



**Registration of a Charge**

Company name: **JEFFERIES INTERNATIONAL LIMITED**

Company number: **01978621**



X9C40RT5

Received for Electronic Filing: **24/08/2020**

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**Details of Charge**

Date of creation: **10/08/2020**

Charge code: **0197 8621 0026**

Persons entitled: **CITIBANK, N.A.**

Brief description:

**Contains floating charge(s) .**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by: **CHRIS BROOKS**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 1978621

Charge code: 0197 8621 0026

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th August 2020 and created by JEFFERIES INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th August 2020 .

Given at Companies House, Cardiff on 25th August 2020

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

C L I F F O R D  
C H A N C E

CLIFFORD CHANCE LLP

We certify this document as a true copy of the original save for the material redacted pursuant to section 859G Companies Act 2006

*Eversheds Sutherland (International) LLP*

Eversheds Sutherland (International) LLP

CITIBANK N.A.

AND

JEFFERIES INTERNATIONAL LIMITED

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SECURITY DEED - CREST

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**THIS SECURITY DEED** is made on 10<sup>th</sup> August 2020

**BETWEEN**

- (1) **CITIBANK, N.A.**, a national banking association organised in the United States of America acting through its London Branch, whose principal place of business is at Citigroup Centre, Canada Square, Canary Wharf, London, England E14 5LB (the "**Bank**"); and
- (2) **JEFFERIES INTERNATIONAL LIMITED**, a company incorporated in the United Kingdom (registered number 01978621), whose registered office is 100 Bishopsgate, London, EC2N 4JL (the "**Customer**").

**WHEREAS**

- (A) The Bank has agreed to provide services to the Customer as described in the CREST Services Agreement and Facility Letter between the Bank and the Customer dated 10<sup>th</sup> August, 2020 (the "**CREST Agreement**").
- (B) The Customer has agreed to charge the stock held by it in CREST in favour of the Bank in respect of the Secured Obligations, subject to the provisions of this Deed.

**IT IS AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

- 1.1 Unless defined otherwise in this Deed, terms defined in the CREST Agreement have the same meanings in this Deed.

- 1.2 In this Deed:

"**Account**" means each Cash Memorandum Account from time to time provided by the Bank to the Customer or other deposit placed by the Customer with the Bank or any affiliate of the Bank;

"**Automatic Early Termination Event**" has the meaning given in Clause 5 (*Events of Default and Automatic Early Termination Events*) of this Deed;

"**Charged Property**" means all of the assets of the Customer which from time to time are the subject of the security created or expressed to be created in favour of the Bank by or pursuant to this Deed;

"**Collateral Rights**" means all rights, powers and remedies of the Bank provided by this Deed or by law;

"**CREST**" means the computer-based system and procedures established by EUI to enable title to units of stock to be evidenced and transferred without a written instrument and to facilitate supplementary and incidental matters;

"**Deposit**" means each credit balance from time to time on an Account and all rights, benefits and proceeds in respect thereof;

**"Eligible Stock"** means stock represented by entries on one or more Eligible Stock Accounts;

**"Eligible Stock Account"** means a stock account of the Customer as set out in Schedule 1, excluding an Excluded Stock Account;

**"EUI"** means Euroclear UK & Ireland Limited incorporated in England and Wales under registered number 2878738 acting as the operator of the CREST settlement system;

**"Event of Default"** has the meaning given in Clause 5 (*Events of Default and Automatic Early Termination Events*) of this Deed;

**"Excluded Stock Account"** means a stock account of the Customer as set out in Schedule 1 which is not subject to Clause 3 (*Creation of Security*) herein;

**"Receiver"** means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment;

**"Regulations"** means the Uncertificated Securities Regulations 2001 (SI 2001 No 3755), as amended by the Uncertificated Securities (Amendment) (Eligible Debt Securities) Regulations 2003 (SI 2003 No. 1633), and such other regulations made under s207 of the Companies Act 1989 or Sections 784, 785 or 788 of the Companies Act 2006 by virtue of Section 1297 of that same Act as are applicable to EUI and/or the CREST relevant system and are from time to time in force;

