

MR01

Particulars of a charge



Companies House

0000 31 / 23



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A fee is payable when filing
Please see 'How to pay'

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

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

THURSDAY



AC35BMJ4

A21

18/05/2023

#147

COMPANIES HOUSE

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

1 Company details

Company number 0 2 0 6 8 2 2 2

Company name in full Morgan Stanley & Co International plc

For official use

→ Filling in this form

Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 7 m 0 m 5 y 2 y 0 y 2 y 3

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 LME CLEAR LIMITED

Name

Name

Name

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

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

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Particulars of a charge

4

Brief description

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

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

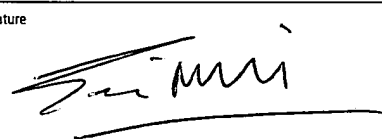
Signature

Please sign the form here.

Signature

Signature

X



GAVIN HILL, CCO

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 JUSTYNA DABROWSKA

Company name LME CLEAR LIMITED

Address 10 FINSBURY SQUARE

Post town LONDON

County/Region

Postcode E C 2 A 1 A J

Country UNITED KINGDOM

DX

Telephone 020711385555



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 £23 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.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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



Security Agreement

English Law

Certified to be a true copy
of the original by
Name HANNAH MOUTON, SOLICITOR
Signature *Hannah Mouton*
Date 17 May 2021

LME CLEAR LIMITED

10 Finsbury Square, London EC2A 1AJ | Tel +44 (0)20 7113 8888

A private limited company. Registered in England no 07611628. Registered office as above.

LME.COM/CLEAR

DATED

17 May 2023

MORGAN STANLEY & CO. INTERNATIONAL PLC
(as chargor)

- and -

LME CLEAR LIMITED
(as chargee)

SECURITY DEED
(ENGLISH LAW)

 **LME** Clear
An HKEX Company



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THIS DEED is made on 17 May 2023

BETWEEN:

- (1) **Morgan Stanley & Co. International plc**, a company incorporated in England and Wales (registered number 02068222) whose registered office is at 25 Cabot Square, Canary Wharf, London, E14 4QA (the "**Member**"); and
- (2) **LME Clear Limited**, a company incorporated in England and Wales (registered number 7611628) whose registered office is at 10 Finsbury Square, London, EC2A 1AJ ("**LME Clear**").

WHEREAS:

The Member is or proposes to become a member in the clearing system operated by LME Clear and has agreed to execute this Deed for the purpose of securing its obligations and liabilities to LME Clear under the Member Documentation.

WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Words and phrases defined, and principles of interpretation provided for, in the Rules shall, unless the context otherwise requires or unless otherwise redefined in this Deed, have the same meaning and shall apply (as the case may be) in this Deed. The provisions of Rule 1.2 (*Interpretation*) shall apply to this Deed as if repeated in full in this Deed with the necessary consequential changes.
- 1.2 In this Deed, except insofar as the context otherwise requires, the following words and phrases shall have the following meanings:

"Approved CSD" means each national or international central securities depository providing means for the central custody, deposit and/or transfer of Securities (or a system for the clearing or settlement of transactions in Securities), which is for the time being approved by LME Clear (pursuant to the Rules) for the holding of Securities provided to LME Clear (or its Custodian) by way of Collateral, including as at the date of this Deed, CREST in London, Euroclear Bank in Brussels and the Federal Reserve in the US.

"Charged Property" means the property, assets, rights, receivables and benefits of the Member from time to time comprised in or subject to the Security Interests created (or purported to be created) by this Deed, including Charged Securities and, unless the context otherwise requires, references to Charged Property include (with effect from the time of its transfer) any Collateral transferred to the Member together with a Client Account under clause 4.3 and exclude (with effect from the time of its release) any Collateral released under clause 4.4, and also including the Securities or rights to Securities for the time being standing to the credit of the Securities Accounts or any of them, including all Collateral provided in respect of each Client Account of the Member.

"Charged Securities" means all Securities charged or mortgaged to LME Clear under clauses 3.1(a) and (b).

"CREST" means the computer-based system operated by Euroclear UK & Ireland Limited to enable title to units of stock to be evidenced and transferred without written instruction.



"Custodian" means any person appointed from time to time by LME Clear to act as its bank, custodian, global custodian, account operator and/or other intermediary in relation to any Charged Property (including in any Approved CSD), including its branches and affiliates providing custody or similar services to LME Clear and also including any additional or substitute custodian which LME Clear may designate from time to time and any agent, nominee or sub-custodian acting for LME Clear or any such Custodian.

"Deed" means this Deed, including its recitals and schedules, as amended in accordance with its terms from time to time.

"Equivalent Charged Property" means, in relation to Securities, Securities of the same issuer or debtor, forming part of the same issue or class and of the same nominal amount, currency and description.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 as amended.

"ISIN" refers to an international securities identification number.

"Loss" includes any loss, liability, damage, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise (including any loss of business, loss of goodwill, loss of profit, and business interruption or other loss).

"LME Clear" includes any transferee or successor of LME Clear and any person with which it may merge or be consolidated, whether or not it is the surviving entity.

