

MR01

Particulars of a charge

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Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online.
Please go to www.companieshouse.gov.uk

✓ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

✗ **What this form is NOT for**
You may not use this form to
register a charge where the charge
instrument Use form M



This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If the form is delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 0 5 1 2 3 9 7
Company name in full ✓ JEFFERIES BACHE LIMITED
(the "Chargor")

For official use
16
→ **Filing in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date ✓ d 2 d 6 m 0 m 6 y 2 y 0 y 1 y 4

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name ✓ JPMORGAN CHASE BANK, N A
(the "UK Security Trustee")

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

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Particulars of a charge

4	Brief description	<p>Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument</p>	<p>Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"</p> <p>Please limit the description to the available space</p>
	Brief description	<p>The debenture contains fixed charges over all of the Chargor's rights in any machinery, vehicles, equipment and all of the Chargor's goodwill and rights in its intellectual property. While not specified, these fixed charges would include aircraft, ships and intellectual property in which the Chargor has rights</p>	
5	Other charge or fixed security	<p>Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
6	Floating charge	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input type="checkbox"/> Yes</p>	
7	Negative Pledge	<p>Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
8	Trustee statement ¹	<p>You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge</p> <p><input type="checkbox"/></p>	<p>¹ This statement may be filed after the registration of the charge (use form MR06)</p>
9	Signature	<p>Please sign the form here</p> <p>Signature</p> <p>X <i>Moore Brown International LLP</i> X</p> <p>This form must be signed by a person with an interest in the charge</p>	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Sophie Musson

Company name Mayer Brown International LLP

Address 201 Bishopsgate

Post town

County/Region London

Postcode E C 2 M 3 A F

Country United Kingdom

DX DX 556 London and City

Telephone +44 (0)20 3130 3000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following.

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 512397

Charge code: 0051 2397 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th June 2014 and created by JEFFERIES BACHE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th July 2014

Dx

Given at Companies House, Cardiff on 18th July 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 26 June 2014

- (1) JEFFERIES BACHE LIMITED as Chargor
- (2) JPMORGAN CHASE BANK, N.A. as UK Security Trustee

DEBENTURE

I certify that save for material redacted pursuant to s 859G of the Companies Act 2006 this copy instrument is a correct copy of the original instrument

Signed *Mayer Brown International*
Mayer Brown International LLP

Date 11 July 2014

MAYER • BROWN

LONDON

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THIS DEBENTURE is dated 26 June 2014 and made between

- (1) **JEFFERIES BACHE LIMITED**, a company incorporated in England and Wales (registered number 512397) whose registered office is at Vintners Place, 68 Upper Thames Street, London, EC4V 3BJ (the "**Chargor**"), and
- (2) **JPMORGAN CHASE BANK, N A.**, as trustee for the Secured Parties (the "**UK Security Trustee**")

BACKGROUND:

- (A) By a revolving credit agreement dated on or around the date of this Debenture and made between amongst others (1) the Chargor as borrower and (2) JPMorgan Chase Bank, N A in various capacities including as UK Security Trustee (the "**Credit Agreement**"), the Lenders have agreed to provide certain revolving facilities to the Borrowers on the terms of the Credit Agreement
- (B) The provision of this Debenture is a condition precedent to the obligations of the Lenders under the Credit Agreement This is the "**UK Security Agreement**" as defined in the Credit Agreement
- (C) The UK Security Trustee holds the benefit of this Debenture, including the security created and other rights granted in it to the UK Security Trustee or any Secured Party, on trust for the Secured Parties on the terms set out in the Credit Agreement and Clause 24 (*Security Trustee provisions*)
- (D) This document is the deed of the Chargor, even if it has been executed by the UK Security Trustee but not as a deed

THIS DEED WITNESSES that:

**SECTION 1
INTERPRETATION**

1 DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Credit Agreement

Terms defined in the Credit Agreement but not in this Debenture shall have the same meanings in this Debenture as in the Credit Agreement

1.2 Definitions

In addition, in this Debenture

"**Account Control Agreement**" means any agreement or other documentation entered into between the UK Security Trustee, the Chargor and the relevant account holding bank (at such bank's or the Chargor's request), necessary or desirable to perfect the Security Interests of the UK Security Trustee and effect control over bank accounts of the Chargor (whether Collections Accounts, Payment Accounts or otherwise) in accordance with the provisions of this Debenture

"Administrator" means any administrator appointed under Schedule B1 to the Insolvency Act 1986 to manage the affairs, business and assets of the Chargor

"Assigned Documents" means the Brokerage Contracts, the Exchange and Trading Platform Contracts and all Hedging Agreements

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration

"Borrowing Base and Margin Call Receivable Collateral" means (i) any Secured Assets of the Chargor which are included from time to time in the calculation of the JBL Borrowing Base, and (ii) any Receivables owing from time to time to the Chargor by its customers in respect of obligations to post margin which are the basis for JBL Other Loans as contemplated by the definition of JBL Permitted Purposes. For the avoidance of doubt, any Secured Assets of the Chargor that would otherwise be included in the calculation of the JBL Borrowing Base but for concentration limitations or other similar considerations shall nonetheless be included within the meaning of the term "Borrowing Base and Margin Call Receivable Collateral"

"Brokerage Contracts" means all agreements with any party for which or on behalf of which the Chargor provides broking, prime broking, clearing, dealing or execution services, regardless of trading venue, but excluding, for the avoidance of doubt, the Professional Client Agreements

"Collateral Report" means any certificate (including any JBL Borrowing Base Certificate), report or other document delivered by the Chargor to the Administrative Agent with respect to the Collateral

"Collections Accounts" means any and all separate and denominated accounts as may be maintained by the Chargor with a bank in accordance with the provisions of Clause 9.2 (*Designated Bank Accounts*) being those accounts the account details of which are set out in Schedule 1, Part 1 (*Collections and Payment Accounts*), or any account designated from time to time by the UK Security Trustee and the Chargor to which Receivables of the Chargor are to be paid or credited following the occurrence of a Trigger Event and whilst the same is continuing

"Credit Documents" has the meaning given to it in the Credit Agreement

"Default" means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default

"Discharge Date" has the meaning given to it in Clause 20.1 (*Continuing security*)

"Enforcement Event" means any of the following

- (a) the occurrence of an Event of Default,
- (b) the UK Security Trustee or any Finance Party receiving a notice of intention to appoint an Administrator in respect of the Chargor pursuant to the Insolvency Act 1986, or

- (c) an application being made pursuant to the Insolvency Act 1986 for an administration order to be made in respect of the Chargor or the taking of any steps in relation to the appointment of an Administrator of the Chargor

"Equipment" means in relation to the Chargor, all of its now owned and hereafter acquired machinery, equipment, furniture, furnishings, fixtures and other tangible personal property of any kind, as well as all of its rights and interest with respect to such types of property leased by it (other than real property) under such leases together with all present and future additions and accessions thereto and replacements therefore, component and auxiliary parts and supplies used or to be used in connection therewith and all substitutes for any of the foregoing, and all manuals, drawings, instructions, warranties and rights with respect thereto, wherever any of the foregoing is located (except in each case Inventory)

"Exchange and Trading Platform Contracts" means all agreements executed on any multilateral system which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments or commodities in respect of the financial instruments or commodities admitted to trading under its rules and/or systems, whether or not regulated in any jurisdiction

"Effective Date" has the meaning given to it in the Credit Agreement

"Excluded Assets" means:

- (a) all rights in and to the Non-Charged Accounts and all rights in and to shares, stocks, debentures, bonds and other securities or investments held in a Non-Charged Account,
- (b) all rights and obligations under the Master Netting Agreements,
- (c) all rights in and to transactions entered into pursuant to an ISDA Master Agreement save to the extent security is permitted to be taken under Section 7 of the ISDA Master Agreement, where the Chargor is the non-defaulting party,
- (d) any Equity Interest in a Subsidiary or Affiliate not required to be pledged pursuant to Section 5.13(a) of the Credit Agreement, and
- (e) all rights in and to any contract document, instrument or agreement to which the Chargor is a party (a **"Relevant Document"**) and for so long as the grant of a Security Interest therein or an assignment thereof in accordance with this Debenture shall (1) constitute or result in a breach of the terms and conditions, or termination, of (or result in a party having the right to terminate) such Relevant Document or constitute a default thereunder or (2) violate any applicable law or regulation (in each case to the extent of any such restriction), provided that, if a Relevant Document constitutes an Excluded Asset for the purposes of Clause 3.2 (*Assignments*) but the grant of a charge as contemplated under Clause 3.1 (*Fixed charges*) or, as applicable, Clause 3.3 (*Floating charge*) shall neither constitute or result in a breach of the terms and conditions, or termination, of (or result in a party having the right to terminate) such Relevant Document or default thereunder nor violate any applicable law

or regulation, such Relevant Document shall not constitute an Excluded Asset for the purposes of Clause 3.1 (*Fixed charges*) or Clause 3.3 (*Floating charge*) (as the case may be) and the term "Excluded Assets" shall be construed accordingly

"Finance Parties" means the Administrative Agent, UK Security Trustee and the Lenders

"Hedging Agreements" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions, provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Chargor shall be a Hedging Agreement

"Indemnitee" has the meaning given to that term in Clause 27.1 (*General indemnity*).

"Insolvency" of a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction

"Instrument" means any document (which term includes any form of writing) under which any obligation is evidenced or undertaken or any Security Interest (or right in any Security Interest) is granted or perfected or purported to be granted or perfected

"Insurance" means any policy or contract of insurance and including, for the avoidance of doubt, any renewal of or replacement for any policy or contract of insurance and in relation to the Chargor **"its Insurances"** means all Insurances in which it has any rights (including as loss payee or additional insured)

"Insurance Proceeds" means any monies which may from time to time be payable to or received by the Chargor (whether as an insured party, beneficiary or as loss payee) under any Insurance and the proceeds of all claims made by the Chargor under any Insurance

"Intellectual Property" means all intellectual property, including patents, utility models, trade and service marks, trade names, domain names, right in designs, copyrights, moral rights, topography rights, rights in databases, trade secrets and know-how, in all cases whether or not registered or registrable and including registrations and applications for registration of any of these and rights to apply for the same and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these (except for "intent to use" applications for trade mark or service mark registrations filed pursuant to section 1(b) of the United States Lanham Act, unless and until an Amendment to Allege Use or a Statement of Use under sections 1(c) and 1(d) of the said Act has been filed) anywhere in the world

and in relation to the Chargor, "its **Intellectual Property**" means all Intellectual Property in which it has any rights

"**Inventory**" means all of the Chargor's now owned or hereafter acquired commodities inventory (including metals (silver, copper, and tin) and grain), goods and merchandise, wherever located, all raw materials, work-in-progress, finished goods and materials and supplies of any kind, nature or description which are or might be used or consumed in its business or used in connection with the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise and other personal property and all documents of title or other documents representing them

"**Intermediary**" has the meaning give to it in Clause 11 1(a) of this Debenture

"**Investment**" means any share, stock, debenture, bond or other security or investment (in each case together with any associated dividends, interests and other assets) and in relation to the Chargor, "its **Investments**" means all Investments (including where applicable, those listed in Schedule 2 (*Specified Investments*)) in which it has any rights