**"Secured Obligations"** means, subject to sub-clause 14.3 of Clause 14 (*Cash Accounts*), all obligations owing to the Bank by the Customer on any account, whether present or future, actual or contingent (and whether incurred by the Customer alone or jointly, and whether as principal or surety or in some other capacity) in connection with the CREST Agreement; and

**"US Dollar Payment"** means a CREST payment is US Dollars.

1.3 In this Deed a reference to:

**"stock"** means shares, stocks, debentures, debenture stock, UK government securities and (without limitation) any other securities and investments of any description or any of them (including, without limitation, all and any uncertificated units of any securities (as defined in the Regulations)) and shall include units (whether in uncertificated or certificated form) of, and interests in, any of them; and

**"stock account"** means a stock account maintained within CREST in relation to each class of security held by a CREST member as described in the CREST Reference Manual.

1.4 In this Deed, the terms **"CREST Payment"**, **"Registrar"** and **"RTGS Payment"** have the meanings given to those terms in the CREST Reference Manual.

2. **SECURED OBLIGATIONS**

2.1 The Customer acknowledges and agrees that all obligations and liabilities due by it to the Bank which arise in connection with the following shall be included in the Secured Obligations:

- 2.1.1 the CREST Agreement and this Deed;
- 2.1.2 the making of any US Dollar Payment and/or RTGS Payment by the Bank for the account of the Customer;
- 2.1.3 any transfer of stock to the Customer by means of CREST;
- 2.1.4 any issue of stock to the Customer by means of CREST.

3. **CREATION OF SECURITY**

3.1 As continuing security for the payment and discharge of all the Secured Obligations, the Customer charges by way of first floating charge:

- 3.1.1 all Eligible Stock held by, or on behalf of or for the account of, the Customer in CREST;
- 3.1.2 all and any property, property rights or interest of the Customer in, or rights of the Customer to, Eligible Stock in CREST, including (without limitation) interests of the kinds specified in Regulations 31(2)(b) and 31(4)(b) of the Regulations;
- 3.1.3 all and any sums or other benefits due or becoming due to the Customer by reason of its holding of or entitlement to stock in CREST which at the time of the sums or benefits becoming due was Eligible Stock, including, without limitation, sums or benefits due or becoming due by way of repayment, bonus, allotment, dividend, interest, preference, redemption or conversion or accruing or offered in respect of Eligible Stock in which the Customer has an interest;
- 3.1.4 all and any stock or rights (including property rights), title or interest of the Customer in, or any sum or benefit deriving from, stock which is no longer in uncertificated form, whether by reason of the Customer having become a former system-member of CREST, or such stock being converted into certificated form;
- 3.1.5 all sums and payments now and from time to time hereafter receivable by or for the account of the Customer by reason or in respect of any transfer or debit of, or agreement to transfer or debit, stock from any Eligible Stock Account of or in the name of or otherwise referable to the Customer in CREST or of any transfer by the Customer of any of its right, title or interest to or in stock represented or to be represented by any credit balance for the time being on any such Eligible Stock Account in CREST, together with all rights and interests in such sums and payments; and
- 3.1.6 all sums and payments from time to time hereafter receivable by or for the account of the Customer by reason of or in respect of the closing out or liquidation of any unsettled contract relating to any Eligible Stock in CREST,

provided that no property shall be treated as secured by this Clause 3 except to the extent that it derives from the Customer's participation in CREST under participant ID 5DQAQ.

