

MR01

Particulars of a charge

233976-260



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 there is no
instrument. Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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 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
scanned and placed on the public record. **Do not send the original**



LD3 09/11/2015 #98
COMPANIES HOUSE

MONDAY

1 Company details

Company number 00584342
Company name in full Bibby Factors Limited (the "**Company**")

For official use

→ 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 20 10 2015

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 U S Bank Trustees Limited (in its capacity as 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

MR01

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4

Brief description

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

Brief description

Not applicable

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"

Please limit the description to the available space

5

Other charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement ^①

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

☐

^① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X *Worper Lovells International LLP* X

This form must be signed by a person with an interest in the charge

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 **Marc Mouton**Company name **Hogan Lovells International LLP**Address **Atlantic House****Holborn Viaduct**Post town **London**

County/Region

Postcode **E C 1 A 2 F G**Country **United Kingdom**DX **57 London Chancery Lane**Telephone **+44 (20) 7296 2000****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

CHFP025

06/14 Version 2.0



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 584342

Charge code: 0058 4342 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th October 2015 and created by BIBBY FACTORS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th November 2015

DX

Given at Companies House, Cardiff on 16th November 2015



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED. 20 October 2015

BIBBY INVOICE FINANCE UK LIMITED

and the other entities listed in Schedule 1 hereto

as Grantors

and

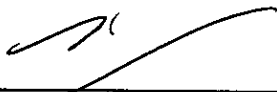
U S BANK TRUSTEES LIMITED

as Security Trustee and secured party

SECURITY INTEREST AGREEMENT

in relation to contract rights

Save for material redacted pursuant to
s8596 of the Companies Act 2006,
I certify that this is a true and
complete copy of the composite original
seen by me



Name: MARC MOOSON

Title: Solicitor

Date: 9 Nov 2015

Hogan Lovells International LLP (Ref: FZ/MD/FZMPM/1001BB 062636)
Atlantic House, Holborn Viaduct, London, EC1A 2FG



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TABLE OF CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	INCORPORATION OF COMMON TERMS	5
3	CONFLICT WITH COMMON TERMS	6
4	CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS	6
5	FURTHER ASSURANCE AND POWER OF ATTORNEY	7
6	REPRESENTATIONS AND WARRANTIES	7
7	COVENANTS AND UNDERTAKINGS	8
8	CONFLICT OF INTERESTS	9
9	SECURITY TRUSTEE RELIANCE ON THE NOTE PURCHASERS	9
10	SECURITY TRUSTEE RELIANCE ON SECURED PARTIES (OTHER THAN THE NOTE PURCHASERS)	10
11	ENFORCEMENT BY THE SECURITY TRUSTEE	10
12	APPLICATION OF FUNDS FOLLOWING AN EVENT OF DEFAULT	12
13	INSTRUCTIONS	12
14	PROVISIONS RELATING TO THE SECURITY TRUSTEE	13
15	ASSIGNMENT, SUCCESSION, APPOINTMENT, RETIREMENT AND REMOVAL OF SECURITY TRUSTEE	13
16	INVESTMENTS	14
17	EXTINGUISHMENT OF SECURITY INTEREST(S)	14
18	MISCELLANEOUS	14
19	MODIFICATION AND WAIVER	17
20	GOVERNING LAW AND JURISDICTION	17
21	AGENT FOR SERVICE	18

THIS AGREEMENT is made the 20th day of October 2015

BETWEEN

- (1) **BIBBY INVOICE FINANCE UK LIMITED**, a company incorporated under the laws of England and Wales, registered number 09351311, whose registered office is at 105 Duke Street, Liverpool, United Kingdom L1 5JQ (the "**Master Seller**"),
- (2) **EACH OF THE ENTITIES LISTED IN SCHEDULE 1** (together with the Master Seller, the "**Grantors**" and each a "**Grantor**"),
- (3) **U.S. BANK TRUSTEES LIMITED** a company incorporated under the laws of England and Wales, registered number 02379632, with registered office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR as security trustee for the Bibby Secured Parties (as defined below) (the "**Security Trustee**")

WHEREAS

- (A) Each Grantor enters into this Agreement as a condition precedent to the issue of the Notes pursuant to the VFN Purchase Deed (as defined below)
- (B) Each Grantor and the Security Trustee intend this Agreement to be a security agreement for the purposes of the Law (as defined below)

IT IS HEREBY AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 In this Agreement

"advance" has the meaning given to that word in Article 33(4) of the Law,

"after-acquired property" has the meaning given to that expression in the Law and includes future collateral as referred to in Article 18(2)(c) and (d) of the Law,