"**JBL Borrowing Base**" has the meaning given to it in the Credit Agreement

"**JBL Other Loans**" has the meaning given to it in the Credit Agreement

"**JBL Permitted Purposes**" has the meaning given to it in the Credit Agreement

"**Lenders**" has the meaning given to it in the Credit Agreement

"**Losses**" means any and all liabilities, damages, penalties, suits, costs and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefore whether or not the UK Security Trustee or any Lender is a party thereto) imposed on incurred by or asserted against an Indemnitee, in any way relating to or arising out of this Debenture, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Secured Asset (including, without limitation, latent and other defects, whether or not discoverable by the UK Security Trustee or the Lenders, or the Chargor and any claim for Intellectual Property infringement)

"**Master Netting Agreement**" means each Futures and Options Association form master netting agreement and the schedules thereto entered into between the Chargor and a customer from time to time

"**Non-Charged Account**" means

- (a) any account at a bank, or a money market deposit account, in the name of the Chargor which holds the money or other assets of one or more of its clients, which the Chargor treats as client money or assets in accordance with the FSA's Client Money Rules in Client Assets sourcebook (CASS), and which is typically identified separately from any accounts used to hold money or other assets belonging to the firm,

- (b) accounts held with BNP Paribas Securities Services with account numbers [REDACTED]
- (c) accounts held with Clearstream Banking AG or Clearstream International S A with account numbers [REDACTED],
- (d) an account held with Den Norske Bank with account number [REDACTED]
- (e) an account held with the UK Emissions Trading Registry with account number [REDACTED] and
- (f) an account held with Deutsche Bundesbank with account number [REDACTED]

"Notice and Acknowledgement" means individually and collectively, each Notice of Assignment and Notice of Charge, together with their respective acknowledgements

"Notice of Assignment" means a notice of assignment substantially in the form set out in Schedule 3 (*Notice of Assignment of Assigned Document*) or Schedule 4 (*Notice of Assignment of Insurance*), as appropriate, or in such other form as may be approved by the UK Security Trustee.

"Notice of Charge of Collections Account" means a notice of charge substantially in the form set out in Schedule 5 (*Notice of Charge of Collections Account*) or in such other form as may be approved by the UK Security Trustee

"Notice of Charge of Payment Account" means a notice of charge substantially in the form set out in Schedule 6 (*Notice of Charge of Payment Account*) or in such other form as may be approved by the UK Security Trustee

"Notice of Charge" means a Notice of Charge of Collections Account or a Notice of Charge of Payment Account (or, if accepted by the UK Security Trustee in place of a Notice of Charge of Collections Account or a Notice of Charge of Payment Account, an Account Control Agreement)

"Party" means a party to this Debenture

"Payment Accounts" means the accounts used by the Chargor to operate its business (including the receipt of the proceeds of Receivables prior to a Trigger Event which is continuing) and details of which are set out in Schedule 1, Part 2 (*Collections and Payment Accounts*) or any other account opened and maintained by the Chargor after the date of this Debenture and which has been designated as such by the Chargor (but excluding any Collections Account, Non-Charged Account or Payroll Account)

"Payroll Account" means any account used solely for payroll payroll taxes or other employee wage and benefit payments

"Permitted Encumbrance" means Liens permitted by Section 6 02 of the Credit Agreement and shall include Liens pursuant to the US Security Agreement

"Professional Client Agreement" means each professional client agreement entered into between the Chargor and a customer from time to time in the Chargor's standard form as in use on the Effective Date or substantially in such form, provided that no variations thereto shall materially adversely affect the ability to collect or enforce a customer's "Outstandings" under and as defined in any Professional Client Agreement thereunder

"Receivables" means all book debts, both present and future, due or owing to the Chargor and all other monetary debts and claims, choses in action and other rights and benefits both present and future (including, in each such case, the proceeds thereof and all damages and dividends in relation thereto) due or owing to the Chargor and the benefit of all related rights and remedies (including under negotiable or non-negotiable instruments, guarantees, indemnities, legal and equitable charges, reservation of proprietary rights, rights of tracing and liens) including, without limitation, (i) "Outstandings" under and as defined in any Professional Client Agreement (subject to any set-off under Clause 5 (*Set-off*) of the relevant Master Netting Agreement (or any equivalent clause in a Master Netting Agreement)), including interest calculated pursuant to Clause 4.7 of such Master Netting Agreement (or any equivalent clause in a Master Netting Agreement)), (ii) amounts representing the credit line extended to customers of the Chargor to cover initial margin or variation margin requirements pursuant to the terms of any Professional Client Agreement, (iii) any other amount representing unpaid margin calls and (iv) amounts returned from any exchange or clearing house representing amounts equal to initial margin or variation margin posted to such exchange or clearing house by the Chargor, whether for its own account or on behalf of one of its customers

"Receivables Debtor" means any person who is obligated in relation to a Receivable

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Debenture by the UK Security Trustee over all or any of the Secured Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time

"Secured Assets" means the Assigned Documents, the Investments and the other assets from time to time the subject of this Security, **"Secured Asset"** means any of them and any reference to one or more of the Secured Assets includes all or any part of it or each of them

"Secured Obligations" means the Obligations (as such term is defined in the Credit Agreement) from time to time incurred by the Chargor to any Secured Party under the Credit Documents

- (a) in whatever currency,
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise, and
- (c) including monies and liabilities purchased by or transferred to the relevant Secured Party,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Debenture to be unlawful or prohibited by any applicable law or regulation

"Secured Parties" means any person to which the Chargor may from time to time owe any monies or incur any obligations or other liabilities under the Credit Documents including the Administrative Agent, the UK Security Trustee, the Lenders or their respective Affiliates, any indemnified parties under the Credit Documents and any Receiver or delegate of a Receiver

"Security Documents" has the meaning given to that term in the Credit Agreement and includes this Debenture

"Security Interest" 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

"Trigger Event" has the meaning given to that term in the Credit Agreement

"US Security Agreement" means the pledge and security agreement dated on or about the date of this Debenture between the Administrative Agent and the Chargor

"Warrants" means all warrants or other documents of title relating to Inventory held in depositaries, warehouses or other storage locations wheresoever located

1.3 Construction

- (a) Section 1.03 (*Terms Generally*) of the Credit Agreement shall apply as if set out in full again here, with references to "this Agreement" being construed as references to this Debenture and with such other changes as are appropriate to fit this context
- (b) In addition, in this Debenture, any reference to
 - (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description (and any reference to a particular type or category of assets includes any present or future assets of that type or category),
 - (ii) **this Debenture** includes the Recitals and Schedules which form part of this Debenture for all purposes,
 - (iii) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly),
 - (iv) any **Credit Document**, other **Instrument** or other **document** is to that Credit Document, other Instrument or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional and/or replacement facilities or an increase in any other amount or rate),

- (v) the masculine, feminine or neuter **gender** respectively includes the other genders and the **singular** includes the plural (and vice versa),
- (vi) a "**guarantee**" means
 - (A) any guarantee, letter of credit, bond, indemnity, third party security or other legally binding assurance against loss, or
 - (B) any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person, to make an investment in or loan to any person or to purchase assets from any person where, in each case, that obligation is assumed in order to maintain or assist the ability of that person to meet its indebtedness,
- (vii) "**including**" means "including without limitation" (with related words being construed accordingly), "**in particular**" means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things,
- (viii) "**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,
- (ix) a "**person**" includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them and any reference to a **Party** or other **particular person** includes its successors in title, permitted assignees and permitted transferees in accordance with their respective interests,
- (x) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time,
- (xi) a "**Recital**" is to a statement made under the heading "Background" above, any reference to a "**Clause**" or to a "**Schedule**" is to a clause of or a schedule to this Debenture (as the case may be),
- (xii) "**regulation**" includes any regulation, rule, official directive, notice, request, code of practice, guideline, demand or decision (in each case whether or not having the force of law but if not having the force of law, being of a type with which persons to whom it is directed are expected and accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
- (xiii) a "**right**" includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future (and any reference to rights in a particular asset or type or category of

assets includes any rights in the proceeds of any disposal of that asset or any assets within that type or category),

(xiv) "**tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same),

(xv) "**this Security**" means the Security Interests constituted by or pursuant to this Debenture, and

(xvi) to the extent that this Debenture uses a defined term with respect to any category of Secured Assets that includes any Excluded Assets, such term shall be interpreted for all purposes of this Debenture to be with reference solely to Secured Assets in that category which is not an Excluded Asset

(c) The index and Clause and Schedule headings are for ease of reference only

(d) If there is any inconsistency between the terms of this Debenture and those of the Credit Agreement, the terms of the Credit Agreement shall prevail

1.4 Third party rights

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

SECTION 2
COVENANT TO PAY, GRANTING AND PERFECTION OF SECURITY

2 PAYMENT OF THE SECURED OBLIGATIONS

2.1 Covenant to pay

The Chargor covenants with the UK Security Trustee that it shall on demand pay and discharge, or procure the payment or discharge of, each of the Secured Obligations when due and in the manner provided in the relevant Credit Document for their payment or discharge by the Chargor

2.2 Interest

If the Chargor fails to pay or procure the payment of any amount payable by it under Clause 2.1 on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment), at the rate and on the terms from time to time applicable under the relevant Credit Document (or, in the absence of an applicable rate and applicable terms, to be calculated and paid at the rate referred to in Section 2.13(c) (*Interest*) of the Credit Agreement) (save to the extent that interest at such rate on such amount for such period is charged pursuant to any Credit Document and itself constitutes a Secured Obligation) and shall be payable on demand

2.3 Further advances

This Debenture is made to secure any further advances or other facilities made available by any of the Finance Parties under the Credit Documents, but it does not create any obligation on any Finance Party to make any further advances or other facilities available

3 SECURITY

3.1 Fixed charges

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee (subject to any Permitted Encumbrance) charges to the UK Security Trustee by way of first fixed charge

- (a) **Equipment** all of its rights in any plant, machinery, vehicles, Equipment and other chattels (but excluding its stock in trade or work in progress),
- (b) **Goodwill** all of its goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital,
- (c) **Inventory:** all of its right in any Inventory,
- (d) **Receivables:** all of its rights in respect of the Receivables,
- (e) **Collections Accounts** all of its rights in any credit balance of any Collections Account and the indebtedness represented by it,

- (f) **Payment Accounts:** all of its rights in any credit balances on any Payment Account and the indebtedness represented by it,
- (g) **Other bank accounts:** all of its rights in any credit balances on any other bank accounts (other than any Payroll Accounts) and the indebtedness represented by them,
- (h) **Investments** all of its rights in any Investments and all rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments,
- (i) **Intellectual property rights:** all of its rights in its Intellectual Property,
- (j) **Licences:** to the extent not prohibited under the terms applicable thereto, all licences, consents and other Authorisations held in connection with its business or the use of any Secured Assets and all of its rights in connection with them, and
- (k) **Other documents:** all of its rights in any agreements, reports, books, records and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3.2, including rights under standby (or other) letters of credit,

provided that no fixed charge shall be granted (or required to be granted subject to Clause 5.3 (*Further assurance*) and Clause 5.4 (*Non-Assignable Rights*)) over the Excluded Assets

3.2 Assignments

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee (subject to any Permitted Encumbrance) assigns absolutely to the UK Security Trustee

- (a) **Insurance** all of its rights in its Insurances and in any Insurance Proceeds, and
- (b) **Assigned Documents:** all of its rights under the Assigned Documents,

provided that the Chargor shall not (and subject to Clause 5.3 (*Further assurance*) and Clause 5.4 (*Non-Assignable Rights*) shall not be required to) assign any Excluded Assets