- 3.2 It is agreed and declared (for the avoidance of doubt) that the charges contained in sub-Clause 2.1 (*Secured Obligations*) shall apply to all sums and payments and to all rights, title and interests of the Customer referable to Eligible Stock for which obligations in respect of US Dollar Payments and/or RTGS Payments have been settled or are due to be settled by the Bank.
- 3.3 The parties to this Deed acknowledge and intend that the charged assets constitute "financial collateral" and that this Deed and the Secured Obligations constitute a "security financial collateral arrangement" within the meaning of the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226), as amended and the Directive 2002/47/EC on Financial Collateral Arrangements (as applicable).
- 3.4 The parties to this Deed acknowledge and intend that this Deed constitutes a "collateral security charge" for the purposes of Article 9 of the Directive 98/26/EC on Settlement Finality in Payment and Securities Settlement Systems and section 18 of Financial Markets and Insolvency (Settlement Finality) Regulations 1999 (S.I. 1999 No. 2979) (as applicable).

#### 4. COVENANTS

##### 4.1 The Customer covenants with the Bank as follows:

- 4.1.1 to observe and comply with the CREST Requirements as far as applicable to the Customer, to do all such acts and things as shall be within its power to enable or assist the Bank to comply with the CREST Requirements as far as they apply to the Bank, and to do nothing calculated or likely to prevent or hinder the Bank from complying with the CREST Requirements as far as applicable to the Bank;
- 4.1.2 promptly to pay all calls, fees, charges, fines and other payments which may become due in respect of any stock for the time being comprised in or represented by the Charged Property (and so that, after an Event of Default which has occurred and has not been waived by the Bank or remedied, the Bank shall be entitled to do so and the amount of any payment made by the Bank in that behalf shall be added to and form part of the Secured Obligations); and
- 4.1.3 not, without the Bank's prior written consent, to withdraw from CREST and rematerialise any stock held in any stock account, either into its own name or into the name of any other person unless obliged to do so under the CREST Requirements.

#### 5. EVENTS OF DEFAULT AND AUTOMATIC EARLY TERMINATION EVENTS

- 5.1 The occurrence at any time with respect to the Customer of any of the following events (including any acts or matters which reasonably appear to the Bank to be likely to lead to any of the following events) constitutes an event of default (an "**Event of Default**");



- 5.1.1 a failure by the Customer to make, when due, a payment or delivery and/or to comply with and perform any other obligation imposed upon the Customer pursuant to the CREST Agreement or this Deed;
  - 5.1.2 a representation, warranty or undertaking made or repeated or deemed to have been made or repeated by the Customer in the CREST Agreement or this Deed proves to have been incorrect or misleading in any material respect when made or repeated or deemed to have been made or repeated;
  - 5.1.3 the Customer consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer: (1) the resulting, surviving or transferee entity fails to assume all the obligations of the Customer under the CREST Agreement or this Deed by operation of law or pursuant to an agreement reasonably satisfactory to the Bank; or (2) the benefits of any security interests fail to extend to the performance by such resulting, surviving or transferee entity of its obligations under the CREST Agreement or this Deed;
  - 5.1.4 the Customer withdraws or is suspended or expelled (either in whole or part) from the CREST system.
- 5.2 The occurrence at any time with respect to the Customer of any of the following events (including any acts or matters which reasonably appear to the Bank to be likely to lead to any of the following events) constitutes an Automatic Early Termination Event (an **"Automatic Early Termination Event"**) with respect to the Customer:
- 5.2.1 the Customer (1) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (2) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due; (3) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (4) institutes or has instituted against it a proceeding seeking a judgement for relief under insolvency or bankruptcy law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (A) results in a judgement or insolvency or bankruptcy or to entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof; (5) passes a resolution or has a resolution passed for its winding-up or liquidation (other than pursuant to a consolidation, amalgamation or merger); (6) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (7) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 10 days thereafter; or (8) causes or is subject to any event with respect to it which, under

the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in sub-clauses (1) to (7) above (inclusive);

5.2.2 the Customer (1) loses the regulatory authorisations and/or licences which are necessary to lawfully perform its obligations under this Deed or the CREST Agreement, or its membership of relevant regulatory or self-regulatory organisations or official registers; or (2) is restricted or prevented from carrying on its or any part of its business by any order made by any such body or any other supervisory or regulatory authority; and/or

5.2.3 the CREST Agreement is terminated.