"this Agreement" extends to every separate and independent stipulation contained herein and includes the Recitals and Schedules and any amendment, variation, supplement, replacement, restatement or novation which is for the time being in effect,

"Bankrupt" and "Bankruptcy" include the meanings given to those words by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other state of bankruptcy, insolvent winding up, administration,

receivership, administrative receivership or similar status under the laws of any relevant jurisdiction,

"Bibby Secured Obligations" shall have the meaning given to that term in the Master Definitions and Framework Deed and for the avoidance of doubt will include any obligations and liabilities in respect of any Further Advances,

"Bibby Secured Parties" shall have the meaning given to that term in the Master Definitions and Framework Deed and **"Bibby Secured Party"** shall be construed accordingly,

"Client Contract Rights" means all right, title and interest, benefit and powers, present and future, of each Grantor to or in or pursuant to each Jersey Factoring Agreement and each Jersey Invoice Discounting Agreement, including the payment obligations and liabilities of each Client documented or evidenced by any such Jersey Factoring Agreement and Jersey Invoice Discounting Agreement including Receivable Assets arising in relation thereto,

"Collateral" means

- (a) the Client Contract Rights,
- (b) any proceeds of such Client Contract Rights,
- (c) the Loan Contract Rights, and
- (d) any proceeds of such Loan Contract Rights

including any after-acquired property falling within any of the above paragraphs of this definition,

"Encumbrance" includes any security interest, mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest,

"Event of Default" means the delivery (or deemed delivery in accordance with the VFN Purchase Deed, Barclays Overdraft Facility Agreement or HSBC RCF Agreement (as applicable)) of a

- (a) Note Acceleration Notice or Amortisation Event Notice,
- (b) notice from the O/D Provider making a demand for payment under the O/D Facility in respect of an Unarranged Overdraft (in each case only after the Standstill Period with respect to the relevant Unarranged Overdraft has ended), or
- (c) Post Standstill Enforcement Notice (as defined in the HSBC RCF Agreement) initiating the exercise of acceleration rights under clause 24 17 2 of the HSBC RCF Agreement,

and, in each case, the receipt by the Security Trustee of a copy thereof, the Security Trustee shall notify each Grantor and all Bibby Secured Parties (of which it has notice details in the Transaction Documents) of such delivery,

the "Exchange Rate"

means the rate of exchange between one currency and another which is available in the market to the Security Trustee at the time that the exchange is effected,

"Further Advance"

means "further advance" as that expression is defined in Article 33(4) of the Law,

"Grantor"

includes the successors of each person named as a Grantor above,

"Jersey Invoice Discounting Agreement"

means an Invoice Discounting Agreement (as such term is defined in the Master Definitions and Framework Deed) entered into by a Client located in Jersey,

"Jersey Factoring Agreement"

means a Factoring Agreement (as such term is defined in the Master Definitions and Framework Deed) entered into by a Client located in Jersey,

the "Law"

means the Security Interests (Jersey) Law 2012,

"Loan Contract Rights"

means all right, title and interest and powers, present and future, of the Master Seller to or in or pursuant to the Subordinated Loan Agreement including the payment obligations and liabilities of the Issuer documented or evidenced by the Subordinated Loan Agreement,

"Master Definitions and Framework Deed"	means the master definitions and framework deed entered into between, among others, the Master Seller and the Security Trustee on or about the date of this Agreement,
"Note Acceleration Notice"	shall have the meaning given to that term in the Master Definitions and Framework Deed,
"proceeds"	has in relation to the (other) Collateral the meaning given to that word in the Law,
"Required Currency"	means the currency or currencies in which the Bibby Secured Obligations are for the time being expressed,
"Security Interests"	means the security interest(s) created by or for which provision is made in this Agreement,
"Security Period"	means the period beginning on the date of this Agreement and ending on the date on which the Security Trustee is satisfied that the Bibby Secured Obligations have been irrevocably and unconditionally satisfied in full and the Bibby Secured Parties are under no further actual or contingent obligation to make any advance or provide any further financial accommodation to a Grantor,
the "Security Trustee"	shall include the successors and permitted assigns of the person named as the Security Trustee above and all other persons for the time being acting, their successors or permitted assigns, as the security trustee pursuant to this Agreement for and on behalf of the Bibby Secured Parties in accordance with the terms of this Agreement and the Bibby Deed of Charge),
"Subordinated Loan Agreement"	means the subordinated loan agreement between the Master Seller (as lender), the Issuer (as borrower) and U S Bank Trustees Limited (as security trustee) and dated on or about the date of this Agreement,