"LME Clear Member" means, at any time, any person (including the Member) that has been admitted by LME Clear as a member of LME Clear System pursuant to the Rules and that has not ceased to be such a member in accordance with the Rules.

"LME Clear System" means the clearing house operated by LME Clear and the services provided by it pursuant to the Rules.

"Membership Agreement" means the agreement for the time being in force between LME Clear and the Member relating to its participation in the LME Clear System, in which amongst other things the Member agrees to be bound by the Rules.

"powers" means, in relation to LME Clear, its powers, discretions and rights under this Deed or any other document including any Member Documentation or under general law.

"Receivables" means all money receivable by the Member now or in the future under or by virtue of any Charged Property.

"Rules" means the rules and procedures established by LME Clear which are from time to time in force in relation to LME Clear Members.

"Security Document" means:

- (a) this Deed;
- (b) any other agreement creating or purporting to create a Security Interest by the Member in favour of LME Clear to secure any Secured Obligation; or
- (c) any other agreement or document designated as such by the Member and LME Clear.

"Secured Obligations" means:

- (a) all money and liabilities whatsoever now or in the future (whether before or after the occurrence of a Default Event) due, owing or incurred by the Member to LME Clear (whether solely or jointly, or jointly and severally, with another or others, and whether as principal or surety, and whether actual or contingent, present or future), under or in connection with the Member Documentation;
- (b) (whether before or after any judgment) all interest, costs and other charges whatsoever; and
- (c) (with effect from the time of their transfer) any obligations, money and liabilities due, owing or incurred to LME Clear which are assumed by the Member in respect of any Client Account transferred to the Member under clause 4.3,

but excludes:

- (d) (with effect from the time of their release) any obligations, money and liabilities to LME Clear from which the Member is released under clause 4.4.

"Securities" means:

- (a) stocks, shares, debentures, loan stock, notes, bonds, warrants and other investments (as listed in Part II, Schedule 2 of the Financial Services and Markets Act 2000), depositary receipts, government securities or other securities of any description, whether certificated or uncertificated and whether in registered or bearer form, including book entry securities;
- (b) all rights, benefits, money or property of a capital nature now or in the future accruing or offered in respect of any item specified in paragraph (a) above, including any bonus and any right or benefit arising from consolidation, conversion, exchange, option, preference, redemption, return of capital or in any other way; and
- (c) any interest or right (whether legal or equitable or otherwise) in respect of any item specified in paragraph (a) above which are now or in the future held in an Approved CSD or subject to the rules and practices of an Approved CSD.

"Securities Account" means each and any account in the name of LME Clear held at an Approved CSD or a Custodian in which any Securities provided by the Member as Collateral or Default Fund Contributions (pursuant to the Rules) is held, as contemplated by clause 6.1.

"Security Interest" means:

- (a) any mortgage, charge, pledge, assignment (whether or not expressed to be by way of security), hypothecation, lien, encumbrance or other priority or security interest whatsoever, howsoever created or arising;
- (b) any deferred purchase, title retention, trust, sale-and-repurchase, sale-and-leaseback, hold back or "flawed asset" arrangement or right of set-off; and
- (c) any other agreement or arrangement whatsoever having the same or a similar commercial or economic effect as security,

and any agreement for any of the foregoing.



"Settlement Finality Regulations" means the Financial Markets and Insolvency (Settlement Finality) Regulations 1999 as amended.

"Tax" means:

- (a) all forms of tax, levy, impost, contribution, duty, liability and charge in the nature of taxation and all related withholdings or deductions of any nature (including any value added tax or similar tax); and
- (b) all related fines, penalties, charges and interest.

"this Security" means the Security Interests (including the charges and mortgages) created (or purported to be created) by this Deed.

1.3 In this Deed, references to:

- (a) **"book entry securities"** means Securities, the title to which is evidenced by entries in a register or account maintained by or on behalf of an intermediary;
- (b) **"intermediary"** have the meaning given to it by regulation 3 of the Financial Collateral Regulations;
- (c) **"uncertificated"** have the meaning given to it by regulation 3(1) of the Uncertificated Securities Regulations 2001;
- (d) **"certificated"** means a unit of Securities which is not uncertificated; and
- (e) **"property"** includes any interest (legal or equitable) in personal property, tangible or intangible, and anything in action.

1.4 Any reference to this Deed, any Member Documentation or any other document shall be construed as a reference to this Deed, such Member Documentation or such other document (including their respective schedules) as the same may from time to time be amended, varied, supplemented, novated, replaced or restated and shall include any document which is supplemental to, or is expressed to be collateral to, or is entered into pursuant to or in accordance with the terms of, this Deed or (as the case may be) any Member Documentation or such other document.

1.5 Unless the context requires otherwise, any reference to a clause or a schedule shall be to a clause or schedule of this Deed.

2. COVENANT TO PAY SECURED OBLIGATIONS

The Member covenants with LME Clear that it will duly and punctually perform pay or discharge each Secured Obligation.