## 6. **EFFECT OF TERMINATION AND ENFORCEMENT**

6.1 The Customer shall notify the Bank immediately when becoming aware of an Event of Default and / or an Automatic Early Termination Event and shall thereafter promptly notify the Bank of the making of any order or appointment or the occurrence of any event, consequent upon any event referred to in Clause 5 (*Events of Default and Automatic Early Termination Events*).

6.2 If an Event of Default or an Automatic Early Termination Event has occurred, without prejudice to the rights of buy-in, sell-out, set-off, lien and retention and other remedies available to the Bank under this Deed, the CREST Agreement, the Direct Custodial Services Agreement between the Bank and the Customer, the CREST Requirements and applicable law, the Customer or the Bank may immediately send written notice to EUI or any other third party or any other replacement or equivalent competent authority.

6.3 Termination of the CREST Agreement shall only terminate that agreement and shall not affect the continuation of this Deed nor the security constituted hereby.

### 6.4 **Enforcement**

At any time after an Event of Default or an Automatic Early Termination Event has occurred and not been waived by the Bank or remedied, or if the Customer requests the Bank to exercise any of its powers under this Deed, the security created by or pursuant to this Deed is immediately enforceable and the Bank may, without prior notice to the Customer or prior authorisation from any court, in its absolute discretion:

6.4.1 enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property; and

6.4.2 whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Deed) on mortgagees and by this Deed on any Receiver or otherwise conferred by law on mortgagees or Receivers,

subject always to the obligation to comply with applicable statutory and regulatory requirements, including the requirements of Directive 2002/47/EC on Financial Collateral Arrangements and the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (as applicable) (the "**Collateral Regulations**").

## **6.5 No Liability as Mortgagee in Possession**

Neither the Bank nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss (except if and to the extent caused by its or his gross negligence or wilful default) upon realisation or for any delay or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable.

## **7. CRYSTALLISATION OF FLOATING CHARGE**

### **7.1 Crystallisation: By Notice**

At any time after an Event of Default has occurred and not been waived by the Bank or remedied by notice in writing to the Customer, the Bank may convert the floating charge created by this Deed with immediate effect into a fixed charge as regards any Deposits, Securities, Accounts or Settlement Accounts specified in the notice.

### **7.2 Crystallisation: Automatic**

Without prejudice to any applicable law, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge upon the occurrence of an Automatic Early Termination Event.

### **7.3 Reconversion**

Any charge which has crystallised under Clause 7.1 (*Crystallisation: By Notice*) or 7.2 (*Crystallisation: Automatic*) may, by notice in writing given at any time by the Bank to the Customer, be reconverted into a floating charge in relation to the Charged Property specified in such notice.

## **8. FURTHER ASSURANCE**

The Customer shall promptly upon notice from the Bank execute all documents and do all things (including the delivery, transfer, assignment or payment of all or part of the Charged Property to the Bank) that the Bank may reasonably specify for the purpose of: (a) exercising the Collateral Rights; or (b) securing and perfecting its security over or title to all or any part of the Charged Property; or (c) enabling the Bank to vest all or part of the Charged Property in its name or in the name(s) of its nominee(s), agent or any purchaser, provided that no such step shall be taken for the purposes of (a) or (c) above unless an Event of Default has occurred and not been waived by the Bank or remedied.

## **9. POWER OF SALE**

9.1 If any of the Secured Obligations are due and payable but not paid or discharged on demand made in accordance with this Deed after an Event of Default has occurred and not been waived by the Bank or remedied, or after an Automatic Early Termination Event has occurred, the Bank shall be entitled, without prior notice to the Customer or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Charged Property. The Bank shall be entitled to apply the proceeds of that sale or other disposal in

paying the reasonable costs of that sale or disposal and in or towards the discharge of the Secured Obligations.

9.2 The power of sale or other disposal in sub-clause 9.1 of this Clause 9 (*Power of Sale*) shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925. The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Deed or to any exercise by the Bank of its right to consolidate mortgages or its power of sale.