1 2 In this Agreement, unless the context otherwise requires

1 2 1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*,

1 2 2 references to a "Recital", "Clause" or "Schedule" are to a recital, clause or schedule of or to this Agreement,

- 1 2 3 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being and as amended, varied, supplemented, replaced, restated or novated from time to time in accordance with its terms or, as the case may be, with the agreement of the relevant parties,
- 1 2 4 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law,
- 1 2 5 references to a **"person"** include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality),
- 1 2 6 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Master Definitions and Framework Deed and words and expressions not otherwise defined in this Agreement or in the Master Definitions and Framework Deed shall, if defined in the Law, be construed in accordance with the Law,
- 1 2 7 the Security Trustee is **"the secured party"**, each Grantor is **"a grantor"**, the Collateral is the **"collateral"** and this Agreement is a **"security agreement"**, for the purposes of the Law,
- 1 2 8 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement,
- 1 2 9 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property, and
- 1 2 10 to the extent that there is a conflict or inconsistency between the provisions of the Master Definitions and Framework Deed and this Agreement, the provisions of this Agreement shall prevail,
- 1 2 11 this Agreement is the Bibby Security Interest Agreement referred to in the Master Definitions and Framework Deed

1 3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement

2 INCORPORATION OF COMMON TERMS

The Common Terms as set out in Section 2 of the Master Definitions and Framework Deed (the **"Common Terms"**) apply to this Agreement and shall be binding on the parties to this Agreement as if set out in full in this Agreement For the purpose of this Agreement, Clause 3 1 of the

Common Terms applies to this Agreement as if set out in full in this Agreement and as if each Grantor were an Obligor and the Security Trustee were the Obligee for the purposes of such Clause

3 CONFLICT WITH COMMON TERMS

If there is any conflict between the provisions of the Common Terms and the provisions of this Agreement, the provisions of this Agreement shall prevail

4 CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

4 1 Each Grantor and the Security Trustee hereby agree that the Security Trustee as security trustee for the Bibby Secured Parties shall have continuing first priority security interests in the Collateral as security for the Bibby Secured Obligations in accordance with the Law and that such security is hereby created

4 2 To the intent that the Security Interests shall attach to the Collateral, each Grantor and the Security Trustee hereby agree that the Security Interests shall attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law

4 3 In accordance with Articles 18 (*Attachment general rule*) and 19 (*After-acquired property*) of the Law, the Security Trustee and each Grantor hereby agrees that the Security Interests shall attach

4 3 1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon the occurrence of the Applicable Time, and

4 3 2 to the extent that the Collateral constitutes after-acquired property, to such Collateral immediately on the acquisition of rights in such Collateral by that Grantor without the need for any specific appropriation of the property by that Grantor

4 4 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Trustee and each Grantor hereby agree that

4 4 1 the Security Interests in Collateral that is not proceeds shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law, and

4 4 2 the Security Interests in proceeds shall, without prejudice to the operation of Article 26 (*Temporary perfection of security interests in proceeds*) of the Law, be perfected by registration of a financing statement in accordance with Article 25 (*Continuous perfection of security interests in proceeds*) of the Law

4 5 Each Grantor hereby agrees that the Security Trustee may at any time and from time to time without the consent of the relevant Grantor take any such further action as the Security Trustee may deem necessary or desirable in order to give the Security Trustee a continuing first priority

security interest or interests in the Collateral under the Law that satisfies the requirements of the Law as to attachment and perfection

- 4 6 Each Grantor covenants with and undertakes to the Security Trustee for itself and on behalf of the other Bibby Secured Parties to pay and discharge the Bibby Secured Obligations when due

5 **FURTHER ASSURANCE AND POWER OF ATTORNEY**

- 5 1 Each Grantor hereby agrees that from time to time forthwith upon the written request of the Security Trustee that it shall, at its expense, do all acts and promptly execute and deliver to the Security Trustee all further instruments and documents and do any act or thing which the Security Trustee may require for the purpose of obtaining the full benefit or intended benefit of this Agreement

- 5 2 For the purpose of facilitating the exercise of the powers of the Security Trustee under the Law and pursuant to this Agreement, each Grantor hereby irrevocably appoints the Security Trustee as its attorney (with full power of substitution) and in its name of and on its behalf to sign, execute, seal, deliver, acknowledge, file, register and perfect any and all assurances, documents, deeds, instruments, agreements, transfers, certificates and consents whatsoever and to do any and all such acts and things whatever which it has capacity to do in relation to any matters dealt with in or the subject of this Agreement and which the Security Trustee may deem necessary or advisable in order to give full effect to the purposes of this Agreement, including, without limitation, anything referred to in Clause 11