3. CREATION OF SECURITY

3.1 The Member with full title guarantee hereby charges to LME Clear as continuing security for the payment or discharge of the Secured Obligations:

- (a) by way of mortgage, all its rights, title and interest in and to all Securities now or in the future provided as Collateral or Default Fund Contributions by or on behalf of the Member to LME Clear or its Custodian or to the membership account in CREST of LME Clear or such Custodian, including all proceeds of sale of such Securities;



- (b) by way of mortgage, all its rights, title and interest in and to all book entry Securities (to the extent not mortgaged under paragraph (a) above) now or in the future provided as Collateral or Default Fund Contributions by or on behalf of the Member to LME Clear or its Custodian and standing to the credit of an account at an Approved CSD held in the name of LME Clear or such Custodian in relation to such Securities or designated by reference to LME Clear or such Custodian, including all entitlements and debts represented by such credit entries, all rights relating to such accounts and all proceeds of sale of such Securities;
 - (c) by way of fixed charge, all rights, benefits, money or property of an income nature now or in the future accruing at any time in respect of the Securities mortgaged under paragraphs (a) and (b) above, including any dividend, distribution or interest; and
 - (d) by way of floating charge, all its right, title and interest in and to all property referred to in paragraphs (a) to (c) above to the extent that such property is not effectively charged by a fixed charge or mortgage contained in this clause 3.1.
- 3.2 The Member shall promptly upon being required by LME Clear at any time sign a notice of charge in the form set out in the schedule for delivery on its behalf to any Custodian.
- 3.3 If the Member ceases to be an LME Clear Member, upon its written request and at its expense after all Secured Obligations have (in the reasonable judgment of LME Clear) been fully and unconditionally paid or discharged to LME Clear (or, if contingent, have wholly ceased to be capable of arising) and after the Member has become entitled under the Rules to request the release of this Security, LME Clear shall release and discharge all Charged Property from the Security Interests created by this Deed and Equivalent Charged Property shall be transferred to the Member.
- 3.4 It is agreed that the charges and mortgages created by clause 3.1 in relation to "financial collateral" (as defined by the Financial Collateral Regulations) constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations and a "collateral security charge" for the purposes of the Settlement Finality Regulations.
- 3.5 LME Clear may, at any time after a Default Event has occurred, by notice in writing to the Member convert the floating charge created by clause 3.1(d) with immediate effect into a fixed charge as regards any property or other assets specified in the notice.
- 3.6 A floating charge which has crystallised pursuant to clause 3.6 may, by notice in writing given at any time by LME Clear to the Member, be reconverted into a floating charge in relation to the Charged Property specified in such notice.
- 4. **CLIENT ACCOUNTS**
 - 4.1 The charges and mortgages contained in clause 3.1 shall apply to all Charged Property, including all Collateral provided in respect of, or recorded in, any Client Account of the Member.
 - 4.2 All money received or realised under the powers conferred by this Deed shall be applied for the purposes and in the manner determined by LME Clear in accordance with the Rules. If LME Clear maintains in its books of account one or more House Accounts and one or more Client Accounts for the Member, such money shall be allocated and applied by LME Clear in the proportions and subject to the restrictions on the use of Collateral provided on House Account and Client Account applicable under the Rules.



4.3 If a Client Account of a Member Transferor and the Collateral provided by it for such Client Account are validly transferred to the Member (as a Member Transferee) in accordance with Rule 10.7 (*Portability of Client Accounts*) of the Rules and Part D (*Porting Procedure*) of the Default Procedures of the Rules, then, immediately upon such transfer taking effect, all present and future obligations, money and liabilities due, owing or incurred to LME Clear under or in connection with such Client Account will be secured by the mortgages and charges contained in clause 3.1 and all present and future Collateral provided in respect of such Client Account shall stand as charged to LME Clear under such mortgages and charges.

4.4 If a Client Account of the Member and the Collateral provided by it for such Client Account are validly transferred to a Member Transferee in accordance with Rule 10.7 (*Portability of Client Accounts*) of the Rules and Part D (*Porting Procedure*) of the Default Procedures of the Rules, then, upon such Client Account and Collateral being validly transferred to the Member Transferee and such Collateral becoming validly charged by the Member Transferee to LME Clear on the same terms as applicable under clause 3.1, the obligations, money and liabilities due, owing or incurred to LME Clear in respect of such Client Account shall cease to form part of the Secured Obligations and such Collateral will be released from the mortgages and charges contained in clause 3.1.

5. ADDITIONAL OR SUBSTITUTED SECURITIES

5.1 If at any time the Member deposits or transfers any further or other Securities with or to LME Clear or its Custodian or to an account of LME Clear or its Custodian (in any Approved CSD or otherwise) in substitution for or in addition to the Charged Securities, such Securities will immediately become part of the Charged Securities for all purposes of this Deed and will be subject to the charges, mortgages and other provisions contained in this Deed.

5.2 All further or new Securities (whether by way of bonus, rights, conversion, merger, reconstruction or otherwise) which may be issued in respect of any Charged Securities shall be deposited with LME Clear or its Custodian or transferred to it or credited to the Securities Account applicable to such Securities (or as LME Clear may direct) and will immediately become part of the Charged Securities for all purposes of this Deed and will be subject to the charges, mortgages and other provisions contained in this Deed.

6. HOLDING OF CHARGED SECURITIES

6.1 The Member shall transfer all Securities provided by it as Collateral or Default Fund Contributions (pursuant to the Rules) with full title guarantee to the Securities Accounts applicable to the relevant Securities and ISINs.