9.3 Subject to any relevant legal provisions, certificate in writing by an officer or agent of the Bank that any power of sale or other disposal has arisen and is exercisable shall (save in the case of manifest error) be conclusive evidence of that fact, in favour of a purchaser of all or any part of the Charged Property.

## 10. RECEIVER

### 10.1 Appointment and Removal

If an Event of Default has occurred and not been waived by the Bank or remedied, the Bank may by deed or otherwise (acting through an authorised officer of the Bank), without prior notice to the Customer:

10.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Property;

10.1.2 appoint two or more Receivers of separate parts of the Charged Property;

10.1.3 remove (if it is lawfully able to do so) any Receiver so appointed;

10.1.4 appoint another person(s) as an additional or replacement Receiver(s); or

10.1.5 appoint (if it is lawfully able to do so) one or more persons to be an administrator of the Customer.

### 10.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 10.1 (*Appointment and Removal*) shall be:

10.2.1 entitled to act individually or together with any other person appointed or substituted as Receiver;

10.2.2 for all purposes shall be deemed to be the agent of the Customer which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Bank; and

10.2.3 entitled to remuneration for his services at a rate to be fixed by the Bank from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925).

### **10.3 Statutory Powers of Appointment**

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Bank under the Law of Property Act 1925 (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Bank in respect of any part of the Charged Property.

### **11. RIGHT OF APPROPRIATION**

11.1 To the extent that any of the Charged Property constitutes "financial collateral" and this Deed and the obligations of the Customer hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Collateral Regulations) the Bank shall, upon the occurrence of an Event of Default, which has not been waived by the Bank or remedied, or the occurrence of an Automatic Early Termination Event (and for so long as such an Event of Default is continuing), have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be, in the case of the Securities, the market price of such Securities determined by the Bank (acting in a commercially reasonable manner) by reference to a public index or by such other process as the Bank may select, including independent valuation.

11.2 The Bank will promptly account to the Customer for any amount by which the value of the appropriated Charged Property exceeds the Secured Obligations then due and the Customer shall remain indebted to the Bank for any amount by which the value of the appropriated Charged Property is less than the Secured Obligations then due.

### **12. SUBSEQUENT INTERESTS AND ACCOUNTS**

If the Bank at any time receives notice of any subsequent mortgage, assignment, charge or other interest affecting all or any part of the Charged Property, all payments made by the Customer to the Bank after that time shall be treated as having been credited to a new account of the Customer and not as having been applied in reduction of the Secured Obligations as at the time when the Bank received notice.

### **13. RIGHTS OF THE BANK**

13.1 In addition to the powers conferred by this Deed, the Bank and any Receiver shall have power to communicate with EUI, any Registrar and/or the regulator of EUI or the CREST system in all matters relating to the Charged Property and, without limitation, to send or receive properly authenticated dematerialised instructions to or from EUI on behalf of the Customer with respect to the Charged Property and to sign any document or take any step to facilitate the exercise of such powers.

13.2 The Bank shall not be liable to the Customer for any liabilities which may be sustained or incurred by the Customer as a result of anything done or omitted to be done (except if and insofar as caused by the Bank's own negligence, wilful default or fraud) in its capacity as provider of the services under the CREST Agreement for any purpose contemplated by this Deed.

- 13.3 Without prejudice to the generality of Clause 6.5 (*No Liability as Mortgagee in Possession*) of this Deed, entry into possession of Charged Property and the sending or receiving of dematerialised instructions to or from EUI on behalf of the Customer with respect to any Charged Property shall not render the Bank or any Receiver liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him (except if and insofar as this results from its or his own negligence, wilful default or fraud). If and whenever the Bank or any Receiver enters into possession of the Charged Property or the Bank commences to act as sponsor of the Customer, it or he shall be entitled at any time at its or his discretion to go out of possession or to cease so to act.
- 13.4 The indemnity given by the Customer pursuant to the Direct Custodial Services Agreement between the Bank and the Customer applies in respect of any loss, cost, damage and expense (including reasonable legal fees) and liability for any claims, demands or actions (as stated therein):
- 13.4.1 in consequence of anything done or purported to be done by the Bank in its capacity of provider of services pursuant to the CREST Agreement; or
- 13.4.2 in consequence of any indemnity, undertaking, representation or warranty required to be given by the Bank to EUI pursuant to the CREST Reference Manual.