- 5 3 Each Grantor covenants with and undertakes to the Security Trustee to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 5 2

6 **REPRESENTATIONS AND WARRANTIES**

- 6 1 Each Grantor represents and warrants to the Security Trustee on the date of this Agreement and represents on each day with reference to the facts and circumstances then existing, and continues to warrant, until the Security Trustee's security interest in the Collateral is wholly discharged

6 1 1 that for the purposes of Article 18(1)(a) of the Law, value has been given,

6 1 2 that for the purposes of Article 18(1)(b) of the Law, it has rights in the relevant Collateral and the power to grant rights in that Collateral to the Security Trustee,

6 1 3 that it has good cause and full power, authority and competence to enter into and perform this Agreement and that it has duly obtained any authority, consent and approval which is necessary for it properly to do so,

6 1 4 that no governmental or regulatory approval, filing or registration (other than any registration of a financing statement under the Law in accordance with Clause 2) is

required in order to give the Security Trustee the full benefit of a continuing first priority security interest in all of the Collateral pursuant to the terms of this Agreement,

6 1 5 that it has taken all necessary steps in accordance with the laws and regulations of the jurisdiction in which the asset(s) concerned is/are located or which have been declared applicable to such asset(s), as the case may be, to enable it to charge or (to the extent capable of doing so) assign as security its property charged by or pursuant to Clause 4 and that it has taken no action or steps to prejudice its right, title and interest in and to its property secured by or pursuant to Clause 4,

6 1 6 that it

(a) has disclosed all of its previous names (if any) to the Security Trustee, and

(b) is not in the process of changing its name

6 2 Each Grantor acknowledges that the Security Trustee has entered into this Agreement in reliance on the representations and warranties set out in this Clause 6

7 COVENANTS AND UNDERTAKINGS

7 1 Each Grantor covenants with and undertakes to the Security Trustee to the intent that the same shall be continuing covenants and undertakings until the Security Trustee's security interest in the Collateral is wholly discharged

7 1 1 that it shall immediately on request provide to the Security Trustee all information that the Security Trustee requires in order to register any financing statement or financing change statement in accordance with Clause 4 4 or any other provision of this Agreement and pay on demand the costs of registering such financing statement or financing change statement for such period or periods as the Security Trustee shall in its discretion deem appropriate,

7 1 2 to perform and comply with all the obligations and undertakings from time to time incumbent upon it in respect of the Security Interests created by or pursuant to this Agreement,

7 1 3 save as permitted by the Transaction Documents, not to (and not to attempt to) sell, create any Encumbrance over, withdraw, disburse, pay, assign, transfer or otherwise dispose of or deal with the Collateral or any interest in the Collateral (other than by or pursuant to this Agreement),

7 1 4 so long as any of the Bibby Secured Obligations owed by it remains outstanding, it shall not, without the prior written consent of the Security Trustee, permit any party to any of the Transaction Documents whose obligations form part of the Security

interests to be released from such obligations, except as may be permitted by this Agreement or the terms of such Transaction Documents or with the consent of the Security Trustee,

7 1 5 that it shall not change its name without first notifying the Security Trustee in writing of the proposed new name not less than ten business days before the change takes effect, and

7 1 6 that unless the Security Trustee otherwise agrees in writing, it shall forthwith procure the discharge of the registration of any security interest that is registered against it in relation to any Collateral (other than registration in respect of any Security Interest)

7 2 Each Grantor acknowledges that the Security Trustee has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 7

8 CONFLICT OF INTERESTS

8 1 If in the Security Trustee's opinion there is or might be a conflict in connection with the exercise of its powers, trusts, authorities or discretions under this Agreement (including those in relation to any proposed modification, waiver, authorisation or substitution)

8 1 1 between the interests of (i) the Note Purchasers(s) and (ii) any of the other Bibby Secured Parties, the Security Trustee will, to the extent permitted by applicable law, have regard only to the interests of the Note Purchasers, or

8 1 2 if the Notes are no longer outstanding, between any of the remaining Bibby Secured Parties, have regard only to the interests of whichever of them ranks higher in the Bibby Enforcement Priority of Payments,

and the Security Trustee is not required to have regard to the interests of any Bibby Secured Party other than those specified above and in that order

9 SECURITY TRUSTEE RELIANCE ON THE NOTE PURCHASERS

In having regard to the interests of the Note Purchasers, the Security Trustee shall be entitled to rely solely on a written confirmation from the Required Note Purchasers (or, from the Funding Agents on the Note Purchasers' behalf) as to whether any matter, action or omission is or is not in the interests of or is or is not materially prejudicial to the interests of the Note Purchasers' and such written confirmation shall be conclusive as between the Security Trustee and the Bibby Secured Parties