6.2 The Member shall, on demand by LME Clear, reimburse LME Clear for all reasonable charges (including commission charged on transfers of Charged Securities) and expenses incurred by LME Clear in connection with the opening, maintenance and operation of the Securities Accounts. Where a Securities Account is used for holding Securities provided by the Member and other LME Clear Members, LME Clear shall allocate such charges and expenses between them on such basis as it may determine and the Member shall reimburse its allocated proportion of such charges and expenses to LME Clear.

7. TITLE DOCUMENTS AND VOTING RIGHTS

7.1 Except as otherwise expressly agreed in writing by LME Clear, the Member shall:

- (a) deposit with LME Clear (or as it may direct), and LME Clear shall be entitled to retain during the term of this Deed, all certificates relating to certificated



Charged Securities and any other deeds and documents of title relating to any Charged Property; and

- (b) execute and deliver to LME Clear such documents and transfers and give such instructions and perform such other acts as LME Clear may require at any time to constitute or perfect an equitable or legal mortgage or pledge over any Charged Property.

7.2 If any Charged Securities carry voting rights, then, unless and until this Security becomes enforceable or LME Clear otherwise directs in any case:

- (a) such voting rights shall continue to be exercised by the Member for so long as it remains the registered owner of the relevant Charged Securities; and
- (b) if the relevant Charged Securities are registered in the name of LME Clear or its Custodian, such voting shall be exercised in accordance with the instructions in writing from time to time received from the Member and (in the absence of any such written instructions) the registered holder shall refrain from exercising any such rights,

provided that upon this Security becoming enforceable, or if LME Clear otherwise directs, all of the foregoing rights of the Member shall automatically cease, and LME Clear alone shall be entitled to exercise all such voting rights in lieu of the Member.

8. COLLECTION OF RECEIVABLES

- 8.1 All dividends, interest and other income derived from Charged Securities shall be credited initially to such cash account of LME Clear or its Custodian as LME Clear shall decide, and may thereafter be held by LME Clear, or transferred to an Account of the Member, as LME Clear shall decide, including so that such income forms part of the Member's Cash Collateral.
- 8.2 The Member shall collect and realise any other Receivables and pay to such account with such bank as LME Clear may direct all money which it may receive in respect of such other Receivables forthwith on receipt. Each such account shall be operated by the relevant bank solely on the instructions of LME Clear.
- 8.3 If the Member receives any money in respect of a Receivable, it shall hold such money upon trust for LME Clear.

9. NEGATIVE PLEDGE AND OTHER RESTRICTIONS

The Member shall not, without the prior written consent of LME Clear:

- (a) other than in favour of LME Clear, create, or agree or attempt to create, or permit to subsist, any Security Interest or any trust over any Charged Property, any Receivables or any money payable to the Member by or on behalf of LME Clear (pursuant to any Member Documentation), or permit any lien (other than a lien arising by operation of law in the ordinary course of the Member's business or, if applicable, a lien arising in favour of the operator of an Approved CSD) to arise or subsist over any Charged Property, any Receivables or any such money;
- (b) sell, transfer or otherwise dispose of any Charged Property, any Receivables or any money payable to the Member by or on behalf of LME Clear (pursuant to any Member Documentation), or any of its right, title or interest therein;



- (c) withdraw, or attempt to withdraw, any Charged Property from any account with a Custodian, except if and insofar as expressly permitted by LME Clear; or
- (d) consent to any Charged Securities being consolidated, sub-divided or converted or any rights attaching to them being varied, or to any uncertificated Charged Securities being converted into certificated Charged Securities (or vice versa).

10. REPRESENTATIONS AND WARRANTIES

10.1 The Member represents and warrants to LME Clear that:

- (a) the Member has the corporate power, and has taken all necessary action, to execute and perform this Deed;
- (b) this Deed constitutes legal, valid and binding obligations enforceable against the Member and creates the Security Interests expressed to be created by this Deed;
- (c) this Deed creates a valid, first-priority security interest in all present and future Charged Property, subject to no other Security Interest whatsoever (save any Security Interest in favour of LME Clear)
- (d) all Securities are or will (at the time of their becoming part of the Charged Securities) be fully paid up;
- (e) the Member has obtained all authorisations of any governmental or regulatory body required in connection with execution and performance of this Deed and such authorisations are in full force and effect;
- (f) the execution and performance of this Deed has not, and will not, violate any law, ordinance, charter, by-law or rule applicable to the Member or any agreement by which it is bound or by which any of its property or other assets are affected;
- (g) the Member is acting as principal in entering into this Deed and performing its obligations under it;
- (h) all Charged Property comprises "financial collateral" within the meaning of regulation 3 of the Financial Collateral Regulations;
- (i) at the time of transfer of any Charged Property to LME Clear or its Custodian, the Member was the sole lawful owner of, and was entitled to the entire benefit interest in, such Charged Property and, upon such transfer being effected, all right, title and interest in and to such Charged Property shall stand charged or mortgaged to LME Clear with full title guarantee on the terms of any Security Document, and free of any interest of any kind including Security Interest of any third party;
- (j) the Member has, and will continue to keep, in force with each of its Clients an agreement under which the Member is expressly entitled, with respect to any property or other assets from time to time held by the Member or delivered to the Member by or for the account of any such Client, to charge, mortgage or pledge (as owner) such property or assets in favour of LME Clear (free of any right, title or interest in favour of such Client) to secure the discharge of the Secured Obligations;



