

MR01

Particulars of a charge

135902/K91

Laserform

A fee is payable with this form
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☒ What this form is for
You may use this form to register
a charge created or evidenced by
an instrument

☒ What this form is
You may not use it
to register a charge w
instrument Use for

FRIDAY



LD4 *L3K5ET2R* #55 uk
07/11/2014
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 2 2 8 0 0 0 0

Company name in full TATA STEEL UK LIMITED

For official use
10
→ Filing in this form
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 8 m 1 m 0 y 2 y 0 y 1 y 4

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

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

Name CITIBANK, N A , LONDON BRANCH (and its successors
in title and permitted transferees)

Name

Name

Name

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

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

MR01

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

The Real Property specified in the instrument including registered title numbers CE6045 and CE26409 in Teeside For more details please refer to the instrument.

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 Linklaters LLP X

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

MR01

Particulars of a charge



Presenter information

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

Contact name Simon Cahill

Company name Linklaters LLP

Address One Silk Street

Post town London

County/Region

Postcode

E C 2 Y 8 H Q

Country

DX

Telephone 02074563130



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

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

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

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2280000

Charge code: 0228 0000 0010

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th October 2014 and created by TATA STEEL UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th November 2014.

Given at Companies House, Cardiff on 13th November 2014



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Certified that, save for material redacted pursuant to section 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Linklaters LLP

EXECUTION VERSION

DATED 28 October 2014

TATA STEEL UK LIMITED

AS CHARGOR

IN FAVOUR OF

CITIBANK, N A, LONDON BRANCH
AS SECURITY TRUSTEE

DEBENTURE

THIS DEBENTURE IS SUBJECT TO THE TERMS OF AN INTERCREDITOR AGREEMENT DATED ON OR ABOUT THE DATE OF THIS DEBENTURE BETWEEN, AMONG OTHERS, THE CHARGORS AND THE SECURITY TRUSTEE

Linklaters

Ref L-226853/NVI/KY
Linklaters LLP

1. The first of these is the fact that the
government has been unable to secure
the necessary funds to carry out its
policy of non-interference in the
internal affairs of the country.

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THIS DEBENTURE is made on 28 October 2014

- (1) TATA STEEL UK LIMITED, a company incorporated in England and Wales with registered number 2280000 (the "Chargor") in favour of
- (2) CITIBANK, N A , LONDON BRANCH as trustee for the Secured Parties on the terms and conditions set out in the Intercreditor Agreement (the "Security Trustee" which expression shall include any person for the time being appointed as trustee or as an additional trustee for the purpose of, and in accordance with, the Intercreditor Agreement)

Background

- (A) The Chargor is entering into this Debenture in connection with the Finance Documents This is a Transaction Security Document (as defined in the Senior Facilities Agreement)
- (B) The Board of Directors of the Chargor is satisfied that entering into this Debenture is for the purposes and to the benefit of the Chargor and its business
- (C) The Security Trustee and the Chargor intend this document to take effect as a deed (even though the Security Trustee only executes it under hand)
- (D) The Security Trustee holds the benefit of this Debenture on trust for the Secured Parties on the terms of the Intercreditor Agreement

IT IS AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Terms used in this Debenture and not otherwise defined herein shall have the same meaning as used in the Intercreditor Agreement (or, if any such term is not used in the Intercreditor Agreement, such term shall have the same meaning as used in the Senior Facilities Agreement) and in addition

"Account" means the accounts held by the Chargor from time to time including without limitation, those accounts specified in Schedule 3 (*Accounts*) and all Related Rights

"Administrator" means an administrator appointed under Schedule B1 to the Insolvency Act 1986

"Assigned Account" means any Account designated as an Assigned Account by the Security Trustee and the Chargor from time to time

"Charged Property" means all the assets and undertaking of the Chargor which from time to time are the subject of the Security created or expressed to be created in favour of the Security Trustee by or pursuant to this Debenture

"Charges" means all or any of the Security created or expressed to be created by or pursuant to this Debenture

"Collateral Rights" means all rights, powers and remedies of the Security Trustee, the Pensions Trustees or the Finance Parties provided by or pursuant to the Finance Documents or by law

"Company Loan Agreement" has the meaning given to it in the Intercreditor Agreement

"Currency of Account" means the currency in which the relevant indebtedness is denominated or, if different, is payable

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Trustee

"Dutch Obligor" means an Obligor which is incorporated or established in the Netherlands

"Enforcement Event" means

- (a) an Event of Default in respect of which notice has been served by the Agent in accordance with clause 28 19 (*Acceleration*) of the Senior Facilities Agreement, and/or
- (b) a Pensions Obligor Liability Event

"Existing Debenture" means the debenture dated 7 October 2010 entered into by the Chargor in favour of the Security Trustee as trustee for the Secured Parties

"Finance Documents" has the meaning given to it in the Senior Facilities Agreement and shall include in any event the Intercreditor Agreement

"Finance Party" has the meaning given to it in the Senior Facilities Agreement

"Insurance Policy" means any policy of insurance (including life insurance or assurance) in which the Chargor may from time to time have an interest

"Intellectual Property" means any patents, trade marks, service marks, designs, business names, copyrights, design rights, domain names, moral rights, inventions, confidential information know-how and other intellectual property rights and interests, whether registered or unregistered, and the benefit of all applications and rights to use such assets and all Related Rights (in each case including any related licences and sub-licences of the same granted by or to it)