14. **CASH ACCOUNTS**

14.1 **Set-off**

To the extent permitted by law and any applicable regulations and in addition to any other remedies available under such law and regulations, the Bank may where an Event of Default has occurred, without prior notice to the Customer, set off any payment obligation owed to it by the Customer against any payment obligation owed by it to the Customer regardless of the place of payment or currency of either obligation (and for such purpose may make any currency conversion necessary).

- 14.2 If any such obligation is unmatured, unliquidated or unascertained, the Bank may set off an amount estimated by it in good faith to be the amount of that obligation, subject to accounting to the Customer for any excess amount set off as soon as the obligation becomes matured, liquidated or ascertained.

14.3 **Secured Obligations and Set-off**

Insofar as is necessary to ensure the effectiveness of the Bank's rights of set-off, the exercise of such rights shall take place in point of time (to the fullest extent permitted by law) before the computation of the amount of the Secured Obligations. The Bank shall not be obliged to enforce any security interest in place of exercising any right of set-off.

- 14.4 After an Event of Default has occurred and not been waived by the Bank or remedied, the Customer shall not withdraw any cash from any Cash Memorandum Account or other deposit from time to time maintained with the Bank by the Customer to the extent that there are outstanding Secured Obligations, except with the Bank's prior written consent

and where such withdrawal will not cause (or increase) an overall net debit balance in respect of the Accounts (taken together).

**15. POWER OF ATTORNEY**

15.1 The Customer irrevocably and by way of security hereby appoints the Bank as its attorney (with full power to appoint substitutes and to sub-delegate, including power to authorise the person so appointed to make further appointments, in both cases, with regard to all or any part of the Charged Property) on behalf of the Customer and in its name or otherwise to execute, deliver and perfect any document or do any act or thing which the Bank or such substitute or delegate may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of the Bank under this Deed in respect of participant ID 5DQAQ or for carrying out any obligation imposed on the Customer or for the exercise of any of the Collateral Rights, and in addition:

- 15.1.1 to act as sponsor on behalf of the Customer with full authority to communicate with EUI and/or the regulator of EUI or the CREST system in all matters relating to the Charged Property and, without limitation, to send and receive properly authenticated dematerialised instructions on behalf of the Customer with respect to the Charged Property;
  - 15.1.2 to sign any document and to take any step to confirm, perfect or implement the appointment of the Bank as sponsor of the Customer or to appoint any other person to act as a sponsor of the Customer with full authority in each case to communicate with EUI and/or the regulator of EUI or the CREST system in all matters relating to the Charged Property including, without limitation, sending or receiving properly authenticated dematerialised instructions on behalf of the Customer to or from EUI with respect to the Charged Property;
  - 15.1.3 to keep the securities comprised in the Charged Property in uncertificated form or to give instructions for all or part of the securities comprised in the Charged Property to be converted into certificated form and for the relevant certificates to be delivered to the Bank or the Receiver (or as it or he may direct) or to be converted or reconverted into uncertificated form.
- 15.2 The Customer shall ratify and confirm all things done and all documents executed by the Bank in the exercise of that power of attorney.
- 15.3 This power shall be exercisable by the Bank at any time or times as it thinks fit in its entire discretion without the necessity of any event of default howsoever described or any other condition having been fulfilled first.

**16. SUCCESSORS**

16.1 This Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Bank; and references to the Bank shall include any assignee or successor in title of the Bank and any person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Bank under this Deed or to which, under such laws, those rights and obligations have been transferred.