- (k) neither the Member nor any Client of the Member or other person is or will be in breach of any trust or other fiduciary duty as result of the charging, mortgaging or pledging, or authorising the charging or mortgaging of any Charged Property under any Security Document; and
 - (l) all Charged Property is free from any restriction on transfer (except for the restrictions contained in this Deed) and the Member shall ensure that, as far as the Member is able, all Charged Property will at all times remain free from any restriction on transfer (except for the restrictions contained in this Deed).
- 10.2 The representations and warranties stated in clause 10.1 shall be made on the date on this Deed and deemed to be repeated by the Member on each day on which any Charged Property is transferred or otherwise provided by or on behalf of the Member to LME Clear or its Custodian.
- 11. **PAYMENT OF CALLS AND EXPENSES**

The Member shall promptly pay all calls, fees, charges, fines, rents, storage fees, lease payments, costs, expenses and other amounts of any kind which may become due in respect of any Charged Property. If the Member defaults in doing so, LME Clear shall be entitled to pay them and the Member shall reimburse LME Clear on demand in relation to any such payment made by LME Clear, and in any event the amount of any such payment made by LME Clear shall be added to and form part of the Secured Obligations.
- 12. **CONTINUING SECURITY**

This Deed shall be a continuing security for LME Clear, notwithstanding any intermediate payments or settlements of accounts or other matters whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, pledge or other rights exercisable by LME Clear against the Member or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by LME Clear.
- 13. **ENFORCEABILITY**
- 13.1 This Security will become immediately enforceable if a Default Event occurs in respect of the Member.
- 13.2 On or at any time after this Security becomes enforceable, LME Clear or its Custodian may exercise its powers under this Deed in relation to all such part of the Charged Property in such manner and at such time or times as it thinks fit (including by appropriation of any Charged Property to LME Clear itself or by sale to any other Member or third party).
- 14. **POWERS EXERCISABLE BY LME CLEAR**
- 14.1 On or at any time after this Security becomes enforceable, the statutory powers of sale and of appointing a receiver shall be exercisable LME Clear (or a Custodian acting on its behalf) without the restrictions contained in Section 103 (*Regulation of exercise of power of sale*) and Section 109 (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act 1925 and, in addition to such statutory powers and its powers under any Member Documentation, LME Clear (or a Custodian acting on its behalf) shall be entitled at its absolute discretion without notice to the Member:
 - (a) to sell or procure the sale of full title to or any interest in the Charged Property and to do so for such consideration (whether payable immediately or by



instalments) and on such terms as LME Clear may think fit, and also to grant any option to purchase any interest in the Charged Property;

- (b) send such messages and instructions (electronically or in writing) with respect to the Charged Property as LME Clear may think fit, including messages and instructions for the transfer of all or any Charged Securities to such account or accounts as LME Clear may choose or for the sale of all or any of such Charged Securities through an Approved CSD or otherwise or for the recertification of all or any of such Charged Securities;
 - (c) to apply or transfer as LME Clear thinks fit all or part of any money or interest subject to this Security at any time or times (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards satisfaction of all or such part of the Secured Obligations as LME Clear may determine;
 - (d) to execute and deliver such documents and give such instructions as may be required to give effect to this Deed, including instructions for the withdrawal of any Charged Property held by any person and/or for the use of any money or interest subject to this Security to purchase any currency or currencies required to effect such application;
 - (e) to transfer or procure the transfer of the whole or any part of the Charged Property into one or more accounts in the name of LME Clear or a person nominated by LME Clear and, in connection with the exercise of any of its rights or powers, to transfer any interest in the Charged Property into the name of LME Clear or any such nominee of LME Clear; and/or
 - (f) with a view to, or in connection with, the sale of the Charged Property, to enter into any transaction or arrangement which LME Clear may, in its absolute discretion, consider appropriate.
- 14.2 On or at any time after this Security becomes enforceable, LME Clear may appoint any person as its agent for the purpose of selling or otherwise disposing of any Charged Property at any time on such terms as LME Clear thinks fit.
- 14.3 LME Clear may, for as long as it considers it reasonable and prudent to do so, place and keep any money received, recovered or realised under or by virtue of this Deed on a separate or suspense account to the credit and in the name of LME Clear, without any obligation on its part to apply the same or any part of it in or towards the discharge of the Secured Obligations.
- 14.4 This Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, any other Security Interest, right or remedy available to LME Clear now or in the future.
- 14.5 The restriction contained in section 103 of the Law of Property Act 1925 (*Regulation of exercise of power of sale*) shall not apply to any exercise by LME Clear of its power of sale or other disposal, and such power shall arise immediately upon this Security becoming enforceable, as shall the statutory power under section 101 of that Act of appointing a receiver of the Charged Property or its income.
- 14.6 Section 93 of the Law of Property Act 1925 (*Restriction on consolidated mortgages*) shall not apply in relation to any of the charges contained in this Deed.
15. **RIGHT OF APPROPRIATION**