10 SECURITY TRUSTEE RELIANCE ON SECURED PARTIES (OTHER THAN THE NOTE PURCHASERS)

Where the Security Trustee is required to have regard to the interests of any Bibby Secured Party (other than the Note Purchasers), the Security Trustee shall be entitled to rely solely on a written confirmation from that Bibby Secured Party as to whether, in the opinion of that Bibby Secured Party, any matter, action or omission is or is not in the interests of, or is or is not materially prejudicial to the interests of, that Bibby Secured Party without enquiry

11 ENFORCEMENT BY THE SECURITY TRUSTEE

11 1 The Security Trustee's power of enforcement over the Collateral shall become exercisable immediately upon the occurrence of an Event of Default, provided that the Security Trustee has served on each Grantor written notice specifying the Event of Default

11 2 Subject to Clause 11 1, for the avoidance of doubt, the Security Trustee shall not be required to, and shall not have any responsibility to, take any action in respect of the Security Interests created pursuant to this Agreement prior to the Security Interests becoming enforceable (including the registration of the financing statements) and thereafter shall only be required to act in accordance with Clause 13 (*Instructions*)

11 3 Subject only to the Law, the Security Trustee may exercise the power of enforcement in respect of the Security Interests in any manner permitted by or not in conflict with the Law, including, without limitation, by the Security Trustee or some person on its behalf

11 3 1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series),

11 3 2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series),

11 3 3 by taking any one or more of the following ancillary actions

(a) taking control or possession of all or any of the Collateral,

(b) exercising any rights of a Grantor in relation to all or any of the Collateral,

(c) instructing any person who has an obligation in relation to all or any of the Collateral to carry out that obligation for the benefit of the Security Trustee (or to its order), and

11 3 4 exercising or applying any remedy set out in this Clause 11 3 4 (such remedies being exercisable pursuant to the power of enforcement) to the extent that such remedy is not in conflict with the Law

- (a) directing from time to time any Grantor as to how it shall exercise or cause to be exercised all or any rights attaching to all or any of the Collateral,
 - (b) directing any Grantor as to the disposal of all or any of the Collateral, including, where appropriate specifying the person(s) who are to acquire such Collateral, the terms upon and manner in which such disposal(s) shall take place, including the price or other *cause* or consideration (whether payable immediately, by instalments or otherwise deferred), and directing the mode of application of the proceeds of such disposal(s) in such manner as the Security Trustee shall in its absolute discretion determine, including by way of sale to a third party, to the Security Trustee or to an associate or nominee of the Security Trustee
- 11 4 (Subject only to the Law) for the purposes of this Agreement, references to the exercise of a **"power of enforcement"** shall include any method or process by which value is given, allowed or credited by the Security Trustee for the Collateral against the Bibby Secured Obligations
- 11 5 Where the power of appropriation or sale is exercised in relation to any non-monetary obligation, the "monetary value" (as referred to in Article 51 (*When does a surplus exist?*) of the Law) of such obligation shall be the loss or losses suffered by the Security Trustee or by any other person by reason of non-performance of such obligation (including as such obligation is owed, or also owed, to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to a Grantor by the Security Trustee
- 11 6 The Security Trustee may at any time and from time to time exercise one or more than one of the powers set out in Clause 11 3, in whatever order and combination as the Security Trustee thinks fit
- 11 7 In accordance with Article 44(4) of the Law, the Security Trustee and each Grantor hereby agrees that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to the Grantors
- 11 8 Subject only to the Law, the Security Trustee may at its discretion
 - 11 8 1 exercise its power of enforcement in respect of the Security Interests over any part of the Collateral without reference to the time, manner, *cause*, consideration or Exchange Rate that may be/has been applicable to such exercise in respect of any other part of the Collateral, and
 - 11 8 2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Collateral notwithstanding that it shall have exercised such power over any other part of the Collateral
- 11 9 No person dealing with the Security Trustee shall be concerned to enquire as to the propriety of exercise of any power of enforcement in respect of the Security Interests (including, without

limitation, whether any Security Interest has become enforceable, whether any of the Bibby Secured Obligations remain due, as to the necessity or expediency of any conditions to which a sale or other disposition is made subject or generally as to the application of any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral) Each such dealing shall be deemed in favour of such person to be valid, binding and effectual

11 10 To the fullest extent permitted by law, the Security Trustee shall be under no liability to any Grantor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral in accordance with the Law if the Security Trustee applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution

11 11 In accordance with Article 54(5)(a) of the Law, the Security Trustee and each Grantor hereby agrees that the Grantors shall not have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise

