement;
- (b) if required by the Administrative Agent, cause each insurance policy or policies relating to the Charged Assets under which the aggregate amount that may be claimed (pursuant to one or more claims from time to time) exceeds USD 10,000,000 (or its equivalent in another currency or currencies) other than:
 - (i) any Insurance Policy which has been the subject of a Notice of Assignment pursuant to Clause 6 (*Provisions as to Security and Perfection*);
 - (ii) any Insurance Policy relating to third party liabilities; or

(iii) any other Insurance Policy the Administrative Agent may agree,

to contain (in form and substance satisfactory to the Administrative Agent, acting reasonably) an endorsement naming the Administrative Agent as a loss payee in respect of all claims until such time as the Administrative Agent notifies the insurer(s) to the contrary;

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

11.2 Insurance: Default

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

11.3 Application of Insurance proceeds

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

- (a) prior to the occurrence of an Event of Default which is continuing, be applied in repairing, replacing, restoring or rebuilding the property or assets damaged or destroyed; and
- (b) after the occurrence of an Event of Default which is continuing, be held upon trust for the Administrative Agent pending payment to the Administrative Agent for application in accordance with Clause 15 (*Application of Proceeds*) and each Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Assets.

12. ENFORCEMENT OF SECURITY

12.1 Enforcement

Any time after the occurrence of:

- (a) a Declared Default;
- (b) a petition being presented or application made for the appointment of an Administrator, a liquidator or provisional liquidator in respect of the relevant Chargor;
- (c) notice being filed with the court of the intention to appoint an Administrator; or
- (d) a request from any Chargor to the Administrative Agent that it exercise any of its powers under this Debenture,

(clauses (a) - (d) being an "**Enforcement Event**") the Security created by or pursuant to this Debenture is immediately enforceable and the Administrative Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion:

- (i) secure and perfect its title to all or any part of the Charged Assets;
- (ii) enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Assets (and any assets of the relevant Chargor which, when got in, would be part of the Charged Assets) at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration); and
- (iii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers.

12.2 **Effect of moratorium**

The Administrative Agent shall not be entitled to exercise its rights under Clause 12.1 (*Enforcement*) or Clause 5.2 (*Crystallisation: by notice*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining, or taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

12.3 **Contingencies**

If the charges are enforced at a time when no amount is due under the Loan Documents but at a time when amounts may or will become due, the Administrative Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

13. **EXTENSION OF POWERS AND RIGHT OF APPROPRIATION**

13.1 **Extension of power of sale**

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

13.2 **Restrictions**

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Administrative Agent of its right to consolidate all or any of the Security created by or pursuant to this Debenture with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Administrative Agent without notice to any Chargor on or at any time after the Security created by or pursuant to this Debenture has become enforceable in accordance with Clause 12 (*Enforcement of Security*).

13.3 **Power of leasing**

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

13.4 **Right of appropriation**

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

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

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

13.5 **Statutory powers**

The powers conferred by this Debenture on the Administrative Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Debenture) and such powers shall remain exercisable from time to time by the Administrative Agent in respect of any part of the Charged Assets. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Debenture, the terms of this Debenture shall prevail.

14. **APPOINTMENT AND RIGHTS OF RECEIVERS AND ADMINISTRATORS**

14.1 **Appointment of Receivers and Administrators**

- (a) Subject to Clause 12.2 (*Effect of moratorium*) above, if an Enforcement Event has occurred the Administrative Agent may, by deed or otherwise in writing signed by any officer of the Administrative Agent or any other person authorised by the Administrative Agent for this purpose without the prior consent of the relevant Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets of the relevant Chargor and/or appoint two or more Receivers of separate parts of the Charged Assets;
 - (ii) where permitted by law, appoint one or more persons to be an Administrator of the relevant Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986; or
 - (iii) (subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) remove any Receiver so appointed and, at its option, appoint another person(s) to be an additional or replacement Receiver.
- (b) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise.
- (c) Section 109(1) of the Law of Property Act 1925 does not apply to this Debenture.

- (d) The powers of appointment of a Receiver under this Debenture shall be in addition to all other statutory and other powers of appointment of the Administrative Agent under the Law of Property Act 1925 or otherwise.