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each of the Assigned Documents to the same extent as if this Security had not been created and neither the UK Security Trustee, any other Finance Party nor any Receiver will be under any obligation or liability to the Chargor or to any other person under or in respect of any Assigned Document

3.3 Floating charge

As security for the payment and discharge of the Secured Obligations, the Chargor with full title guarantee (subject to any Permitted Encumbrance) charges to the UK

Security Trustee by way of first floating charge the whole of its undertaking and other assets (other than assets validly and effectively charged or assigned (whether at law or in equity) from time to time pursuant to Clauses 3 1 (*Fixed charges*) by way of fixed security and 3 2 (*Assignments*) by way of assignment, provided that a floating charge shall not be granted over any Excluded Assets Schedule B1, Paragraph 14 Insolvency Act 1986 shall apply to the floating charge contained in this Debenture

4 CRYSTALLISATION OF FLOATING CHARGE

4 1 Crystallisation by notice

The UK Security Trustee may at any time by notice in writing to the Chargor convert the floating charge created by the Chargor in Clause 3 3 (*Floating charge*) into a fixed charge with immediate effect as regards any Secured Asset specified in the notice if

- (a) an Enforcement Event has occurred, or
- (b) the UK Security Trustee considers that any Secured Asset may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy

4 2 Automatic crystallisation

The floating charge created by the Chargor in Clause 3 3 (*Floating charge*) shall automatically (without notice to the Chargor) be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if

- (a) the Chargor creates a Security Interest (other than a Permitted Encumbrance) over any Secured Asset or attempts to do so or any Secured Asset is disposed of contrary to Clause 7 2 (*No disposals*) or is otherwise in jeopardy,
- (b) any person levies or attempts to levy any distress, execution, sequestration or other process against any Secured Asset, or
- (c) a resolution is passed or an order is made for the winding up, dissolution or administration of the Chargor, or
- (d) an Administrator is appointed or any step intended to result in such appointment is taken

Nothing in this Clause 4 shall affect the crystallisation of the floating charge created by the Chargor under applicable law and regulation

5 PERFECTION OF SECURITY AND FURTHER ASSURANCE

5 1 Notice of Assignment

Following the occurrence of a Trigger Event (and whilst the same is continuing) the Chargor shall

- (a) promptly upon a request from the UK Security Trustee deliver (with a copy to the UK Security Trustee) a Notice of Assignment, duly completed, to

- (i) any party to an Assigned Document specified by the UK Security Trustee, and
 - (ii) any insurer liable on any of its Insurances specified by the UK Security Trustee,
- (b) use reasonable endeavours to procure that each addressee of a Notice of Assignment acknowledges that Notice of Assignment in the form attached to that Notice of Assignment (or in such other form as the UK Security Trustee may approve), and
- (c) promptly upon a request from the UK Security Trustee (and without prejudice to the generality of Clause 4 (*Crystallisation of floating charge*)), take such steps as are necessary to perfect the assignment of the Assigned Documents assigned pursuant to Clause 3.2 (*Assignments*) in any applicable jurisdiction (including, without limitation, the jurisdiction of the law governing the Assigned Document and the law of the jurisdiction of each debtor under such Assigned Document)

5.2 Notice of Charge

- (a) The Chargor shall
 - (i) immediately on the date of this Debenture or, after the date of this Debenture, immediately upon the creation of a new Collections Account or Payment Account (other than any Payment Account used exclusively for currencies other than Dollars, Sterling or Euros with a maximum balance of no more than \$500,000 Dollar Equivalent individually or \$1,000,000 Dollar Equivalent in the aggregate at any one time) deliver (with a copy to the UK Security Trustee) a Notice of Charge of Collections Account or a Notice of Charge of Payment Account as applicable, duly completed, to any bank specified by the UK Security Trustee, being a bank with which any of the Collections Accounts or Payment Accounts or its other bank accounts (excluding any Payroll Accounts and Non-Charged Accounts) are opened or maintained, and
 - (ii) procure (in the case of any Notice of Charge of Collections Account) or use reasonable endeavours to procure (in the case of any Notice of Charge of Payment Account) that each addressee of a Notice of Charge acknowledges that Notice of Charge in the form attached to that Notice of Charge (or in such other form as the UK Security Trustee may approve)
- (b) As an alternative to paragraph (a) above, the UK Security Trustee may at the request of the Chargor or the applicable account bank enter into Account Control Agreements with the banks at which the relevant bank accounts are opened or maintained, such Account Control Agreements to be in form and substance satisfactory to the UK Security Trustee (and, for the avoidance of doubt, if such Account Control Agreement or a Deposit Account Control Agreement (as defined in the US Security Agreement) is entered into with

respect to the relevant account, the Chargor shall not be obliged to comply with paragraph (a) above in respect of the relevant account)

- (c) Following the occurrence of a Trigger Event (and whilst the same is occurring), promptly upon a request from the UK Security Trustee deliver (with a copy to the UK Security Trustee) a notice of charge (in form and substance satisfactory to the UK Security Trustee), duly completed to any Receivables Debtor
- (d) Following the occurrence of a Trigger Event (and whilst the same is occurring), promptly upon a request from the UK Security Trustee, deliver (with a copy to the UK Security Trustee) a notice of charge (in form and substance satisfactory to the UK Security Trustee), duly completed to any depositary owner, warehouse owner or other person who owns or controls a location at which any of the Chargor's Inventory is stored or located

5.3 Further assurance

The Chargor shall at the request of the UK Security Trustee and at its own expense promptly execute (in such form as the UK Security Trustee may reasonably require) any Instruments or other documents and otherwise do any acts and things which the UK Security Trustee may require to improve, preserve, perfect or protect the security created (or intended to be created) by this Debenture or the priority of it (acting reasonably prior to the occurrence of an Enforcement Event) or, following the occurrence of an Enforcement Event and whilst the same is continuing to facilitate the realisation or enforcement of it or to exercise any of the rights of the UK Security Trustee any other Finance Party or any Receiver in relation to the same, provided that nothing in this Clause 5.3 (*Further Assurance*) shall entitle the UK Security Trustee to require the Chargor to grant any Security Interest over an Excluded Asset (unless any such Excluded Asset is no longer subject to the initial circumstances that prevented it from being subject to this Security or any other such similar prohibitions or circumstances) or to do any acts or things which, according to the terms of this Debenture, the Chargor is required to take following the occurrence of a specified event or circumstance prior to such event or circumstance occurring

5.4 Non-Assignable Rights

Except in the case of Excluded Assets (unless as a result of change in circumstances the Chargor may assign or charge (as applicable) its rights in and to such asset as contemplated by the relevant provisions of Clause 3 (*Security*)), the Chargor undertakes that to the extent that any right, title, interest or benefit in or in respect of any asset described in Clause 3.1 (*Fixed charges*) or Clause 3.2 (*Assignments*) cannot be or is neither assigned as contemplated by Clause 3.2 (*Assignments*), nor charged pursuant to Clause 3.1 (*Fixed charges*) for whatever reason it shall hold the benefit of the same on trust for the UK Security Trustee as security for the payment, discharge and performance, when due, of the Secured Obligations, and with respect to any such asset that can neither be effectively assigned pursuant to Clause 3.2 (*Assignments*) nor effectively charged pursuant to Clause 3.1 (*Fixed charges*) it will

- (a) promptly notify the UK Security Trustee of the same and the reasons therefor, and

- (b) take such commercially reasonable steps as the UK Security Trustee may reasonably require (utilising its Permitted Discretion) to remove such impediment to a charge or an assignment subject to any restrictions under any applicable laws and regulations

SECTION 3
ASSET REPRESENTATIONS, COVENANTS AND WARRANTIES

6 REPRESENTATIONS

The Chargor represents and warrants to the UK Security Trustee, the Administrative Agent and the Lenders on the date of this Debenture and on the occasion of each Borrowing under the Credit Agreement that

- (a) save for Permitted Encumbrances (and until such time as the assets are disposed of in accordance with Clause 7.2 (*No Disposals*)), it is the sole legal and beneficial owner of the assets over which it purports to grant security,
- (b) it has good and valid rights in or the power to transfer the Secured Assets and title to the Secured Assets with respect to which it has purported to grant a Security Interest under this Debenture, free and clear of all Security Interests except for Permitted Encumbrances, and has full power and authority to grant to the UK Security Trustee this Security,
- (c) under the law of its jurisdiction of incorporation, it is not necessary that this Debenture be filed, recorded or enrolled with any court or other authority except for the filing of particulars at Companies House in England and Wales under Sections 859A to 859Q (inclusive) of the Companies Act 2006 and the registration of particulars of this Debenture at the Trade Marks Registry at the Patent Office in England and Wales in respect of any registered Intellectual Property,
- (d) the names of the obligors, amounts owing, due dates and other information with respect to its Receivables are and will be correctly stated, in all material respects, in all records of the Chargor relating thereto and in all account statements and Collateral Reports with respect thereto furnished to the UK Security Trustee or the Administrative Agent by the Chargor from time to time. As of the time when each Receivable arises, the Chargor shall be deemed to have represented and warranted that such Receivable, and all records relating thereto, are genuine,
- (e) except as specifically disclosed on the most recent Collateral Report
 - (i) all of its Receivables constituting Borrowing Base and Margin Call Receivable Collateral represent bona fide transactions entered into in the ordinary course of the Chargor's business,
 - (ii) there are no set-offs, claims or disputes existing or asserted with respect thereto, and the Chargor has not, other than in the ordinary course of the Chargor's business, made any agreement with any Receivables Debtor for any extension of time for the payment thereof, any compromise or settlement for less than the full amount thereof, any release of any Receivables Debtor from liability therefor, or any deduction therefrom, and

- (iii) to the Chargor's knowledge, there are no facts, events or occurrences which in any way impair the validity or enforceability thereof or could reasonably be expected to reduce the amount payable thereunder as shown on the Chargor's books and records and any account statements and Collateral Reports with respect thereto
- (f) except as specifically disclosed on the most recent Collateral Report
 - (i) the amounts shown on all account statements and Collateral Reports with respect to its Receivables are actually and absolutely owing to the Chargor as indicated thereon and are not in any way contingent,
 - (ii) no payments have been or shall be made on Receivables constituting Borrowing Base and Margin Call Receivable Collateral except payments which shall be transferred into a Collections Account, a Payment Account or any bank account over which a Security Interest is created pursuant to the US Security Agreement (as applicable), and
 - (iii) to the Chargor's knowledge, all Receivables Debtors have the capacity to contract
- (g) with respect to all of its Inventory included in the Borrowing Base and Margin Call Receivable Collateral
 - (i) it is located at one of the Chargor's locations set out on Schedule 7 (*Location of Inventory*) or at locations permitted after the date hereof pursuant to Clause 14.3 (*Location*), other than Inventory in transit,
 - (ii) the Chargor has good and merchantable title to all of such Inventory, and such Inventory is not subject to any Security Interest or document whatsoever except for Permitted Encumbrances,
 - (iii) it is of good and merchantable quality free from any defects not reflected in the value thereof as shown on the most recent JBL Borrowing Base Certificate,
 - (iv) it is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party upon sale or disposition of that Inventory or the payment of any monies to any third party upon such sale or other disposition, and
 - (v) the completion of manufacture, sale or other disposition of such Inventory by the UK Security Trustee following the occurrence of an Enforcement Event shall not require the consent of any person and shall not constitute a breach or default under any contract or agreement to which the Chargor is a party or to which such property is subject, and
- (h) there is no material difference between (i) any Professional Client Agreement and Master Netting Agreement together forming part of the JBL Borrowing