11 12 The Security Trustee is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held by it, or any moneys or property that it holds or is entitled to receive, before the power of enforcement is exercised

11 13 The Security Trustee will be accountable (and the Grantors are entitled to be credited) only for actual value or proceeds realised by the Security Trustee arising from the appropriation, sale or other realisation of any Collateral by the Security Trustee

12 APPLICATION OF FUNDS FOLLOWING AN EVENT OF DEFAULT

12 1 Following an Event of Default, the Security Trustee shall (subject to the Law) apply (or instruct any Appointee acting on its behalf) to apply all monies received or recovered by it under this Agreement, available for distribution in or towards the satisfaction of the amounts due and payable in accordance with the Bibby Enforcement Priority of Payments (as defined in the Bibby Deed of Charge) including clause 11 2 of the Bibby Deed of Charge

12 2 Until the Securitisation Liabilities payable to the Issuer or any Issuer Secured Creditor that is not a Bibby Transaction Party are fully determined and paid in full, amounts payable under the Bibby Enforcement Priority of Payments will be applied as and when such Securitisation Liabilities are so determined and, pending such application, will be held in accordance with Clause 16 of this Agreement before any payments or distributions are made pursuant to Clauses to (c) to (e) of the Bibby Enforcement Priority of Payments

13 INSTRUCTIONS

13 1 Subject to Clause 9 (*Conflict of Interest*) of this Agreement, but notwithstanding any other provision of the Transaction Documents, the Security Trustee will not be required to take any

steps, institute any proceedings, exercise its rights and/or take any other action (including, without limitation, enforcing or releasing the Security) under or in connection with any of the Transaction Documents (including, without limitation, this Agreement) unless the Security Trustee is directed to do so by written instructions of the Controlling Creditor (for these purposes, the "Instructing Party"), in which case the Security Trustee will be bound to take such action in the manner instructed by the Instructing Party, **provided** that the Security Trustee

13 1 1 will not be bound to take such action unless it has been indemnified and/or secured and/or prefunded to its satisfaction against all loss to which it may render itself liable or which it may incur by so doing and, for this purpose, the Security Trustee may demand, prior to taking any such action, that there be paid to it in advance such sums as it considers (without prejudice to any further demand) shall be sufficient so to indemnify it, and

13 1 2 may at all times, whether or not so directed, take such action in respect of any right, power or discretion which is personal to the Security Trustee or is to preserve or protect the Security Trustee's position or is of a purely administrative nature

13 2 The Security Trustee shall not be liable to any Bibby Secured Party, to any Grantor or to any other party for any action it may take in accordance with any instructions received pursuant to this Clause 13 The Security Trustee shall be entitled to seek clarification from the Instructing Party with regard to any such instructions and may in its discretion elect not to act pending receipt of such clarification to its satisfaction from such Instructing Party and shall not be liable to any party for any delay in so acting

14 PROVISIONS RELATING TO THE SECURITY TRUSTEE

The provisions relating to the Security Trustee set out in clauses 14 and 15 of the Bibby Deed of Charge apply to this Agreement and shall be binding on the parties to this Agreement as if set out in full in this Agreement

15 ASSIGNMENT, SUCCESSION, APPOINTMENT, RETIREMENT AND REMOVAL OF SECURITY TRUSTEE

15 1 The Security Trustee may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any Security Interest

15 2 The provisions relating to the appointment, retirement and removal of the Security Trustee as set out in clause 16 of the Bibby Deed of Charge apply to this Agreement and shall be binding on the parties to this Agreement as if set out in full in this Agreement provided that any reference to "this Deed of Charge" in the Bibby Deed of Charge shall be construed as a reference to "this Agreement"

15 3 The Security Interests and other rights of the Security Trustee arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Security Trustee and shall inure for the benefit of the Security Trustee's successors

15 4 A Grantor may not assign or transfer all or any part of its rights, benefits and or obligations under this Agreement

16 INVESTMENTS

Until the Final Discharge Date, the Security Trustee may, at its discretion, hold any monies received from a Grantor or on account of the Bibby Secured Obligations pending application thereof in accordance with the Bibby Enforcement Priority of Payments in an account or accounts or invested in Eligible Investments. The proceeds of redemption or sale of such Eligible Investments and the moneys in such account or accounts, the income therefrom, together with any other funds held by the Bibby Security Trustee (after deduction of, or provision for, any applicable taxes) shall be applied as specified in the Bibby Enforcement Priority of Payments. Moneys held by the Security Trustee may be invested in its name or under its control in any Eligible Investments. The Bibby Security Trustee shall not be responsible for any loss, depreciation in value, or otherwise in respect of any investment in Eligible Investments.