14.2 Rights of Receivers

Any Receiver appointed pursuant to this Debenture shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the relevant Chargor) have and be entitled to exercise, in relation to the Charged Assets (and any other assets which when got in, would be Charged Assets) in relation to which he is appointed:

- (a) all the rights, powers, privileges and immunities conferred on an administrative receiver or other receivers duly appointed under the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- (b) all the powers conferred by the Law of Property Act 1925 or any other applicable law on mortgagees, mortgagees in possession and on receivers; and
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do.

In addition, a Receiver shall be entitled (either in his own name or in the name of the relevant Chargor or any trustee or nominee for the relevant Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit and either alone or jointly with any other person:

- (a) **Take possession:** to enter upon, take possession of, get in and collect the Charged Assets, to require directors of such Chargor to call up unpaid share capital and to take action to enforce payment of unpaid calls and to require payment to him or the Secured Parties of any Monetary Claims or credit balance on any Bank Account;
- (b) **Carry on business:** to manage or carry on any business of such Chargor;
- (c) **Contracts:** to enter into any contract or arrangement and to perform, repudiate, rescind or vary any contract or arrangement to which the Chargor is a party to the extent necessary to dispose of the Charged Assets and to perform its obligations;
- (d) **Deal with Charged Assets:** to sell, transfer, assign, exchange, hire out, lend or otherwise dispose of, convert into money or realise the Charged Assets either by public offer or auction, tender or private contract to any person on any terms and for a consideration of any nature he thinks fit;
- (e) **New Subsidiary:**
 - (i) to form or procure the formation of any new corporation, trust or partnership (a "**new vehicle**");
 - (ii) to subscribe for or acquire any Shares in such new vehicle;
 - (iii) to transfer or transfer any right in or grant any lease or licence in any Charged Assets to such new vehicle; and
 - (iv) to sell, transfer, assign, exchange or otherwise dispose of any such investments or any rights attaching thereto;
- (f) **Borrowings:** to borrow or raise money either unsecured or on the Security of the Charged Assets either in priority to the Charges or otherwise and on such terms as he thinks fit;

- (g) **Covenants and guarantees:** to lend money or advance credit to any customer of a Chargor, enter into bonds, covenants, commitments, guarantees, indemnities or like matters and to make all requisite payments to effect, maintain or satisfy the same;
- (h) **Rights of ownership:** to the extent permitted by law to manage and use the Charged Assets and to exercise and do (or permit the relevant Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets;
- (i) **Leases and tenancies:** to grant leases, tenancies or licences and rights of user in relation to any Charged Assets to any person on any terms and for any rent or fee, to agree to any change to such terms or rent and to accept any surrender of such lease, tenancy, licence or rights of user on any terms (including the payment of any surrender premium) and to make agreements and arrangements with and make allowances to any lessees, tenants or other persons from whom any rents and profits may be payable, in each case it shall think fit;
- (j) **Repairs:** to effect any repairs or improvements to or insurance on, or do any act which he may think desirable to protect or improve, any Charged Asset or any business of any Chargor or make it more productive, to carry out and/or complete any building operations and to apply for and maintain any planning permissions, building regulation approvals and other consents, in each case as he thinks fit;
- (k) **Proceedings and claims:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or the business of the relevant Chargor;
- (l) **Compromise of claims:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to the Charged Assets;
- (m) **Redemption of Security:** to redeem any Security (whether or not having priority to the charges) over the Charged Assets and to settle the accounts of encumbrancers;
- (n) **Employment:** to appoint and discharge officers, employees, agents and advisors and others for the purposes of this Debenture and to discharge any person appointed by the relevant Chargor;
- (o) **Receipts:** to give a valid receipt for any moneys and execute any document which is necessary or desirable for realising any Charged Assets; and
- (p) **Other powers:** to do all such other acts and things the Receiver may consider necessary or expedient for preserving, improving or realising the Charged Assets or the getting in and collection of the Charged Assets (or any assets which when got in would constitute Charged Assets) or which are incidental to the exercise of any of the rights, powers and discretions conferred on the Receiver under or by virtue of this Debenture or by law.

Each of the powers specified in each of the above paragraphs shall (except as otherwise provided) be distinct and shall not be in any way limited by reference to any other paragraph or the order in which they appear.