17. **PROTECTION OF THIRD PARTIES**

- 17.1 Neither EUI nor any purchaser from, or other person dealing with, the Bank or any Receiver shall be concerned to enquire whether any of the powers which they have exercised or purposed to exercise has arisen or become exercisable, or whether the Secured Obligations remain outstanding, or whether any event or cause has happened to authorise the Bank or any Receiver to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.
- 17.2 The receipt of the Bank or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see the application of any money paid to or by the direction of the Bank or the Receiver.
- 17.3 In Clauses 17.1 and 17.2, "**purchaser**" includes any person acquiring, for money or money's worth, any security interest over, or any other interest or right whatsoever in relation to, the Charged Property.

18. **EVIDENCE OF SECURED AMOUNTS**

A certificate signed (or, where reliance is being placed on it by EUI, or any third party, appearing to be signed) by an officer of the Bank as to the Secured Obligations as for the time being due or owing from the Customer to the Bank shall be treated, in favour of the Bank, EUI and any other person to whom such certificate is issued, as conclusive evidence for all purposes against the Customer and binding on it (save in the case of manifest error or fraud) and such certificate may be relied upon by EUI and any other such person in all circumstances without further enquiry.

19. **THIRD PARTY RIGHTS**

- 19.1 The provisions of Clauses 17 (*Protection of Third Party Rights*) and 18 (*Evidence of Secured Amounts*) shall be directly enforceable in relation to the Customer by EUI and (in the case of Clause 17) by any other person to whom a certificate is issued under Clause 18 and all powers conferred by this Deed on a Receiver and all protections made available to him under this Deed shall be directly exercisable or enforceable by such Receiver, pursuant to the Contracts (Rights of Third Parties) Act 1999. The successors in title to the Bank and EUI and the assignees of the rights of either of them are deemed to be a party to this Deed.
- 19.2 The Bank and the Customer may by agreement rescind or vary any term of this Deed (including this Clause 19) without the necessity of obtaining any consent from EUI, any Receiver or any other person.
- 19.3 Save as otherwise expressly provided in Clause 19.1, no person other than a party to this Deed shall have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term (express or implied) of this Deed, but this is without prejudice to any right or remedy of the third party which may exist or be available apart from that Act.



20. **SEVERABILITY**

- 20.1 Should any part or provision of this Deed be held to be invalid or unenforceable by any competent arbitral tribunal, court, governmental or administrative authority having jurisdiction, the other provisions of this Deed shall nonetheless remain valid. In this case, the parties hereto shall endeavour to negotiate a substitute provision that best reflects the economic intentions of the parties without being unenforceable, and shall execute all agreements and documents required in this connection.

21. **GOVERNING LAW AND DISPUTE RESOLUTION**

- 21.1 This Deed and all non-contractual obligations arising out of or in connection with it are governed by English law.
- 21.2 The English High Court has exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) or the consequences of its nullity.

## SCHEDULE 1

### Eligible Stock Account

#### Participant ID

- Member Account
- Member Account

### Excluded Stock Account

IN WITNESS WHEREOF this Security Deed has been signed on behalf of the Bank and executed as a deed by the Customer and is intended to be and is hereby delivered by it as a deed on the date specified above.

Citibank N.A. acting by:

By:

Name: *PETER STENALT*

Title: *DIRECTOR*

**The Customer**

EXECUTED as a DEED by )  
**JEFFERIES INTERNATIONAL LIMITED** )



Signature of Director

Huw Tucker

Name of Director

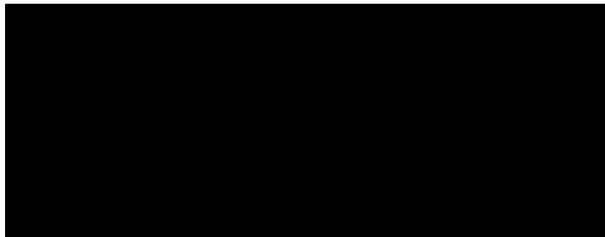
in the presence of:



Signature of witness

*Callum Tucker*

Name of witness



Address of witness

Occupation of witness