17 EXTINGUISHMENT OF SECURITY INTEREST(S)

17 1 The Security Interests shall not be extinguished prior to the expiry of the Security Period

17 2 Where the Bibby Secured Obligations include obligations as to any Further Advance the Security Interests shall not be extinguished by the repayment of any current advance

17 3 Upon expiry of the Security Period, the Security Trustee shall, at the request and cost of a Grantor, take such steps as may be reasonably required to release the Security Interests and return any documentation delivered to the Security Trustee pursuant to Clause 2

17 4 Prior to the expiry of the Security Period, a Grantor shall not serve a demand that the Security Trustee register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Security Trustee under or in connection with this Agreement

18 MISCELLANEOUS

18 1 The Security Trustee may exchange or convert to the Required Currency any currency held or received at the Exchange Rate

18 2 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Bibby Secured Obligations

- 18 3 The security created by this Agreement is independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or guarantee for any of the Bibby Secured Obligations now or subsequently held by the Security Trustee or any person on its behalf or any other Bibby Secured Party
- 18 4 The rights and remedies of the Security Trustee under this Agreement may be exercised from time to time and as often as the Security Trustee deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available to the Security Trustee (or any other Bibby Secured Party) (whether at law or pursuant to this Agreement, another agreement or the order of any court)
- 18 5 Any settlement or discharge between the Security Trustee and a Grantor in respect of the Bibby Secured Obligations shall be conditional upon no security provided, or payment made, to the Security Trustee or any other Bibby Secured Party by a Grantor or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or voidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Security Trustee shall be entitled to recover the value or amount thereof from such Grantor as if no such settlement or discharge had taken place
- 18 6 No delay, omission, time or indulgence on the part of the Security Trustee (or any other Bibby Secured Party) in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it, nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Security Trustee may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral
- 18 7 Where a Grantor comprises more than one person the liability of each of them shall be joint and several and every agreement, covenant and undertaking contained in this Agreement shall be construed accordingly
- 18 8 Save as otherwise expressly provided in this Agreement and subject always to the Law, any liberty or power which may be exercised or any determination which may be made by the Security Trustee may be exercised or made in the absolute and unfettered discretion of the Security Trustee which shall not be under any obligation to give reasons
- 18 9 Each Grantor acknowledges that the Security Trustee has no obligation to perform any of the obligations of such Grantor, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of such Grantor or to take any other action to collect or enforce payment of amounts the Security Trustee is entitled to under or pursuant to this Agreement in respect of any Collateral

- 18 10 Each Grantor may not direct the application by the Security Trustee of any sums received by the Security Trustee under, or pursuant to, any of the terms of this Agreement or in respect of the Bibby Secured Obligations
- 18 11 The Security Trustee shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the Security Interests
- 18 12 Any certificate submitted by the Security Trustee to a Grantor as to the amount of the Bibby Secured Obligations or any other amount referred to in or arising under this Agreement shall, in the absence of manifest error, be conclusive and binding on such Grantor
- 18 13 The Security Trustee shall at no time be deemed to authorise impliedly or otherwise any dealing in the Collateral for the purposes of Article 24 (*Continuation of security interests in proceeds*) of the Law
- 18 14 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, each Grantor hereby irrevocably waives the right to receive a copy of any verification statement relating to any financing statement or financing change statement registered in respect of any Security Interest
- 18 15 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without prejudice to any other obligation under the Transaction Documents, each Grantor shall pay to the Security Trustee on demand the Security Trustee's fees (calculated in accordance with its standard scale of fees and charges from time to time), costs and expenses including, but not limited to, legal fees and expenses on solicitor and own client basis, in connection with any demand for registration of a financing change statement relating to a Security Interest served or purported to be served by any person at any time under or pursuant to Article 75 (*Demand for registration of financing change statement*) of the Law
- 18 16 Each Grantor hereby irrevocably consents and agrees to the processing by the Security Trustee or any person on its behalf of any personal data (as defined in the Data Protection (Jersey) Law 2005) and inclusion of such information in any financing statement or financing change statement registered pursuant to the Law in connection with the Security Interests and/or this Agreement
- 18 17 The Security Trustee shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, representations and warranties and undertakings and covenants given by the Grantors in and pursuant to this Agreement upon trust for the Bibby Secured Parties