14.3 **Agent of Chargor**

Any Receiver shall be the agent of the relevant Chargor for all purposes unless and until the relevant Chargor goes into liquidation after which time the Receiver shall act as principal and shall not become agent of the Secured Parties. Subject to any applicable law, the Chargors alone shall be responsible for his contracts, engagements, acts, omissions, defaults and liabilities. No Secured Party shall incur any liability by reason of the appointment of a Receiver under this Debenture.

14.4 **Remuneration**

The Administrative Agent may from time to time determine the remuneration of any Receiver and the maximum rate specified in section 109(6) of the Law of Property Act 1925 will not apply. The Administrative Agent may direct payment of such remuneration out of moneys accruing to the Receiver but the Chargors alone shall be liable for the payment of such remuneration and for all other costs, charges and expenses of the Receiver.

15. **APPLICATION OF PROCEEDS**

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

16. **PROTECTION OF PURCHASERS**

16.1 **Consideration**

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

16.2 **Protection of purchasers**

No purchaser or other person dealing with the Administrative Agent or any Receiver shall be bound to inquire whether the right of the Administrative Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Administrative Agent or such Receiver in such dealings.

17. **POWER OF ATTORNEY**

17.1 **Appointment and powers**

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

- (a) carrying out any obligation imposed on any Chargor by this Debenture or any other agreement binding on such Chargor to which the Administrative Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting and/or releasing the Security created or

intended to be created in respect of the Charged Assets) which has not been met by that Chargor; and

- (b) enabling the Administrative Agent and any Receiver to exercise (subject to Clause 8.5 (*Waiver of voting rights by Administrative Agent*)), or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Event of Default which is continuing, the exercise of any right of a legal or beneficial owner of the Charged Assets).

17.2 Ratification

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

18. EFFECTIVENESS OF SECURITY

18.1 Continuing security

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

18.2 Cumulative rights

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

18.3 No prejudice

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

18.4 Remedies and waivers

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

18.5 No liability

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

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

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

18.6 **Partial invalidity**

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

18.7 **Waiver of defences**

The obligations assumed, and the Security created, by each Chargor under this Debenture, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 18.7, would reduce, release or prejudice any of its obligations under, or the Security created by, this Debenture (whether or not known to that Chargor or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Loan Party or other person;
- (b) the release of any other Loan Party or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Loan Party or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Loan Party or any other person;
- (e) any amendment, novation, supplement, extension, restatement (in each case, however fundamental and whether or not more onerous) or replacement of a Loan Document or any other document or Security or of the Secured Obligations including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Loan Document or other document or Security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Loan Document or any other document or Security or of the Secured Obligations; and
- (g) any insolvency or similar proceedings.

18.8 **Chargor intent**

Without prejudice to the generality of Clause 18.7 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created under this Debenture, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Loan Documents and/or any facility or amount made available under any of the Loan Documents for the purposes of or in

connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

18.9 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from that Chargor under this Debenture or enforcing the Security created by this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

18.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture:

- (a) to be indemnified by a Loan Party;
- (b) to claim any contribution from any guarantor of any Loan Party's obligations under the Loan Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Loan Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Loan Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Loan Party to make any payment, or perform any obligation, in respect of which any Loan Party has given a guarantee, undertaking or indemnity under any Loan Document;
- (e) to exercise any right of set-off against any Loan Party; and/or
- (f) to claim or prove as a creditor of any Loan Party in competition with any Secured Party.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Loan Parties under or in connection with the Loan Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Administrative Agent or as the Administrative Agent may direct for application in accordance with Clause 15 (*Application of Proceeds*).

18.11 Additional Security

The Security created by each Chargor under this Debenture and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantee or Security now or subsequently held by any Secured Party.

19. PRIOR SECURITY INTERESTS

19.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Assets or in case of exercise by the Administrative Agent or any Receiver of any power of sale or right of appropriation or application

under this Debenture, the Administrative Agent may redeem such prior Security or procure the transfer thereof to itself.

19.2 Accounts

The Administrative Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor.

19.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Administrative Agent on demand together with accrued interest thereon calculated in accordance with the Credit Agreement.