Base and (ii) the Chargor's template Professional Client Agreement and Master Netting Agreement, which would restrict the Chargor from (a) cancelling any credit line and/or recalling any margin payment, (b) terminating any transaction under the Professional Client Agreement, or (c) netting, setting-off, and/or consolidating any amounts, in each case, other than as previously disclosed by the Chargor and agreed (subject to ongoing restrictions set out in the Credit Agreement) by the Chargor prior to the date of this Debenture

7 NEGATIVE PLEDGE AND DISPOSALS

7.1 Negative pledge

The Chargor undertakes that it will not, at any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset other than a Permitted Encumbrance

7.2 No disposals

The Chargor undertakes that it will not, at any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset except in the case of

- (a) disposals which are expressly permitted by the Credit Agreement or this Debenture, and
- (b) assets which are the subject of the floating charge created by this Debenture, or subject to the security created by Clause 3.1 (other than Clause 3.1(e)) which (in each case) may be disposed of in the ordinary course of its business

8 OTHER COVENANTS OF GENERAL APPLICATION

8.1 Information and access

- (a) The Chargor shall deliver to the UK Security Trustee from time to time on request such information about its business, the Secured Assets and its compliance with the terms of this Debenture as the UK Security Trustee may reasonably require
- (b) The Chargor shall permit the UK Security Trustee and/or its representatives, agents or contractors access at all reasonable times and upon reasonable prior notice, to the Secured Assets and any books, accounts and records relating to them to examine the state and condition of those assets, to inspect and take copies and extracts from those books, accounts and records, to comply with or object to any direction or notice or other matter served on it, or take any other action (including the payment of money) which the UK Security Trustee considers necessary or desirable to remedy any failure to comply with any obligation of the Chargor under the Credit Documents

8 2 Covenants, legal obligations and payments

The Chargor shall

- (a) observe, perform and otherwise comply with all covenants and other obligations and matters from time to time affecting any of the Secured Assets or their use or enjoyment of any Secured Assets and any other Assigned Documents except where a failure to do so could not reasonably be expected to have a Material Adverse Effect and (if required by the UK Security Trustee) produce evidence to satisfy the UK Security Trustee that it is complying with this obligation,
- (b) comply with all (and not permit any breach of any) bye-laws, other laws and regulations affecting any of the Secured Assets except where a failure to do so could not reasonably be expected to have a Material Adverse Effect, and
- (c) pay (or procure the payment of) all taxes and other outgoings of any kind which are from time to time payable in respect of any of the Secured Assets that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity of the amount thereof is being contested in good faith by appropriate proceedings, (b) the Chargor has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect

8 3 Enforcement of rights

The Chargor shall use its reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the UK Security Trustee may from time to time require (acting reasonably), in each case at the Chargor's cost

8 4 Management of Secured Assets

The Chargor shall manage its Secured Assets in a proper and efficient manner and in particular shall not do, permit or allow to be done anything which might in any way jeopardise or otherwise prejudice the security held by the UK Security Trustee or (other than in the ordinary course of its business) the value of any of the Chargor's Secured Assets and shall immediately inform the UK Security Trustee of anything which occurs which might have that effect

8 5 Maintenance of Insurance

The Chargor shall, at all times until the Discharge Date

- (a) insure and keep insured, with financially sound and reputable insurers those of the Secured Assets which are of an insurable nature against such risks as are maintained by companies engaged in the same or similar businesses operating in the same or similar locations,

- (b) comply with the conditions and other terms of its Insurances and not do or permit to be done anything which may make its Insurances void or voidable,
- (c) duly and promptly pay all premiums and other monies necessary to effect and maintain its Insurances and produce to the UK Security Trustee, upon request, a copy or sufficient extract of each policy together with evidence of the payment of those monies, and
- (d) if required by the UK Security Trustee, subject to the provisions of any lease of the Secured Assets, deliver to the UK Security Trustee all policies of Insurance relating to the Secured Assets or produce those policies to the UK Security Trustee and/or its representatives or agents for inspection (in each case, save to the extent such policies have been delivered to the Administrative Agent pursuant to the US Security Agreement)

8 6 Default in relation to Insurance

If the Chargor fails to comply with any of its obligations as to Insurance, the UK Security Trustee may, but shall not be required to, take out, renew or maintain the relevant Insurance on the terms, in the name(s) and in the amount(s) which it considers appropriate

8 7 Application of Insurance Proceeds

Clause 19 2 (*Insurance Proceeds*) provides for the application of any Insurance Proceeds

8 8 Covenants for title

The obligations of the Chargor under this Debenture shall be in addition to the covenants for title deemed to be included in this Debenture by virtue of Part 1 Law of Property (Miscellaneous Provisions) Act 1994

9 RECEIVABLES AND RELATED MATTERS

9 1 No dealings with Receivables

The Chargor shall not create a Security Interest (other than any Permitted Encumbrance), sell, assign, factor, discount, dispose, release, set-off, exchange, compound, grant time or indulgence, subordinate its rights in respect of any of its Receivables to the rights of any other person in relation to debts owed to such person or otherwise deal over, of or with its Receivables (nor, in each such case, purport to do so) otherwise than as permitted under Clause 7 2 (*No Disposals*), or by getting in and realising them in the ordinary and proper course of its business (and for this purpose the realisation of the Receivables by means of block discounting, factoring or the like shall not be regarded as dealing in the ordinary and proper course of its business)

9 2 Designated Bank Accounts

- (a) Prior to the occurrence of a Trigger Event which is continuing, the Chargor shall promptly pay, or procure the prompt payment of, the proceeds of its

Receivables when received by the Chargor into a Payment Account, or any bank account over which a Security Interest is created pursuant to the US Security Agreement or where required to do so by applicable law or regulation, an account referred to in paragraph (a) of the definition of Non-Charged Account

- (b) Following a Trigger Event and whilst the same is continuing, the Chargor shall pay or procure the payment of the proceeds of its Receivables into a Collections Account
- (c) The Chargor hereby declares itself trustee of proceeds of its Receivables not from time to time so paid into a Collections Account (following a Trigger Event and whilst the same is continuing) or into a Payment Account, or any bank account over which a Security Interest is created pursuant to the US Security Agreement or an account referred to in paragraph (a) of the definition of Non-Charged Account (in each case prior to a Trigger Event which is continuing) to hold the same upon trust for the UK Security Trustee to pay the same to the UK Security Trustee in or towards payment and discharge of the Secured Obligations in such order and manner as the UK Security Trustee may determine in accordance with the Credit Documents

9.3 Sales of Inventory for cash

Following the occurrence of a Trigger Event and whilst the same is continuing, if sales of Inventory are made or services are rendered for cash, the Chargor shall immediately pay into a Collections Account denominated in the currency of such Receivables the payment which it receives

9.4 Instrument

Following the occurrence of a Trigger Event and whilst the same is continuing, the Chargor shall ensure that no Receivable is evidenced by, or constitutes, an Instrument which has not been delivered to, or otherwise subjected to the control of, the UK Security Trustee or the Administrative Agent (pursuant to the US Security Agreement)

10 BANK ACCOUNTS

10.1 Details of bank accounts

The Chargor shall not maintain any bank account other than

- (a) any Collections Account,
- (b) any Payment Account,
- (c) any Non-Charged Account,
- (d) any Payroll Account,
- (e) any bank account over which Security Interest is created pursuant to the US Security Agreement, or

- (f) any other bank account notified to and agreed by the UK Security Trustee in writing from time to time,

provided that the Chargor shall be entitled to open and maintain any new account not referred to above, provided that it notifies the UK Security Trustee of such account and designates it as a Collections Account or Payment Account, whereupon the relevant provisions of this Debenture shall apply to any such account including under Clause 5.2 (*Notice of Charge*)

10.2 Signing rights on bank accounts

The Chargor shall ensure that the UK Security Trustee shall have sole signing rights on the Collections Accounts in accordance with the terms of Clause 10.3 and the Notice of Charge of Collections Account or Account Control Agreement (as applicable)

10.3 Account proceeds

- (a) The Chargor shall promptly pay, or procure the prompt payment of, all monies received by it or on its behalf in respect of any Receivables (following the occurrence of a Trigger Event and whilst the same is continuing) into the Collections Account in accordance with Clause 9.2 (*Designated Bank Accounts*). Following the occurrence of a Trigger Event and whilst the same is continuing, until that payment, it will hold, or procure that the recipient holds, those monies on trust for the UK Security Trustee
- (b) Each Collections Account shall be governed by a mandate and/or other agreement in form and substance satisfactory to the UK Security Trustee, in each case conferring control over such account on the UK Security Trustee, or such other bank as the UK Security Trustee may from time to time specify in writing
- (c) The Chargor agrees that, prior to the occurrence of any of the circumstances set out in Clause 10.3(d), the only manner in which monies may be withdrawn from any Collections Account is at the discretion of, and through the express authorisation by, the UK Security Trustee. The UK Security Trustee will, at its own discretion, authorise such withdrawals by written instruction in the form agreed by the UK Security Trustee and the Chargor upon receipt of a request to do so from the Chargor
- (d) Upon the Loans becoming immediately due and repayable under the Credit Agreement, the UK Security Trustee shall be entitled to apply the monies standing to the credit of any Collections Account, Payment Account or other bank account of the Chargor (other than, for the avoidance of doubt, a Non-Charged Account) in or towards repayment of the Secured Obligations in accordance with the terms of the Credit Agreement
- (e) The UK Security Trustee may delegate its powers of withdrawal under this Clause 10.3 to any Administrator, Receiver and/or manager

- (f) Prior to the occurrence of a Trigger Event which is continuing the Chargor shall be entitled to withdraw or transfer funds from Payment Accounts without the UK Security Trustee's consent or approval

11 THE INVESTMENTS

11.1 Delivery of Investment title documents; registration

- (a) The Chargor shall, from time to time thereafter, deliver (or procure that there are delivered) to the UK Security Trustee (or a nominee specified by the UK Security Trustee acting on its behalf) all share certificates or other documents of title to or representing its Investments (in each case, prior to an Enforcement Event which is continuing, not held by a custodian or depository or with an exchange or clearing system (each an "Intermediary")), together with (in each case in form and substance satisfactory to the UK Security Trustee)
 - (i) if any of the Investments is registered in the joint names of the Chargor and any other person, the Chargor shall use commercially reasonable endeavours to deliver to the UK Security Trustee a declaration of trust in respect of those Investments in its favour duly executed by each person other than the Chargor in whose name those Investments are registered,
 - (ii) any instrument of transfer or assignment of such Investments which are certificated (other than, prior to an Enforcement Event which is continuing, any such Investments which are held by or with an Intermediary) specified by the UK Security Trustee (acting reasonably) duly executed by the Chargor and each person in whose name any of those Investments are registered or held on its behalf (with the name of the transferee or assignee, the consideration and the date left blank), and
 - (iii) any other Instrument, other document or thing which the UK Security Trustee may reasonably specify to perfect or improve its security over the Chargor's Investments, and in the case of any Investments which are Equity Interests in any Subsidiary or Affiliate including waivers of pre-emption and other rights which may affect the exercise of any rights under, or the enforcement of, this Debenture
- (b) The UK Security Trustee shall be entitled to hold or retain (or have its nominee hold or retain) all items delivered pursuant to Clause 11.1(a) until the Discharge Date provided that the UK Security Trustee shall upon request of the Chargor promptly return to the Chargor any certificates or other documents of title required by the Chargor for the purpose of disposal of any Investment which is permitted under this Debenture
- (c) The UK Security Trustee may at any time after the occurrence of an Enforcement Event and whilst the same is continuing have any of the Investments registered in its name or in the name of a nominee specified by it acting on its behalf