- 15.1 On or at any time after this Security becomes enforceable, LME Clear may by notice in writing to the Member appropriate with immediate effect any Charged Property comprising financial collateral (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Obligations in such manner as LME Clear may determine, whether such Charged Property is held by LME Clear, its Custodian or otherwise.
- 15.2 The value of any Charged Property appropriated under clause 15.1 shall be the sale price for that Charged Property at the time of appropriation, as determined after appropriation by LME Clear on the basis of the sale price(s) obtained from an applicable generally recognised source selected by LME Clear (converted, where necessary for such valuation, into US dollars or such other currency on the basis set out in the Rules).
- 15.3 LME Clear will account to the Member for any amount by which the value of the appropriated Charged Property exceeds the Secured Obligations then due.
- 15.4 The Member agrees that:
- (a) all Charged Property referred to in clause 15.1 has been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of LME Clear or a person acting on its behalf; and
 - (b) the method of valuing Charged Property under clause 15.2 is commercially reasonable.

16. FURTHER ASSURANCE

The Member shall on demand at any time and from time to time by LME Clear in writing execute and deliver to LME Clear at the cost of the Member and in such form as LME Clear may require:

- (a) a legal assignment or other fixed security over all or any Receivables;
- (b) where any Charged Property is situated outside England and Wales or where title to it is evidenced by entries in a register or account maintained by or on behalf of an intermediary outside England and Wales, such charge, mortgage, pledge or other fixed security under the law of the place where the Charged Property is situated as LME Clear may require; and/or
- (c) such other documents as LME Clear may in its discretion think fit further to secure the payment of the Secured Obligations or to perfect this Security, or to vest title to any Charged Property in itself or its Custodian or any purchaser.

17. INDEMNITY

The Member shall on demand at any time and from time to time indemnify LME Clear fully against all Loss which LME Clear or any Custodian may incur in consequence of anything done or purported to be done by or on behalf of LME Clear or such Custodian under or in connection with this Deed or in exercise of any rights or powers conferred on LME Clear or such Custodian by this Deed, except if and insofar as any such Loss results from LME Clear's or such Custodian's own fraud, gross negligence or wilful default.

18. INTEREST ON OVERDUE AMOUNTS



Any overdue amount due under this Deed or secured by this Security shall carry interest at the rate and in accordance with the terms applicable under paragraph 4.5 of Part G (*Interest, fees and charges*) of the Clearing Procedure of the Rules (or any replacement or other provision of the Rules which deals with default interest payable by a Member for late payments).

19. CURRENCY INDEMNITY

If, for any reason, any amount payable to LME Clear by the Member under this Deed is paid or recovered in a currency other than that in which it is required to be paid, then, to the extent that the payment to LME Clear falls short of the amount payable in the contractual currency, the Member shall indemnify LME Clear on demand for such shortfall on the terms applicable under Rule 2.17 (*Currency conversion*) of the Rules.

20. PROTECTION OF THIRD PARTIES

20.1 No Custodian or purchaser from, or other person dealing with, LME Clear shall be concerned to enquire whether any of the powers it has exercised or purported to exercise has arisen or become exercisable, or whether the Secured Obligations remain outstanding, or whether any event or cause has happened to authorise LME Clear to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of a purchaser and the position of a Custodian or such a person shall not be affected by any of those matters.

20.2 The receipt of LME Clear shall be an absolute and conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of LME Clear.

21. PROTECTION OF LME CLEAR

21.1 LME Clear shall not be liable to the Member for:

- (a) any failure to obtain payment of any sums (whether of an income or capital nature or otherwise) due or becoming due in respect of any Charged Securities;
- (b) any failure to pay any call or instalment which may become payable on or to accept any offer relating to any Charged Securities;
- (c) any failure to notify the Member of any of such matters; or
- (d) any Loss which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of LME Clear's powers, except if and insofar as such Loss results from LME Clear's own fraud, gross negligence or wilful default.

21.2 Without prejudice to the generality of clause 21.1, entry into possession of Charged Property or the sending or receiving of instructions to or from any Approved CSD on behalf of the Member with respect to any Charged Property shall not render LME Clear liable to account as mortgagee in possession or otherwise for any sum not actually received by it. If and whenever LME Clear enters into possession of any Charged Property, it shall be entitled at any time at its discretion to go out of possession or to cease so to act.

21.3 The Member shall not have any claim against LME Clear in respect of any Loss arising out of the sale of any Charged Property effected pursuant to this Deed from whatever cause and whether or not a better price could have been obtained including whether



by deferring or advancing the date of such sale or otherwise, or selling to another person.

- 21.4 LME Clear shall not be liable for any Loss sustained by the Member in consequence of the exercise of LME Clear's rights under this Deed, including any loss of dividends, interest or other income caused by the appropriation, disposal or use of any Charged Property or by the fluctuation in any exchange rate at which currency may be bought or sold by LME Clear.