20. SUBSEQUENT SECURITY INTERESTS

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

21. SUSPENSE ACCOUNTS

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

22. RELEASE OF SECURITY

22.1 Release of Security

Upon the expiry of the Security Period or if otherwise required under any Loan Document, the Administrative Agent shall, at the request and cost of each Chargor, release and cancel the Security created by this Debenture and procure the reassignment to the relevant Chargor of the property and assets assigned to the Administrative Agent pursuant to this Debenture, in each case subject to Clause 22.2 (*Clawback*) and without recourse to, or any representation or warranty by, the Administrative Agent or any of its nominees.

22.2 Clawback

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

23. **SET-OFF**

23.1 After an Event of Default has occurred and for so long as it is continuing the Administrative Agent and each other Secured Party may (without notice to the relevant Chargor) set off or otherwise apply against the Secured Liabilities any credit balance to which any Chargor is entitled on any account with the Administrative Agent or such Secured Party and any other obligation (contingent or otherwise) owing by the Administrative Agent or such Secured Party regardless of the place of payment, booking branch or currency of either obligation or the terms of any deposit standing to the credit of such account.

23.2 **Currency conversion**

A Secured Party may exercise such rights notwithstanding that the obligations concerned may be expressed in different currencies and each Secured Party is authorised to convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

23.3 **Set-off rights cumulative**

This Clause 23 (*Set-off*) shall be in addition to and without prejudice to any rights of set-off or any other rights or remedies which a Secured Party may have.

24. **COMMUNICATIONS**

Any communications or document made or delivered under or in connection with this Debenture shall be made or delivered in accordance with section 9.01 (*Notices*) of the Credit Agreement.

25. **ASSIGNMENT**

25.1 **No assignments or transfers by Chargor**

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

25.2 **Assignments by the Administrative Agent**

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

25.3 **Successors**

This Debenture shall remain in effect despite any amalgamation or merger (however effected) relating to the Administrative Agent. References to the Administrative Agent shall include (i) any assignee or successor in title of the Administrative Agent, (ii) any entity into which the Administrative Agent is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Administrative Agent is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Administrative Agent under this Debenture or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Administrative Agent for all purposes under the Loan Documents).

26. **DISCRETION AND DELEGATION**

26.1 **Discretion**

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

26.2 **Delegation**

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

27. **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.

28. **GOVERNING LAW**

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

29. **JURISDICTION**

29.1 **English Courts**

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

29.2 **Convenient forum**

Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that no Chargor will argue to the contrary.

29.3 **Exclusive jurisdiction**

Notwithstanding Clause 29.1 (*English Courts*), the Administrative Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Administrative Agent may take concurrent proceedings in any number of jurisdictions.

THIS DEBENTURE has been signed by the Administrative Agent and executed as a deed by each Chargor and is delivered by them as a deed on the date stated at the beginning of this Debenture.

**SCHEDULE 1
THE CHARGORS**

Name and Company Number of Chargor	Jurisdiction	Address and name of relevant department or officer to receive notice
AMG Aluminum UK Limited, registration number 08269137	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Attention: Company Secretary
AMG Superalloys UK Limited, registration number 00345279	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Attention: Company Secretary
Metallurg Europe Limited, registration number 04057900	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Attention: Company Secretary
AMG Alpoco UK Limited, registration number 00961050	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Attention: Company Secretary

**SCHEDULE 2
SHARES**

Chargor	Name of Company	Issued Capital Share	Description and Number of Shares Held	Share Certificate Number(s)
Metallurg Europe Limited	AMG Superalloys UK Limited	£16,000,000	16,000,000	46
AMG Superalloys UK Limited	AMG Alpoco UK Limited	£436,037	436,037	26

SCHEDULE 3
MATERIAL INTELLECTUAL PROPERTY

None at the date of this Debenture

SCHEDULE 4
INSURANCE POLICIES

Company name	Policy number	Policy type	Policy amount	Lead Insurer	Contact details of relevant person at Insurer
AMG Superalloys UK Limited, AMG Aluminum UK Limited, Metallurg Europe Limited and AMG Alpoco UK Limited	[REDACTED]	U.S. Global Commercial Property Policy	\$250,000,000	American Home Assurance Company	1166 Avenue of the Americas New York, NY 10036 Contact: [REDACTED] Phone: [REDACTED] Email: [REDACTED]
AMG Superalloys UK Limited, AMG Aluminum UK Limited, Metallurg Europe Limited and AMG Alpoco UK Limited	[REDACTED]	Marine cargo insurance policy	Specified losses up to thresholds in policy documents	National Union Fire Ins. Co. of Pittsburgh PA	N/A