- (d) The Chargor shall use its commercially reasonable endeavours to ensure that the UK Security Trustee has a perfected first priority Security Interest over any accounts with a custodian or a depositary holding the Chargor's certificated Investments

11.2 Rights before an Enforcement Event

- (a) Whilst an Enforcement Event is not continuing, and after an Enforcement Event which is continuing unless Clause 11.3 applies, the Chargor shall
 - (i) be entitled to receive and retain all dividends, interest and other monies paid on and received by it in respect of the Chargor's Investments; and
 - (ii) be entitled to exercise all voting and other rights and powers attached to the Chargor's Investments, provided that it shall not exercise any such rights or powers in a manner which would prejudice the interests of the Finance Parties under the Credit Documents
- (b) Unless Clause 11.3 applies, after the occurrence of an Enforcement Event and whilst it is continuing the Chargor shall
 - (i) exercise any rights of the Chargor attached to the Investments in any manner which the UK Security Trustee may direct, subject to the terms and conditions of any agreement between the Chargor and any relevant Intermediary, and
 - (ii) promptly pay over to the UK Security Trustee all dividends, interest and other monies received by it, and
 - (iii) not without the prior written consent of the UK Security Trustee, permit or agree to any variation of the rights attaching to the Investments, participate in any rights issue, elect to receive or vote in favour of receiving any dividend other than in the form of cash or participate in any resolution concerning a winding-up, liquidation or administration

11.3 Rights after an Enforcement Event

After the occurrence of an Enforcement Event and whilst the same is continuing the UK Security Trustee gives notice to the Chargor that this Clause 11.3 applies, then from the date of that notice, this Clause 11.3 shall apply and the UK Security Trustee or its nominee(s) may at the UK Security Trustee's discretion (and in the name of the Chargor or otherwise) exercise all voting and other rights attached to the Investments and all rights to receive dividends, interest and other monies paid on or to be received in respect of its Investments without any further consent or authority on the part of the Chargor.

11.4 Calls

The Chargor shall, at all times until the Discharge Date, duly and promptly pay (or ensure that these are paid) all calls, instalments or other monies which may from time to time become due in respect of any of the Investments without deduction or set-off

12 INTELLECTUAL PROPERTY

At all times until the Discharge Date

- (a) the Chargor shall do all acts and things which may be necessary to preserve and maintain the subsistence and validity of its Intellectual Property where a failure to do so could reasonably be expected to have a Material Adverse Effect, and
- (b) the Chargor shall not use or permit any of its Intellectual Property to be used in any way which could reasonably be expected to have a Material Adverse Effect

13 ASSIGNED DOCUMENTS

The Chargor shall

- (a) prior to the occurrence of a Trigger Event which is continuing, not waive any rights under nor amend, novate, repudiate, rescind any Assigned Document if to do so would materially adversely affect the ability to collect or enforce against the Assigned Documents,
- (b) with effect from the occurrence of a Trigger Event and whilst the same is continuing, not waive any rights under nor amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated any Assigned Document without the prior written consent of the UK Security Trustee; and
- (c) diligently pursue any remedies available to it for any breach of, or in respect of any claim in relation to, any Assigned Document

14 INVENTORY

14.1 Documents of Title

The Chargor shall, if required by the UK Security Trustee following the occurrence of a Trigger Event and whilst the same is continuing, deliver (or procure that there are delivered) to the UK Security Trustee (or a nominee specified by the UK Security Trustee acting on its behalf) (save to the extent delivered to the Administrative Agent pursuant to the US Security Agreement) all Warrants and other documents of title relating to or representing its Inventory together with any Instrument, other document or thing which the UK Security Trustee may reasonably specify to perfect or improve the security over the Chargor's Inventory

14.2 Inventory count

The Chargor will conduct a physical count of its Inventory which constitutes Borrowing Base and Margin Call Receivable Collateral (other than Inventory in the physical possession of a third party as to which the Chargor has delivered to the UK Security Trustee or the Administrative Agent such evidence of the nature, extent and condition thereof as the UK Security Trustee or the Administrative Agent (as the case may be) shall reasonably request and find reasonably satisfactory) at least once in each financial year, and after and during the continuation of an Event of Default at

such other times as the UK Security Trustee or Administrative Agent requests. The Chargor will promptly deliver to the UK Security Trustee and the Administrative Agent the results of each physical verification which the Chargor has made, or has caused any other person to make on its behalf, of all or any portion of its Inventory which constitutes Borrowing Base and Margin Call Receivable Collateral.

14.3 Location

The Chargor will maintain Inventory which constitutes Borrowing Base and Margin Call Receivable Collateral, other than Inventory in transit and Equipment material to the conduct of its business, at the locations set out in Schedule 7 (*Location of Inventory*) unless the UK Security Trustee or the Administrative Agent shall have received at least five (5) Business Days prior written notice of a change to a location or locations and the UK Security Trustee or the Administrative Agent (as applicable) shall have acknowledged in writing that either (1) such change will not adversely affect the validity, perfection or priority of the UK Security Trustee's security interest in the Inventory or (2) any reasonable action requested by the UK Security Trustee or the Administrative Agent (as applicable) in connection therewith has been completed or taken, provided that, any new location shall be in the United States, England and Wales, Canada, The Netherlands or Germany.

SECTION 4 ENFORCEMENT OF SECURITY

15 ENFORCEMENT – GENERAL PROVISIONS

15.1 Enforcement

On or at any time after the occurrence of an Enforcement Event and whilst the same is continuing, this Security shall become immediately enforceable and the UK Security Trustee may enforce all or any of its rights under this Debenture as it thinks fit. In particular, it may without further notice exercise in relation to the Secured Assets

- (a) the power of sale and all other powers conferred on mortgagees by the Law of Property Act 1925 (or otherwise by law) or on an administrative receiver by the Insolvency Act 1986, in either case as extended or otherwise amended by this Debenture,
- (b) to the extent that Clause 16.1 (*Application of right of appropriation*) applies the power to appropriate the Secured Assets in or towards the payment and discharge of the Secured Obligations in accordance with Clause 16.2 (*Exercise of right of appropriation*), and
- (c) (without first appointing a Receiver) any or all of the rights which are conferred by this Debenture (whether expressly or by implication) on a Receiver

15.2 Law of Property Act 1925 provisions

- (a) The Secured Obligations shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 Law of Property Act 1925 immediately on the execution of this Debenture provided that the UK Security Trustee shall not exercise the powers of sale and other powers conferred by s101 of the LPA (as varied or extended by this Debenture) until this Security has become enforceable
- (b) s93(1) Law of Property Act 1925 (restriction on the consolidation of mortgages), s103 Law of Property Act 1925 (restricting the power of sale) and s109 Law of Property Act 1925 (restricting the power to appoint a receiver) shall not apply to this Security provided that the UK Security Trustee shall not exercise the powers of sale and other powers conferred by s101 of the LPA (as varied or extended by this Debenture) until this Security has become enforceable

15.3 Protection of third parties

- (a) No purchaser, mortgagee or other person dealing with a Receiver or the UK Security Trustee shall be bound to enquire whether its right to exercise any of its rights has arisen or become exercisable, or be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Receiver or the UK Security Trustee

- (b) All of the protection to purchasers contained in ss104 and 107 Law of Property Act 1925 and s42(3) Insolvency Act 1986 shall apply to any person purchasing from or dealing with a Receiver or the UK Security Trustee as if the Secured Obligations had become due and the statutory powers of sale and of appointing a Receiver in relation to the Secured Assets had arisen on the date of this Debenture

15.4 Delegation

- (a) The UK Security Trustee may delegate to any person or persons all or any of the rights which are exercisable by it under this Debenture. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the UK Security Trustee may think fit
- (b) A delegation under Clause 15.4(a) shall not preclude the subsequent exercise of those rights by the UK Security Trustee itself nor preclude the UK Security Trustee from making a subsequent delegation of them to another person or from revoking that delegation
- (c) The UK Security Trustee shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate

15.5 No liability

None of the UK Security Trustee, any Receiver or any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Secured Assets for any loss on realisation or for any other action, default or omission for which it, he or she might be liable

15.6 Grant of Intellectual Property license

For the purpose of enabling the UK Security Trustee to exercise the rights and remedies under this Clause 15 at such time as the UK Security Trustee shall be lawfully entitled to exercise such rights and remedies, the Chargor hereby

- (a) grants to the UK Security Trustee, for the benefit of the UK Security Trustee and the Lenders, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Chargor) to use, license or sublicense any intellectual property rights now owned or hereafter acquired by the Chargor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, and
- (b) irrevocably agrees that the UK Security Trustee may sell any of the Chargor's Inventory directly to any person including, without limitation, persons who have previously purchased the Chargor's Inventory from the Chargor and in connection with any such sale or other enforcement of the UK Security Trustee's rights under this Debenture, may sell Inventory which bears any

trademark owned by or licensed to the Chargor and any Inventory that is covered by any copyright owned by or licensed to the Chargor and the UK Security Trustee may finish any work in process and affix any trademark owned by or licensed to the Chargor and sell such Inventory as provided in this Debenture

16 RIGHT OF APPROPRIATION

16.1 Application of right of appropriation

This Clause 16.1 applies to the extent the Secured Assets constitute "financial collateral" and this Debenture constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003)

16.2 Exercise of right of appropriation

If and to the extent that this Clause 16 applies, after the occurrence of an Enforcement Event and whilst the same is continuing, the UK Security Trustee may appropriate the Secured Assets on or towards discharge of the Secured Obligations in accordance with Clause 19.1 (*Order of priority*). If the UK Security Trustee exercises its right of appropriation then it shall for these purposes value

- (a) any relevant Collections Account or other bank account and the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation, and
- (b) any other relevant Secured Asset by reference to an independent valuation or other procedure determined by the UK Security Trustee, acting reasonably, at the time of the appropriation

17 APPOINTMENT OF RECEIVER

17.1 Appointment of Receiver

Without prejudice to any statutory or other powers of appointment of the UK Security Trustee under the Law of Property Act 1925 as extended by this Debenture or otherwise, at any time after this Security has become enforceable or if the Chargor so requests in writing at any time the UK Security Trustee may without further notice to the Chargor do any of the following

- (a) appoint by deed or otherwise (acting through a duly authorised officer) any one or more persons qualified to act as a Receiver to be a Receiver of all or any part of the Secured Assets,
- (b) either at the time of appointment or any time after that appointment fix his or their remuneration (without being limited by the maximum rate specified in s109(6) Law of Property Act 1925), and
- (c) (except as otherwise required by statute) remove any Receiver and appoint another or others in his or her place

17.2 Powers of Receiver

Every Receiver shall have in relation to the Secured Assets (every reference in this Clause 17.2 to "Secured Assets" being a reference only to all or any part of the Secured Assets in respect of which that Receiver was appointed) the powers granted by the Law of Property Act 1925 to any receiver appointed under it or to any mortgagor or mortgagee in possession and (whether or not the Receiver is an administrative receiver) the powers granted by the Insolvency Act 1986 to any administrative receiver, all as varied and extended by this Debenture. In addition, but without limiting the preceding sentence, every Receiver shall have power to do the following