22. POWER OF ATTORNEY

- 22.1 For the purposes of securing the interest of LME Clear in the Charged Property and the performance of its obligations to LME Clear under the Member Documentation, the Member irrevocably and by way of security hereby appoints LME Clear and separately each Custodian acting for LME Clear to be 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 Member and in its name or otherwise:

- (a) to execute any document or do any act or thing which LME Clear or such Custodian or such substitute or delegate may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of LME Clear conferred by this Deed and any Member Documentation or which the Member is obliged by LME Clear to execute or do under this Deed and any Member Documentation; and/or
- (b) to act on behalf of the Member with full authority to communicate with the operator of any Approved CSD in all matters relating to the Charged Property and, without limitation, to send and receive messages and instructions on behalf of the Member with respect to the Charged Property.

- 22.2 The power of attorney contained in clause 22.1 shall be exercisable by LME Clear or a Custodian at any time or times as LME Clear or such Custodian thinks fit in its absolute discretion (without the necessity for any Default Event or any other condition having been fulfilled first) and shall continue in force until this Security is absolutely and unconditionally released in writing by LME Clear.

23. REIMBURSEMENT OF EXPENSES

The Member shall reimburse or pay to LME Clear on demand (on the basis of a full indemnity) the amount of all expenses and Loss incurred by LME Clear and/or any Custodian in connection with the exercise, or the attempted or purported exercise, by or on behalf of LME Clear of any of its powers or any other action taken by or on behalf of LME Clear with a view to or in connection with the recovery of the Secured Obligations, the realisation of this Security, the preservation of the Charged Property or any other purpose contemplated in this Deed.

24. STAMP DUTY, REGISTRATION FEES AND VAT

- 24.1 The Member shall pay all present and future stamp, registration and similar Taxes or charges which may be payable in connection with the execution of this Deed and the creation, maintenance and enforcement of this Security, and shall indemnify LME Clear against all Loss (including interest and penalties) resulting from any delay or omission to pay any such stamp, registration and similar Taxes or charges.
- 24.2 The Member shall on demand at any time and from time to time indemnify LME Clear against any Tax which LME Clear and/or any Custodian may incur, suffer, pay or be

obliged to account for in consequence of anything done or purported to be done by or on behalf of LME Clear under or in connection with:

- (a) this Deed or in exercise of any rights or powers conferred on LME Clear or such Custodian by this Deed (including the execution of this Deed); and/or
- (b) the granting of this Security, including the creation, maintenance and enforcement of this Security and the delivery or provision of the Charged Property.

25. SET-OFF

- 25.1 LME Clear may at any time and from time to time (and without notice) set off any indebtedness due to it by a Member against any indebtedness owed by it to the Member regardless of the place of payment or currency of either indebtedness. If the indebtedness of the Member and the indebtedness of LME Clear are in different currencies, LME Clear may convert either indebtedness (at its spot rate of exchange and otherwise in accordance with its usual practice) for the purpose of the set-off.
- 25.2 LME Clear shall not exercise its rights under clause 25.1 in a manner inconsistent with Rule 4.3 (*Account Segregation*).

26. ACCOUNTS

- 26.1 On receiving notice that a Member has granted a Security Interest over or otherwise encumbered or disposed of any Charged Property in contravention of this Deed, LME Clear may rule off all or any of its Accounts and open one or more new Accounts with the Member.
- 26.2 If LME Clear does not open a new Account immediately on receipt of such notice, it shall nevertheless be treated as if it had opened a new Account of the same type on that day unless LME Clear otherwise directs. From that day, all obligations incurred by the Member to LME Clear shall be treated as having been entered on such new Account and shall not operate to reduce the amount owing by the Member to LME Clear at the time when it received such notice.

27. RETURN OF CHARGED PROPERTY

- 27.1 If any Charged Property falls to be returned to the Member pursuant to the Rules or this Deed, such Charged Property shall be released from this Security automatically on the transfer of Equivalent Charged Property to the Member, to another LME Clear Member pursuant to the Porting Process or to a Client of the Member pursuant to Rule 10.5.1(c). The mortgages or charges over all other property and rights forming part of the Charged Property shall continue in full force and effect.

28. THIRD PARTY RIGHTS

- 28.1 Pursuant to the Contracts (Rights of Third Parties) Act 1999, all powers, discretions or protections conferred by this Deed on the Custodian and any purchaser shall be directly exercisable or enforceable by it.
- 28.2 Save as otherwise expressly provided in clause 28.1, 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 without prejudice to any right or remedy of the third party which may exist or be available apart from that Act.



- 28.3 LME Clear and the Member may by agreement vary any term of this Deed (including this clause 28) without the necessity of obtaining any consent from any other person.

29. DETERMINATIONS AND DISCRETIONS

- 29.1 Any certification or determination by LME Clear or a Custodian of a rate or amount under this Deed shall, in the absence of manifest error, be conclusive evidence of the matters to which it relates.
- 29.2 Unless a contrary indication appears, where in this Deed it states that LME Clear "may" do something or take such step as it considers appropriate or where in this Deed any discretion, power or right is conferred on LME Clear, it shall be interpreted to mean that LME Clear may do that thing, or take that step or exercise that discretion, power or right conclusively and in its sole, absolute and unfettered discretion and without consultation or notice to any other person. LME Clear shall exercise such discretion in a manner designed to promote and maintain integrity, high standards and fair dealing in accordance and consistent with Applicable Laws.