SCHEDULE 5
FORM OF NOTICE OF SECURITY TO ACCOUNT BANK

To: *[name of Account Bank]*
 [address]

Dated: [•]

Dear Sirs

[•] (the "**Chargor**")

Name of account	Account number and sort code

Debenture dated [•] made between, amongst others, the Chargor and [•] as Administrative Agent (the "**Debenture**").

1. We hereby give notice that, pursuant to the Debenture, the Chargor has charged (by way of first priority charge) in favour of the Administrative Agent all its rights, title and interest in and to, the accounts with you listed above (the "**Specified Accounts**") and any other bank account maintained with you (the "**Accounts**"), including all moneys which may at any time be standing to the credit of such accounts. A copy of the Debenture is enclosed.
2. The Chargor hereby irrevocably and unconditionally instructs and authorises you:
 - a. to disclose to the Administrative Agent any information relating to the Accounts which the Administrative Agent requests you to disclose;
 - b. following notice from the Administrative Agent that the Security created under the Debenture has become enforceable to pay or to release any moneys standing to the credit of the Accounts, in accordance with any instructions which you receive from the Administrative Agent;
 - c. following notice from the Administrative Agent that the Security created under the Debenture has become enforceable, not to permit any withdrawal of any moneys standing to the credit of the Accounts, without the prior written consent of the Administrative Agent and to hold all such moneys to the order of the Administrative Agent; and
 - d. to comply with the terms of any written notices or instructions relating to the Debenture and/or the Accounts and the debts represented by them which you receive from the Administrative Agent.
3. The Administrative Agent hereby confirms that the Chargor may operate the Specified Accounts in accordance with the terms of the mandates relating to such Specified Accounts until receipt of further notice as contemplated by paragraph 2 above.
4. The Administrative Agent may, by notice to you, amend or withdraw the consents given in paragraph 3 above.
5. The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Chargor and the Administrative Agent together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Chargor.

6. The instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of any Chargor.
7. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.
8. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Administrative Agent at [•] copied to us.

Yours faithfully

[*name of Chargor*]

[*name of Administrative Agent*]

By
Authorised Signatory

By
Authorised Signatory

Form of Acknowledgement of Notice of

Security by Account Bank

To: [name of Administrative Agent]

Copy: [Chargor]

Dear Sirs

Debenture dated [•] between [•] (the "Debenture")

We hereby acknowledge receipt of the notice (a copy of which is attached hereto (the "**Notice**")) dated [•] and addressed to us by you regarding the Accounts. Terms defined in the Notice shall have the same meanings when used in this letter. We hereby confirm that we:

- (a) accept the instructions and authorisations contained in the Notice and agree to comply with the terms thereof;
- (b) do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, Security, rights of combination, consolidation or set-off or rights against the Chargor in respect of the Accounts and/or the debts represented by them other than in respect of fees for operating the accounts;
- (c) have not received notice of any interest of any third party in any Account and/or the debts represented by them and to our knowledge there are no restrictions on the creation of Security over the Accounts pursuant to the Deed; and
- (d) have not designated any of the Specified Accounts a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008 and we agree that we will not so designate the Specified Accounts or take any steps to transfer the balance standing to the credit of the Specified Account to the reclaim fund without the Administrative Agent's prior written consent.

We agree that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Accounts and/or the debts represented by them, we will promptly notify you.

The only Accounts maintained with us are the Specified Accounts referred to in the Notice and [•].