- (a) **Collection:** enter on, take possession of, collect and get in the Secured Assets and collect and get in all rents and other income whether accrued before or after the date of his or her appointment and for those purposes make any demands and take any actions or other proceedings which may seem to him or her expedient,
- (b) **Compliance with Debenture:** comply with and perform all or any of the acts, matters, omissions or things undertaken to be done or omitted by the Chargor under this Debenture,
- (c) **Management of business:** carry on, manage, develop, reconstruct, amalgamate or diversify the business of the Chargor or any part of it in such manner as the Receiver shall in his or her discretion think fit,
- (d) **Dealing with Secured Assets:** sell or otherwise dispose of the Secured Assets, grant leases, easements, rights or options over or in respect of them and surrender accept the surrender or vary any lease, agreement or arrangement relating to them. This power may be exercised without the need to comply with ss99 and 100 Law of Property Act 1925. Any disposal or other dealing under this Clause 17.2(d) may be effected in the manner and on any terms which the Receiver thinks fit, for consideration consisting of cash, debentures or other obligations, shares or other valuable consideration and this consideration may be payable in a lump sum or by instalments spread over such period as the Receiver may think fit,
- (e) **Severance of assets:** sever from the premises to which they are annexed and sell separately (in accordance with Clause 17.2(d)) any plant, machinery or fixtures,
- (f) **Upkeep of Secured Assets:** repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Secured Assets as the Receiver shall think fit and effect, maintain, renew or increase indemnity insurance and other insurances and obtain bonds,
- (g) **Dealing with third parties:** appoint or dismiss officers, employees, contractors or other agents and employ professional advisers and others on such terms (as to remuneration and otherwise) as the Receiver may think fit,

- (h) **Agreements** perform, repudiate, terminate, amend or enter into any arrangement or compromise any contracts or agreements which the Receiver may consider expedient,
- (i) **Proceedings:** settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes which may arise in connection with the business of the Chargor or the Secured Assets and bring, prosecute, defend, enforce, compromise, submit to and discontinue any actions, suits arbitrations or other proceedings,
- (j) **Uncalled capital:** make calls on the shareholders of the Chargor in respect of any of its uncalled capital,
- (k) **Rights in connection with Secured Assets:** exercise or permit the Chargor or any nominee of the Chargor to exercise any rights incidental to the ownership of the Secured Assets in such manner as the Receiver may think fit,
- (l) **Subsidiaries:** form a subsidiary or subsidiaries of the Chargor and transfer, lease or license to it or them or any other person the Secured Assets on such terms as the Receiver may think fit;
- (m) **Assets and rights:** purchase, lease, hire or otherwise acquire any assets or rights of any description which the Receiver shall consider necessary or desirable for the carrying on, improvement or realisation of the Secured Assets or the business of the Chargor or otherwise for the benefit of the Secured Assets,
- (n) **Landlord and tenant powers:** exercise any rights conferred on a landlord or a tenant by any applicable law or regulation in relation to the Secured Assets,
- (o) **Raising money:** in the exercise of any of the rights conferred on the Receiver by this Debenture or for any other purpose to raise and borrow money either unsecured or secured and either in priority to, pari passu with or subsequent to this Security and generally on such terms as he or she may think fit,
- (p) **Receipts and discharges:** give valid receipts for all monies and execute all discharges, assurances and other documents which may be proper or desirable for realising the Secured Assets and redeem, discharge or compromise any Security Interest whether or not having priority to this Security or any part of it,
- (q) **All other acts.** execute and do all such other acts, things and documents as the Receiver may consider necessary or desirable for the realisation or preservation of the Secured Assets or incidental or conducive to any of the rights conferred on or vested in him or her under or by virtue of this Debenture or otherwise and exercise and do in relation to the Secured Assets and at the cost of the Chargor, all the rights and things which he or she would be capable of exercising or doing if he or she were the absolute beneficial owner of the same, and

- (r) **Name of Chargor:** use the name of the Chargor or his or her own name to exercise all or any of the rights conferred by this Debenture

17.3 Agent of the Chargor

Any Receiver appointed under this Debenture whether acting solely or jointly shall be deemed to be the agent of the Chargor and to be in the same position as a receiver appointed under the Law of Property Act 1925 and the Chargor shall be solely responsible for his or her acts, omissions, defaults, losses and misconduct and for his or her remuneration and the UK Security Trustee shall not be in any way liable or responsible either to the Chargor or to any other person for any Receiver

17.4 Joint appointment

If at any time two or more persons have been appointed as Receivers of the same Secured Assets, each one of those Receivers shall be entitled to exercise individually all of the rights conferred on Receivers under this Debenture to the exclusion of the other or others in relation to any of the Secured Assets in respect of which he or she has been appointed unless the UK Security Trustee shall state otherwise in the document appointing him or her

18 APPOINTMENT OF ADMINISTRATOR

18.1 Appointment of Administrator

- (a) The UK Security Trustee may without notice appoint any one or more persons to be an administrator of the Chargor pursuant to Schedule B1, Paragraph 14 Insolvency Act 1986 at any time after this Security has become enforceable
- (b) Clause 18.1(a) shall not apply to the Chargor if Schedule B1, Paragraph 14 Insolvency Act 1986 does not permit an administrator of the Chargor to be appointed
- (c) Any appointment under Clause 18.1(a) shall be in writing signed by a duly authorised officer of the UK Security Trustee

18.2 Replacement of an Administrator

The UK Security Trustee may (subject to any necessary approval from the court) end the appointment of any Administrator by notice in writing signed by a duly authorised officer and appoint under Clause 18.1 a replacement for any Administrator whose appointment ends for any reason

19 APPLICATION OF PROCEEDS

19.1 Order of priority

Any monies received by the UK Security Trustee or any Receiver under this Debenture or under the rights conferred by this Debenture shall, after the occurrence of an Enforcement Event which is continuing and payment of any claims having priority to this Security, be applied in the following order to the extent permitted by

applicable law, but without prejudice to the right of the UK Security Trustee to recover any shortfall from the Chargor

- (a) where applicable, in payment of all Losses of and incidental to the appointment of the Receiver and the exercise of all or any of his or her powers,
- (b) where applicable, in payment of the Receiver's remuneration at such rate as may be agreed with the UK Security Trustee,
- (c) in accordance with Section 9 17 (*Application of Proceeds*) of the Credit Agreement, and
- (d) if the Chargor is not under any further actual or contingent liability under the Credit Agreement, in payment of the surplus (if any) to the person or persons entitled to it

The application of monies received by an Administrator will be governed by the Insolvency Act 1986

19 2 Insurance Proceeds

- (a) All insurance policies required hereunder and under Section 5 05 of the Credit Agreement shall name the UK Security Trustee and/or the Administrative Agent (for the benefit of the UK Security Trustee and/or the Administrative Agent and the Secured Parties) as an additional insured or as loss payee, as applicable, and shall contain loss payable clauses or similar clauses, through endorsements in form and substance reasonably satisfactory to the UK Security Trustee or Administrative Agent which, unless otherwise agreed by the UK Security Trustee or the Administrative Agent, provide that (i) all proceeds thereunder with respect to any Secured Assets shall be payable to the UK Security Trustee or the Administrative Agent, (ii) no such Insurance shall be invalidated as to the interest of the UK Security Trustee or the Administrative Agent by any act or neglect of the named insured or owner of the property described in such policy, and (iii) such policy and loss payable or similar clauses may be cancelled, amended, or terminated only upon at least thirty days prior written notice given to the UK Security Trustee or the Administrative Agent, except that no notice shall be required in respect of cancellation at the scheduled expiration of such policy or for any amendment that does not materially reduce coverage
- (b) Notwithstanding Clause 19 2(a), so long as no Default or Event of Default shall have occurred and be continuing, the Chargor shall have sole authority to settle all claims and the UK Security Trustee or the Administrative Agent will turn over (or instruct the insurer to pay directly) to the Chargor any amount which may become payable under any such policy in respect of any covered loss or damage
- (c) All premiums on any such Insurance shall be paid when due by the Chargor. If the Chargor fails to obtain any Insurance as described in Clause 19 2(a), the UK Security Trustee or the Administrative Agent may obtain such Insurance

at the Chargor's expense. By purchasing such Insurance, the UK Security Trustee shall not be deemed to have waived any Default arising from the Chargor's failure to maintain such Insurance or pay any premiums therefor.

SECTION 5
GENERAL SECURITY PROVISIONS

20 GENERAL SECURITY PROVISIONS

20.1 Continuing security

This Debenture is a continuing security and regardless of any intermediate payment or discharge in whole or in part to any Secured Party, shall be binding until the date (the "Discharge Date") on which

- (a) all of the Secured Obligations have been unconditionally and irrevocably paid or discharged in full, and
- (b) all of the Secured Parties have ceased to have any commitment, obligation or other liability (whether actual or contingent) to make any credit or provide any other accommodation to any Credit Party under any Credit Document or to any other person in respect of whose liabilities the Chargor has undertaken a liability to the UK Security Trustee or any other Secured Party under any Credit Document

20.2 Additional security

This Debenture is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of the UK Security Trustee or any other Finance Party

20.3 Waiver of defences

The obligations of the Chargor under this Debenture will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 20.3, would reduce, release or prejudice any of its obligations under this Debenture, including (whether or not known to it or the UK Security Trustee)

- (a) any time, waiver, consent or other indulgence granted to, or composition with, the Credit Party or any other person,
- (b) the release of any other Credit Party or any other person under the terms of any composition or arrangement with any creditor,
- (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 Interest over the assets of, the Chargor 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 take, or failure to realise the full value of any Security Interest.
- (d) any incapacity or lack of power, authority or legal personality of or Insolvency or change in the members or status of the Chargor or any other person, or

- (e) any disclaimer, unenforceability, illegality, invalidity or ineffectiveness of any of the Secured Obligations or any other obligation of any person under any Credit Document or any other Instrument or Security Interest

20.4 Immediate recourse

The Chargor waives any right it may have of first requiring any Finance Party to proceed against or enforce any Security Interest or other rights or claim payment from any other person before claiming from it under this Debenture. This waiver applies irrespective of any applicable law and regulation or any provision of any Credit Document to the contrary.

20.5 Discretion in enforcement

Until the Discharge Date, the UK Security Trustee or any Receiver may

- (a) refrain from applying or enforcing any other monies, Security Interests or other rights held or received by it in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and the Chargor shall not be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any monies received from the Chargor or on account of the Secured Obligations, provided that once the Secured Obligations become due, if the amounts standing to the credit of such account(s) are sufficient to discharge the Secured Obligations in full, the UK Security Trustee or the Receiver (as applicable) shall apply such monies in or towards the satisfaction of the Secured Obligations.