30. TRANSFER

- 30.1 LME Clear may assign or transfer the whole or any part of the benefit of this Deed (or any of its rights under this Deed) without the Member's consent to the extent that LME Clear, in its capacity as operator of the LME Clear System, is entitled to assign or transfer any of its rights against the Member to any person, including any successor, pursuant to the Rules.
- 30.2 The Member may not:
- (a) assign or transfer any of its rights or obligations under this Deed; or
 - (b) enter into any transaction or arrangement which would result in any of those rights or obligations passing to or being held in trust for or for the benefit of another person,
- without the prior written consent of LME Clear.

31. FORBEARANCE, SEVERABILITY, VARIATION

- 31.1 No failure to exercise and no delay on the part of LME Clear in exercising any right, remedy, power or privilege under this Deed and no course of dealing between the parties shall be construed or operate as a waiver of that right, remedy, power or privilege, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of it or the exercise of any other right, remedy, power or privilege. The rights and remedies provided by this Deed are cumulative and are not exclusive of any rights or remedies provided by law.
- 31.2 If any provision of this Deed is held to be illegal, invalid or unenforceable in whole or in part, this Deed shall continue to be valid as to its other provisions and the remainder of the affected provision.
- 31.3 No variation, supplement, deletion or replacement of or from this Deed or any of its terms shall be effective unless made in writing and signed by or on behalf of each party.
- 31.4 If there is any inconsistency between the provisions of this Deed and the Rules or any Member Documentation, this Deed shall take precedence to the extent of the inconsistency.



32. **DEMANDS, NOTICES, ETC**

Any demand or notice to the Member under this Deed shall be effective only if made in writing by an officer of LME Clear and served on the Member in accordance with the Rules.

33. **COUNTERPARTS**

This Deed may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery of an executed signature page to this Deed by fax or email shall be as effective as delivery of a manually signed counterpart of this Deed.

34. **GOVERNING LAW AND JURISDICTION**

34.1 This Deed and all non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law.

34.2 The provisions relating to jurisdiction, waiver of immunity, waiver of objection to proceedings on the basis of inconvenient forum, and appointment of a process service agent set out in the Membership Agreement and in the Rules shall apply to this Deed as if repeated in full in this Deed with the necessary consequential changes.

THIS DEED has been executed by the Member as a deed, and by LME Clear under hand, and the security hereby constituted shall be created and take effect on the date stated below (being the date on which it is accepted and executed by LME Clear).

EXECUTED as a Deed by

THE COMMON SEAL OF

Morgan Stanley & Co. International plc
was hereunto affixed to this Deed

in the presence of:-

(sign) *[Signature]*
Name: TOMI ADU
Title: ~~Director~~ Authorised Signatory

and

(sign) *[Signature]*
Name: CORINA SCOTT
Title: ~~Director~~ Authorised Signatory

*delete as applicable



10999

EXECUTED as a Deed by

THE COMMON SEAL OF

Morgan Stanley & Co. International plc
was hereunto affixed to this Deed

in the presence of::

(sign)
Name:
Title: Director

in the presence of:

(sign)
Name:
Occupation:
Address:

EXECUTED as a Deed by

THE COMMON SEAL OF

Morgan Stanley & Co. International plc
was hereunto affixed to this Deed

in the presence of:



(sign)

Name: _____

Title: Attorney

pursuant to a power of attorney dated []

in the presence of:

(sign)

Name: _____

Occupation: _____

Address: _____

Accepted by LME CLEAR LIMITED on 17 May 2028

EXECUTED by
LME Clear Limited

acting by:

M. W. Wade

Name: MATTHEW WADE

Title: HEAD OF CLEARING RISK

and

J. Cressy

Name: JAMES CRESSY

Title: INTERIM LME CLEAR CEO

SCHEDULE

Notice of Charge to Custodian

To: *[Insert Custodian's name and address]*
(in its capacity of Custodian as defined in the Security Deed referred to below)

Date: []

We hereby give you notice that we have charged or mortgaged to LME Clear Limited ("**LME Clear**") by a security deed dated [on or about the date of this Notice] (the "**Security Deed**") all our rights, title and interest in and to all securities and other property referred to in clause 3.1 of the template security deed in materially the form of the security deed previously provided to you by LME Clear.

We irrevocably and unconditionally authorise and instruct you (notwithstanding any previous instructions of any kind which we may have given to you) to hold all securities, property and rights thereby charged by way of fixed charge or mortgage (the "**Fixed Charged Property**") to the order of LME Clear and to comply with such instructions as may be given to you from time to time and at any time by LME Clear, without reference to or further authority from us and without any enquiry by you as to the justification or validity of such instructions. No Fixed Charged Property may be withdrawn or utilised without the prior written consent of LME Clear.

The above authorisations and instructions may not be modified, revoked or withdrawn, without the prior written consent of LME Clear or its written confirmation that the Fixed Charged Property has been released to us.

For and on behalf of
[Insert name of Member]

.....
Name: _____
Title: _____





FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2068222

Charge code: 0206 822 2 0237

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th May 2023 and created by MORGAN STANLEY & CO. INTERNATIONAL PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th May 2023 .

Given at Companies House, Cardiff on 24th May 2023



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**