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

Yours faithfully

.....
[name of bank]

SCHEDULE 6
FORM OF NOTICE OF ASSIGNMENT OF INSURANCE POLICY

To: [insert name and address of insurance company]

[•]

Dear Sirs,

Re: [identify the relevant Insurance Policy(ies)] (the "**Policies**")

1. We hereby notify you that [insert name of [relevant] Chargor] (the "**Company**") has charged in favour of [insert name of Administrative Agent] (the "**Administrative 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 Company to the Secured Parties.
2. We further notify you that:
 - 2.1 you may continue to deal with the Company in relation to the Policies until you receive written notice to the contrary from the Administrative Agent. Thereafter the Company will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Administrative Agent;
 - 2.2 you are authorised to disclose information in relation to the Policies to the Administrative Agent on request;
 - 2.3 following notice from the Administrative Agent that the Security has become enforceable, you must hold all sums from time to time due and payable by you to us under the Policies to the order of the Administrative Agent; and
 - 2.4 the provisions of this notice may only be revoked with the written consent of the Administrative Agent.
3. Please sign and return the enclosed copy of this notice to the Administrative Agent (with a copy to the Company) by way of confirmation that:
 - (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
 - (b) you have noted the Administrative Agent's interest [as joint insured] [as assignee/chargee] on the Policies;
 - (c) you will not cancel, avoid, release or otherwise allow the Policies to lapse without giving the Administrative Agent at least 30 days' written notice;
 - (d) you have not received notice that the Company 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
 - (e) the Administrative Agent shall not in any circumstances be liable for the premiums in relation to the Policies.

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

Yours faithfully

.....
for and on behalf of
[*insert name of Company*]

Form of Acknowledgement of

Assignment from Insurer

To: *[insert name and address of Security Agent]*

Copy to: *[insert name and address of Chargor]*

We hereby acknowledge receipt of the above notice and confirm the matters set out in paragraph 3 above.

.....
for and on behalf of
[insert name of insurance company]

Dated:

SIGNATORIES

EXECUTED by)
HSBC BANK USA, NATIONAL)
ASSOCIATION)
the Administrative Agent)
acting by: ) Nimish Pandey

Notice Details

Address: HSBC BANK USA, NA, (CORPORATE TRUST & LOAN AGENCY)
452 FIFTH AVENUE (8E7) NEW YORK, NY 10018
Attention: ANITA RAO

EXECUTED AS A DEED by)
AMG ALUMINUM UK LIMITED
by its attorney in the presence of a witness:

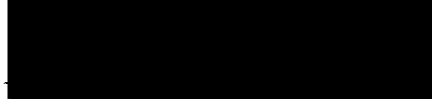
Signature



Name (block capitals)

MICHAEL PARATORE
as attorney for AMG
ALUMINUM UK
LIMITED

Witness signature



Witness name
(block capitals)

MICHAEL CONNOR

Witness address



Notice Details

Address: Fullerton Road, Rotherham, S60 1DL

Attention: Leonora Scaife

EXECUTED AS A DEED by)
AMG SUPERALLOYS UK LIMITED
by its attorney in the presence of a witness:

Signature



Name (block capitals)

MICHAEL PARATORE
as attorney for AMG
SUPERALLOYS UK
LIMITED

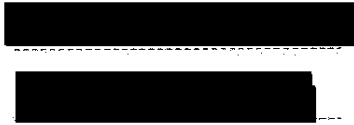
Witness signature



Witness name
(block capitals)

MICHAEL CONNOR

Witness address



Notice Details

Address: Fullerton Road, Rotherham, S60 1DL

Attention: Leonora Scaife

EXECUTED AS A DEED by)
METALLURG EUROPE LIMITED
by its attorney in the presence of a witness:

Signature



Name (block capitals)

MICHAEL PARATORE
as attorney for
METALLURG
EUROPE LIMITED

Witness signature



Witness name
(block capitals)

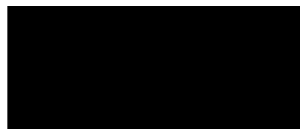
MICHAEL CONNOR

Witness address



EXECUTED AS A DEED by)
AMG ALPOCO UK LIMITED
by its attorney in the presence of a witness:

Signature



Name (block capitals) MICHAEL PARATORE
as attorney for AMG
ALPOCO UK
LIMITED

Witness signature



Witness name
(block capitals)

MICHAEL CONNOR

Witness address



Notice Details

Address: Fullerton Road, Rotherham, S60 1DL

Attention: Leonora Scaife