20.6 Subsequent Security Interests

At any time following

- (a) the UK Security Trustee or any other Finance Party's receipt of notice (either actual or constructive) of any subsequent Security Interest affecting the Secured Assets (which is not a Permitted Encumbrance),
- (b) the Insolvency of the Chargor, or
- (c) any disposal of all or any of the Secured Assets in breach of Clause 7.2 (*No disposals*),

any Finance Party may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Insolvency commenced or the assignment or transfer occurred and from that time all payments made by the Chargor to, the Finance Party or received by the Finance Party for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Debenture at the time when the Finance Party received or was deemed to have received that notice or, as the case may be, the Insolvency commenced or the

assignment or transfer occurred provided that if the amounts standing to the credit of such account(s) are sufficient to discharge the Secured Obligations in full, the relevant Finance Party shall apply such monies in or towards the satisfaction of the Secured Obligations

21 POWER OF ATTORNEY

21.1 Appointment

The Chargor irrevocably and by way of security appoints the UK Security Trustee and any Receiver and every delegate referred to in Clause 15.4 (*Delegation*) and each of them jointly and also severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed following (A) the occurrence of an Enforcement Event and whilst the same is continuing or (B) following the failure of the Chargor to comply with a request from the UK Security Trustee, to execute, deliver and perfect all Instruments and other documents and do any other acts and things which may be required or which the attorney may consider desirable

- (a) to carry out any obligation imposed on the Chargor by this Debenture,
- (b) to carry into effect any disposal or other dealing by the UK Security Trustee or any Receiver as contemplated pursuant to the terms of this Debenture,
- (c) to convey or transfer any right in land or any other asset as contemplated pursuant to the terms of this Debenture,
- (d) to get in the Secured Assets as contemplated pursuant to the terms of this Debenture, and
- (e) generally to enable the UK Security Trustee and any Receiver to exercise the respective rights conferred on them by this Debenture or by applicable law and regulation,

and the Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of its powers and all monies spent by an attorney shall be deemed to be expenses incurred by the UK Security Trustee under this Debenture

21.2 Irrevocable power

The Chargor acknowledges that each power of attorney granted by Clause 21.1 is granted irrevocably and for value as part of this Security to secure a proprietary interest of and the performance of obligations owed to, the donee within the meaning of s4 Powers of Attorney Act 1971

22 RETENTION OF SECURITY

22.1 Release of Security

Following the Discharge Date and at the request and cost of the Chargor, the UK Security Trustee shall, as soon as reasonably practicable after receipt of that request,

do all such deeds, acts and things as are necessary to release and discharge this Security and re-assign the assets assigned to the UK Security Trustee under this Debenture to the Chargor (or as it shall direct), at all times without recourse, representation or warranty and subject to the provisions of the Credit Agreement, Clause 22 2 and the rights of any person having prior rights over those assets

22 2 Reinstatement

- (a) Any release, settlement, discharge, re-assignment or arrangement (in this Clause 22, a "**release**") made by the UK Security Trustee on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to Insolvency
- (b) If any avoidance, reduction or clawback occurs or order is made as referred to in Clause 22 2(a), then the release given by the UK Security Trustee shall have no effect and shall not prejudice the right of the UK Security Trustee to enforce this Security in respect of the Secured Obligations. In those circumstances, as between the Chargor and the UK Security Trustee, this Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the UK Security Trustee as security for the Secured Obligations

23 PRIOR SECURITY INTERESTS

23 1 Redemption

After the occurrence of an Enforcement Event and whilst the same is continuing, the UK Security Trustee may at any time

- (a) redeem, or procure the transfer to itself of, any prior Security Interest over any Secured Assets, or
- (b) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall be conclusive and binding on the Chargor

23 2 Costs of redemption

All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption or transfer under Clause 23 1 shall be paid by the Chargor to the UK Security Trustee on demand in each case together with interest calculated in the manner referred to in Section 2 13(c) (*Interest*) of the Credit Agreement

24 SECURITY TRUSTEE PROVISIONS

24 1 Appointment of the UK Security Trustee

Pursuant to the Credit Agreement, each of the Secured Parties has irrevocably appointed the UK Security Trustee to act as its trustee in connection with this Debenture

24.2 Role of the UK Security Trustee

- (a) The UK Security Trustee shall hold the benefit of this Debenture on trust for the Secured Parties
- (b) The UK Security Trustee does not have any duties except those expressly set out in the Credit Documents. In particular, the UK Security Trustee shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000

SECTION 6 ADMINISTRATION

25 CREDIT AGREEMENT PROVISIONS

Sections 1.05 (*Foreign currency calculations*), 9.01 (*Notices*) and 9.15 (*Conversion of currencies*) of the Credit Agreement shall apply to this Debenture as if they were set out in full again here, with references to the Administrative Agent or the Lenders including the UK Security Trustee and with any changes which are necessary to fit this context

26 COSTS

26.1 Costs and expenses

The Chargor shall promptly on demand pay the UK Security Trustee the amount of all costs and expenses (including legal fees) (which, prior to an Event of Default, must be reasonable) incurred by it in connection with

- (a) the negotiation, preparation and execution of this Debenture,
- (b) any actual or proposed amendment of or waiver or consent under or in connection with this Debenture requested by the Chargor,
- (c) any discharge or release of this Security,
- (d) the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of, this Debenture and the perfection or enforcement of any other Security Interest for or guarantee in respect of the Secured Obligations,
- (e) the taking or holding of this Security or any proceedings in relation to it or to all or any of the Secured Assets, and
- (f) any advice obtained in relation to any other matter or question arising out of or in connection with this Debenture, together with interest calculated in the manner referred to in Section 2.13(c) (*Interest*) of the Credit Agreement from the date it becomes due payable up to the date of receipt by the UK Security Trustee (both before and after judgement)

26.2 Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Debenture, this Security or any judgment or order given in connection with this Debenture may at any time be subject and shall on demand indemnify the UK Security Trustee against any Losses resulting from any failure to pay or delay in paying the same

27 INDEMNITY

27 1 General indemnity

The Chargor shall on demand indemnify and keep indemnified the UK Security Trustee, every Receiver and their respective successors, assigns, agents and employees (each such person being called an "**Indemnatee**"), from and against any and all Losses, provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such Losses or related expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnatee

27 2 Indemnity for breach

The Chargor shall on demand indemnify and keep indemnified the UK Security Trustee in respect of all Losses occasioned by any breach of any of its covenants or other obligations under this Debenture or otherwise relating to all or any part of the Secured Assets, together with interest calculated in the manner referred to in Section 2 13(c) (*Interest*) of the Credit Agreement from the earlier of the date of demand by the UK Security Trustee and the date of payment up to the date of receipt by the UK Security Trustee (both before and after judgement)

28 TRANSFERS

28 1 UK Security Trustee

The UK Security Trustee may assign any or all of its rights and transfer any or all of its obligations under this Debenture to a successor appointed pursuant to Section 8 10 (*UK Security Trustee*) of the Credit Agreement

28 2 Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Debenture

29 CALCULATIONS AND CERTIFICATES

29 1 Accounts

In any litigation or other proceedings arising out of or in connection with this Debenture, the entries made in the accounts maintained by the UK Security Trustee or any other Finance Party are prima facie evidence of the matters to which they relate

29 2 Certificates or determinations

Any certificate or determination of the UK Security Trustee as to any matter provided for in this Debenture is, in the absence of manifest error, conclusive evidence of the matters to which it relates

30 PARTIAL INVALIDITY

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired

31 REMEDIES AND WAIVERS

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

32 AMENDMENTS AND WAIVERS

Any term of this Debenture may be amended or waived only with the written consent of the UK Security Trustee and the Chargor and any such amendment or waiver will be binding on all Parties

33 COUNTERPARTS

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

34 CONDUCT OF BUSINESS

No provision of this Debenture will

- (a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit,
- (b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim, or
- (c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of taxes

35 NO SET-OFF

Except to the extent otherwise expressly permitted in any Security Document, if the Chargor is at any time a Receivables Debtor or obligor to JBFSI or JB on any Receivable, it irrevocably waives, for the benefit of the Administrative Agent, the UK Security Trustee and the Lenders any right to set-off or otherwise apply its obligations on such Receivable against any obligations of JBFSI or JB after the occurrence and during the continuance of any Default or Event of Default

**SECTION 7
GOVERNING LAW AND ENFORCEMENT**

36 GOVERNING LAW

This Debenture and any dispute or claim arising out of or in connection with it, is governed by, and shall be construed in accordance with, English law

37 ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither Party will argue to the contrary
- (c) This Clause 37 is for the benefit of the UK Security Trustee only. As a result, the UK Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the UK Security Trustee may take concurrent proceedings in any number of jurisdictions

EXECUTION

The parties have shown their acceptance of the terms of this Debenture by executing it, in the case of the Chargor as a deed, at the end of the Schedules

**SCHEDULE 1
COLLECTIONS AND PAYMENT ACCOUNTS**

Part 1

1. Collections Accounts

Name of account holder	Name and address of entity at which account is held	Account details	
Jefferies Bache Limited	JPMorgan Chase Bank, N A , London Branch, 60 Victoria Embankment, London EC4Y 0JP	Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
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		Account No	
		Account No	
		Account No	
		Account No	
		Account No	
		Account No	

Part 2

2 Payment Accounts

[illegible]

SCHEDULE 2
SPECIFIED INVESTMENTS

None as at the date of this Debenture

SCHEDULE 3
NOTICE OF ASSIGNMENT OF ASSIGNED DOCUMENT

[On Chargor's notepaper]

To *[Name and address of other party]*

[Date]

Dear Sirs

[Name and date of Assigned Document]

We refer to an agreement dated [●] between us and you (as amended or novated from time to time, the "Agreement")

We give you notice that by a Debenture (the "**Debenture**") dated [●] 2014 and entered into by us in favour of *[Name of UK Security Trustee]* (as UK Security Trustee, as defined in the Debenture), we have assigned all our rights under the Agreement including the right to receive any payments due under the Agreement

Please note the following

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Agreement,
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Agreement to such bank account as the UK Security Trustee may from time to time specify in writing,
- (c) all of the powers, discretions, remedies and other rights which would, but for the Debenture, be vested in us under and in respect of the Agreement are exercisable by the UK Security Trustee,
- (d) we have agreed not to waive any rights under nor amend, novate, rescind or otherwise terminate the Agreement without the prior written consent of the UK Security Trustee,
- (e) we agree that
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the UK Security Trustee's prior written consent and
 - (ii) you are authorised to disclose any information in relation to the Agreement to the UK Security Trustee at the UK Security Trustee's request

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the UK Security Trustee, [●], at [●] marked for the attention of [●]

This letter is governed by, and shall be construed in accordance with, English law

Yours faithfully

[Name of Chargor]

By *[Name of signatory]*

ACKNOWLEDGEMENT

To [●]

We acknowledge receipt of a notice dated [●] 201[●] addressed to us by *[Name of Chargor]* (the "Chargor") regarding an agreement dated [●] between us and the Chargor (as amended or novated from time to time, the "Agreement")

We confirm that

- (a) we consent to the assignment of the Agreement and will comply with the terms of that notice,
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Agreement,
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Agreement or if any event occurs which would permit us to terminate, cancel or surrender the Agreement we will
 - (i) immediately on becoming aware of it, give you written notice of that breach, and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice,
- (d) we confirm that no waiver of any of the Chargor's rights under and no amendment, novation, rescission or other termination by the Chargor of, the Agreement shall be effective without the prior written consent of the UK Security Trustee, and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt

[Name of other party]
By. *[Name of signatory]*

Dated

SCHEDULE 4
NOTICE OF ASSIGNMENT OF INSURANCE

[On Chargor's notepaper]

To *[Name and address of insurer]*

[Date]

Dear Sirs

Policy number [●]