19 **MODIFICATION AND WAIVER**

- 19 1 Subject as provided in Clauses 19 2 and 19 3, this Agreement may be amended or any provision herein relating to any obligation of any Grantor may be waived by the Security Trustee acting as directed by the Controlling Creditor in accordance with Clause 13 (*Instructions*)
- 19 2 All amendments and supplements to this Agreement must be made by written agreement of all parties to this Agreement in order to be valid
- 19 3 Other than as expressly provided in the Transaction Documents, no modification, amendment or waiver of this Agreement may increase or reduce in any manner the amount of, or accelerate or delay the timing of, or change the allocation or priority of, collections or distributions that are required to be made for the benefit of the Bibby Secured Parties without the consent of all of the affected Bibby Secured Parties

20 **GOVERNING LAW AND JURISDICTION**

- 20 1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Security Trustee that the courts of the Island of Jersey are to have jurisdiction to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("**Proceedings**") may be brought in such court
- 20 2 Nothing contained in this Agreement shall limit the right of the Security Trustee to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against a Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not
- 20 3 Each Grantor irrevocably waives (and hereby irrevocably agrees not to raise) any objection which it may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process
- 20 4 Each Grantor further hereby irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon the Grantors and may be enforced in the court of any other jurisdiction

21 AGENT FOR SERVICE

Each Grantor irrevocably appoints BFS Funding I Limited of 47 Esplanade, St Helier, Jersey, JE1 0BD to act as its agent to receive and accept on its behalf any process or other document relating to Proceedings brought in the courts of the Island of Jersey

Schedule

The Grantors

COMPANY NAME	REGISTRATION NUMBER	REGISTERED OFFICE AND ADDRESS FOR NOTICES
Bibby ACF Limited	02885198	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Bedford Limited	04290368	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Borehamwood Limited	00388715	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Bristol Limited	03171249	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Limited	00584342	105 DUKE STREET LIVERPOOL L1 5JQ
Global Management Services Limited	04331246	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors International Limited	04081220	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Invoice Discounting Limited	04105467	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Leicester Limited	02989348	105 DUKE STREET LIVERPOOL L1 5JQ

COMPANY NAME	REGISTRATION NUMBER	REGISTERED OFFICE AND ADDRESS FOR NOTICES
Bibby Factors Manchester Limited	04296744	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Northeast Limited	03653980	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Northwest Limited	00557149	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Revolving Finance Limited	07693461	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Slough Limited	02617760	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Sussex Limited	03847904	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Scotland Limited	SC199049	1ST FLOOR, UNIT 2, BLOCK B KITTLE YARDS CAUSEWAYSIDE EDINBURGH EH9 1PJ
Bibby Trade Factors Limited	05303859	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Transactional Finance Limited	07693401	105 DUKE STREET LIVERPOOL L1 5JQ
Bibby Factors Wessex Limited	04918703	105 DUKE STREET LIVERPOOL L1 5JQ

COMPANY NAME	REGISTRATION NUMBER	REGISTERED OFFICE AND ADDRESS FOR NOTICES
Bibby Factors Yorkshire Limited	04918173	105 DUKE STREET LIVERPOOL L1 5JQ

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

The Grantors

SIGNED by

for and on behalf of

BIBBY INVOICE FINANCE UK LIMITED



SIGNED

for and on behalf of

BIBBY ACF LIMITED



SIGNED

for and on behalf of

BIBBY FACTORS BEDFORD LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS BOREHAMWOOD LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS BRISTOL LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS LIMITED



SIGNED by

for and on behalf of

GLOBAL MANAGEMENT SERVICES LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS INTERNATIONAL LIMITED



SIGNED by

for and on behalf of

BIBBY INVOICE DISCOUNTING LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS LEICESTER LIMITED



SIGNED by

for and on behalf of

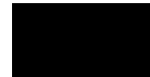
BIBBY FACTORS MANCHESTER LIMITED



SIGNED by

for and on behalf of

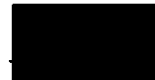
BIBBY FACTORS NORTHEAST LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS NORTHWEST LIMITED



SIGNED by

for and on behalf of

BIBBY REVOLVING FINANCE LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS SLOUGH LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS SUSSEX LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS SCOTLAND LIMITED



SIGNED by

for and on behalf of

BIBBY TRADE FACTORS LIMITED



SIGNED by

for and on behalf of

BIBBY TRANSACTIONAL FINANCE LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS WESSEX LIMITED



SIGNED by

for and on behalf of

BIBBY FACTORS YORKSHIRE LIMITED



The Security Trustee

SIGNED

for and on behalf of

U S BANK TRUSTEES LIMITED

by

SIGNED by

for and on behalf of

BIBBY FACTORS YORKSHIRE LIMITED

The Security Trustee

SIGNED

for and on behalf of

U S BANK TRUSTEES LIMITED

by



David Harnett
Authorised Signatory



Chris Tinos
Authorised Signatory