We give you notice that by a Debenture (the "**Debenture**") dated [●] and entered into by us in favour of *[Name of UK Security Trustee]* (as UK Security Trustee, as defined in the Debenture), we have assigned all our rights in the insurance policy, brief details of which are set out below (the "**Policy**") and all monies which may be payable to or received by us under it

Please note the following

- (a) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims, to such bank account as the UK Security Trustee may from time to time specify in writing,
- (b) all of the powers, discretions, remedies and other rights which would, but for the Debenture, be vested in us under and in respect of the Policy are exercisable by the UK Security Trustee, and
- (c) we agree that
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the UK Security Trustee's prior written consent, and
 - (ii) you are authorised to disclose any information in relation to the Policy to the UK Security Trustee at the UK Security Trustee's request

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the UK Security Trustee, [●] at [●] marked for the attention of [●]

This letter is governed by, and shall be construed in accordance with English law

Yours faithfully

[Name of Chargor]
By: *[Name of signatory]*

Details of Policy

Name of insured [●]

Nature of policy [●]

Policy number. [●]

Expiry date [●]

[On copy letter only]

ACKNOWLEDGEMENT

To *UK Security Trustee*

We acknowledge receipt of a notice dated [●] addressed to us by [*Name of Chargor*] (the "Chargor") regarding the Policy (as defined in that notice)

We confirm that

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice,
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Policy,
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will
 - (i) immediately on becoming aware of it, give you written notice of that breach, and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice,
- (d) we confirm that no waiver of any of the Chargor's rights under and no amendment, novation, rescission or other termination by the Chargor of, the Policy shall be effective without the prior written consent of the UK Security Trustee; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt

[*Name of insurer*]

By [*Name of signatory*]

Dated

SCHEDULE 5
NOTICE OF CHARGE OF COLLECTIONS ACCOUNT

[On Chargor's notepaper]

To *[Name and address of account bank]*

[Date]

Dear Sirs

Account number[s]: [●]

We refer to Account number[s] [●] (the "Account[s]")

We give you notice that by a Debenture (the "Debenture") dated [●] 2014 and entered into by us in favour of *[Name of UK Security Trustee]* (as UK Security Trustee, as defined in the Debenture) we have charged all our rights in any credit balances on the Account[s] (the "Balances") and the indebtedness represented by the Account[s]

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary)

- (a) that all rights, interests and benefits whatsoever accruing to or arising from the Account[s] or Balances shall be exercisable by and shall belong to the UK Security Trustee For the avoidance of doubt
 - (i) we are not permitted to withdraw any amount from the Account[s] without the prior written consent of the UK Security Trustee,
 - (ii) all instructions related to monies held in the Account[s] must be signed by one authorised signatory of the UK Security Trustee set out in the following list

Name	Position	Contact
Angie Koukouvanis	Operations Specialist	Tel 001 312 732 7505
Angela Travis	Operations Specialist	Tel 001 312 732 7508
Mike Culbertson	Senior Operations Manager	Tel 001 312 732 7491
Helen Mathie	Assistant Vice President	Tel 020 7134 4398
Tim Jacob	Senior Vice President	Tel 020 7134 4393

- (iii) no transfers of monies from the Account[s] can be effected at any time without prior receipt of written instructions from the UK Security Trustee in compliance with the terms of this notice,

- (b) to disclose to the UK Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account[s] which the UK Security Trustee may, at any time and from time to time, request,
- (c) at any time and from time to time on receipt by you of any written instruction, including facsimile transmission or email, from the UK Security Trustee, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same),
- (d) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account[s], the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the UK Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it),
- (e) that any existing payment instructions affecting the Account[s] are to be terminated and all payments and communications in respect of the Account[s] should be made only to the UK Security Trustee, and
- (f) statements shall be supplied to both us and the UK Security Trustee

We agree that

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the UK Security Trustee's prior written consent, and
- (ii) you are authorised to disclose any information in relation to the Account[s] to the UK Security Trustee at the UK Security Trustee's request

Please note

- (1) you may from time to time be instructed, by the UK Security Trustee (provided at their discretion), to transfer any amounts standing to the credit of the Account[s] to the following account (or such other account as the UK Security Trustee may from time to time notify to you in writing)

Name of account [•]

Number of account [•]

Bank/Bank address [•]

Sort code [•], and

- (2) you may be instructed by the UK Security Trustee to set up an automatic direct debit transfer of any amounts standing to the credit of the Account[s] on a daily basis to such account as the UK Security Trustee may notify you in writing, including such an account in the name of the UK Security Trustee

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the UK Security Trustee, [●] , at [●] marked for the attention of [●]

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

[Name of Chargor]
By: *[Name of signatory]*

ACKNOWLEDGEMENT

To [●]

We acknowledge receipt of a notice (the "Notice") dated [●] 201[●] addressed to us by *[Name of Chargor]* (the "Chargor") regarding Account number[s] [●] (the "Account[s]")

We confirm that

- (a) we consent to the charge of the Account[s] and will comply with the terms of the Notice,
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Account[s] and/or the Balances (as defined in the Notice);
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Account[s] or the Balances,
- (d) we undertake that, on our becoming aware at any time that any person other than the UK Security Trustee has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account[s] or the Balances, we will immediately give written notice of that to the UK Security Trustee,
- (e) no fees or periodic charges are payable in respect of the Account[s] and/or Balances, and
- (f) we shall operate the Account[s] in accordance with the terms set out in the Notice

for and on behalf of
[Name of account bank]
By: *[Name of signatory]*
Dated

SCHEDULE 6
NOTICE OF CHARGE OF PAYMENT ACCOUNT

[On Chargor's notepaper]

To *[Name and address of account bank]*

[Date]

Dear Sirs

Payment Account number[s]: [●]

We refer to Payment Account number[s] [●] (the "**Payment Account[s]**")

We give you notice that by a Debenture (the "**Debenture**") dated [●] 2014 and entered into by us in favour of *[Name of UK Security Trustee]* (as UK Security Trustee, as defined in the Debenture) we have charged all our rights in any credit balances on the Payment Account[s] (the "**Balances**") and the indebtedness represented by the Payment Account[s]

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary)

- (a) to disclose to the UK Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Payment Account[s] which the UK Security Trustee may, at any time and from time to time, request,
- (b) at any time and from time to time on receipt by you of any written instruction from the UK Security Trustee, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same),
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Payment Account[s], the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the UK Security Trustee (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it),
- (d) upon request of the UK Security Trustee, statements which you supply to us, shall at the same time (and in the same manner) be supplied to the UK Security Trustee, and
- (e) all rights, interests and benefits whatsoever accruing to or arising from the Payment Account[s] or Balances shall be exercisable by the UK Security Trustees, and

provided that we may make withdrawals from the Payment Account[s] until such time as the UK Security Trustee shall notify you (with a copy to us) in writing that their permission is withdrawn. That permission may be withdrawn or modified by the UK Security Trustee at any time in its discretion.

We agree that

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the UK Security Trustee's prior written consent, and
- (ii) you are authorised to disclose any information in relation to the Payment Account[s] to the UK Security Trustee at the UK Security Trustee's request

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the UK Security Trustee, [●], at [●] marked for the attention of [●]

This letter is governed by, and shall be construed in accordance with, English law

Yours faithfully

[Name of Chargor]

By *[Name of signatory]*

ACKNOWLEDGEMENT

To UK Security Trustee

We acknowledge receipt of a notice (the "Notice") dated [●] 201[●] addressed to us by *[Name of Chargor]* (the "Chargor") regarding Payment Account number[s] [●] (the "Payment Account[s]")

We confirm that

- (a) we consent to the charge of the Payment Account[s] and will comply with the terms of the Notice,
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Payment Account[s] and/or the Balances (as defined in the Notice),
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Payment Account[s] or the Balances,
- (d) we undertake that, on our becoming aware at any time that any person other than the UK Security Trustee has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Payment Account[s] or the Balances, we will immediately give written notice of that to the UK Security Trustee, and
- (e) we shall operate the Payment Account[s] in accordance with the terms set out in the Notice

for and on behalf of
[Name of account bank]
By: *[Name of signatory]*
Dated

SCHEDULE 7
LOCATION OF INVENTORY

Warehouse/Bailee	Location
Bedfordia Farms Ltd	Milton Ernest, Bedfordshire, MK44 1YU
Openfield Agriculture Ltd	Thetford Rd, Bressingham, Diss IP22 2DB
Union Grain	Nr Skegness Lincs PE24 5JA
Lingrain Storage Ltd	Boston, Lincolnshire PE21 6BJ
Ellingham Grain Ltd	Fillingham, Bungay, Suffolk NR35 2ER
Aylsham Grain Store	Aylsham, Norfolk NR11 6LP
Cantley Grain Store	Manor Rd, Cantley, Norfolk NR13 3JG
Honingham Thorpe Farm	Colton, Norwich, Norfolk NR9 5BZ
Grain Harvesters	Staple Road, Wingham, Canterbury, CT3 1LS
PX Farms Ltd	Dry Drayton, Cambridgeshire CB23 8AU
Haven Pacorini Metals Vlissingen BV	Engelandweg 55, Port no 1199 4389, PC Vlissingen Ost
Southwest Commodity Warehouses Inc	1702 S Euclid Avenue, Tucson, Arizona 85713-1716
Utah Commodity Storage Inc	4921 Last Stand Drive, Park City, Utah 84098
Stagecoach Cartage and Distribution LP	7167 Chino Drive, El Paso, Texas 79915
Arizona Commodity Storage Inc	4921 Last Stand Drive, Park City, Utah 84098
Tucson Port Authority	6964 E Century Park Drive, Tucson, Arizona 85756
C-Steinweg Handelsveem BV	Parmentierplein 1, POB 1068 3000, BB Rotterdam
Metro Intl Trade Services LLC	2501 Enterprise Drive, Allen Park, Detroit Michigan 48101
Pacorini Metal USA LLC	2200 Broening Highway, Suite 200, Baltimore, Maryland 21224
Durme-Natie	Klein Zuidland 5, 2030 Antwerpen
Durme-Natie	Klein Zuidland 5, 2030 Antwerpen
Durme-Natie	Klein Zuidland 5, 2030 Antwerpen
Molenberg-Natie	Haven 200, Nieuwlanderweg 32, B-2030, Antwerp
Pacorini	Norderlaan 113, 2030 Antwerp
Unicontrol	Luithagen Haven 11, 2030 Antwerpen
Durme-Natie	Klein Zuidland 5, 2030 Antwerpen
Durme-Natie	Klein Zuidland 5, 2030 Antwerpen

EXECUTION of the Debenture:

The Chargee

SIGNED as a deed by *HOW TUCKER*,)
Director, duly authorised for and on behalf)
of JEFFERIES BACHE LIMITED in the)
presence of

Witness's signature

Witness's name
(in capitals)

Witness's address

ANDREW COLE

*VIMMER'S PLACE, 68 UPPER THAMES STREET,
LONDON EC4V 3RT*

The UK Security Trustee

SIGNED as a deed by JPMORGAN)
CHASE BANK, N A)
)

Name

Title

EXECUTION of the Debenture

The Chargor

SIGNED as a deed by ,)
Director, duly authorised for and on behalf)
of JEFFERIES BACHE LIMITED in the)
presence of

Witness's signature

Witness's name
(in capitals)

Witness's address

The UK Security Trustee

SIGNED as a deed by JPMORGAN)
CHASE BANK, N A)
)

Name *Kyle Hall*
Title *Vice President*