"Intercreditor Agreement" means the intercreditor agreement dated on or about the date hereof and made between, among others, the Chargor, the other Obligors, the Security Trustee, The Royal Bank of Scotland plc as senior agent, the Lenders, the Ancillary Lenders, the Hedge Counterparties, the Pensions Trustees and certain others, each as defined in such agreement as amended, varied, novated, replaced or supplemented from time to time

"Intra-Group Loan Agreements" means any agreements (whether documented or not) or documents relating to intercompany receivables of the Chargor and all Related Rights

"Investments" means

- (a) any stocks, shares, debentures, securities and certificates of deposit (but not including the Shares),
- (b) all interests in collective investment schemes,
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b) above, and
- (d) any other securities or investments deriving from any investments described in (a) and (b) above or any rights attaching or relating to securities or investments,

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all dividends and other Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system) and in each case now or in the future owned by it or (to the extent of its interest) in which it now or in the future has an interest. For the avoidance of doubt, shares held by the Chargor in a joint venture entity (where the Group owns less than 50% of the issued share capital of such joint venture entity) shall not be included in this definition to the extent Security may not be granted over such shares pursuant to the terms of the TCP Arrangements

"Material Real Property" means the Real Property specified in Schedule 2 (*Material Real Property*)

"Monetary Claims" means any book and other debts of any nature and monetary claims now or in the future owing to the Chargor (excluding Accounts) and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Chargor is a party and any other assets, property, rights or undertaking of the Chargor) and all Related Rights other than any Securitisation Receivables paid into a Securitisation Account

"Notice of Assignment" means

- (a) in respect of an assignment created pursuant to Clause 3.2.2, a notice of assignment substantially in the form set out in Part A (*Form of Notice of Assignment of Account*) of Schedule 1 (*Notice of Assignments*),
- (b) in respect of an assignment created pursuant to Clause 3.2.1, a notice of assignment substantially in the form set out in Part B (*Form of Notice of Assignment of insurances*) of Schedule 1 (*Notice of Assignments*), and
- (c) in respect of an assignment created pursuant to Clauses 3.2.3, 3.2.4 or 3.2.5, a notice of assignment substantially in the form set out in Part C (*Form of Notice of Assignment of assigned agreements*) of Schedule 1 (*Notice of Assignments*),

or, in each case, in such other form as may be specified by the Security Trustee

"Party" means a party to this Debenture

"Permitted Disposal" has the meaning given to it in the Senior Facilities Agreement

"Real Property" means

- (a) the Material Real Property,
- (b) any freehold, leasehold or immovable property, and
- (c) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property as is referred to in (a) and (b) above,

and includes all Related Rights

"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

"Related Rights" means, in relation to any asset

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

"Restricted Leasehold Property" means that Material Real Property which is leasehold and which may not be charged under the terms of the lease under which that Real Property is held by the Chargor without the consent of any third party

"Secured Obligations" means all obligations covenanted to be discharged by the Chargor in Clause 2 1 (*Covenant to Pay under the Finance Documents*)

"Secured Parties" means each Finance Party, the Pensions Trustees (for itself and as trustee for and on behalf of the Scheme) and each Ancillary Lender (including any Affiliate of a Lender which is an Ancillary Lender) from time to time, any Receiver or Delegate and each Hedge Counterparty

"Securitisation Accounts" means the accounts labelled as "Securitized Accounts" in Schedule 3 (*Accounts*) and into which any Securitisation Receivables are paid and any new accounts set up for this purpose only and notified in writing to the Security Trustee from time to time

"Securitisation Receivables" means any receivable disposed of, or to be disposed of, by the Chargor into a Permitted Securitisation

"Senior Facilities Agreement" means the senior facilities agreement dated on or about the date hereof and made between, among others, the Company, TSUKH, TSNHBV, the Original Borrowers, the Original Guarantors, the Lenders, the Arrangers, the Hedge Counterparties, The Royal Bank of Scotland plc as Agent and Citibank N A, London Branch as the Security Trustee, each as defined in such agreement as amended, varied, novated, replaced or supplemented from time to time

"Shares" means

- (a) the shares specified in Schedule 4 (*Shares*) and any other shares issued in the future by any person identified in Schedule 4 (*Shares*) as issuer of any such shares,
- (b) all warrants, options and other rights to subscribe or acquire any of such shares, and
- (c) any other securities or investments deriving from any such shares or any rights attaching to any such shares,

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all dividends and other Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system) and in each case now or in the future owned by it or (to the extent of its interest) in which it now or in the future has an interest

"Specific Contracts" means each Hedging Agreement entered into by the Chargor from time to time and all Related Rights

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights

1 2 Construction

In this Debenture

1 2 1 the rules of interpretation contained in clauses 1 2 (*Construction*) to 1 5 (*Third party rights*) of the Senior Facilities Agreement shall apply to the construction of this Debenture,

1 2 2 any reference to the "**Security Trustee**", the "**Chargor**", the "**Senior Agent**", the "**Agent**" or the "**Secured Parties**" shall be construed so as to include its or their (and any subsequent) successors and any permitted transferees in accordance with their respective interests, and

1 2 3 references in this Debenture to any Clause or Schedule shall be to a clause or schedule contained in this Debenture

The Parties hereto acknowledge and agree that the provisions of this Debenture are subject to the terms of the Intercreditor Agreement

1 3 Disposition of Property

The terms of the other Finance Documents and of any side letters between the Parties in relation to the Finance Documents are incorporated into each Finance Document to the extent required for any disposition or purported disposition of the Real Property contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1 4 Intercreditor Agreement

This Debenture is subject to, and has the benefit of, the Intercreditor Agreement. In the event of any inconsistency between this Debenture and the Intercreditor Agreement, the Intercreditor Agreement shall prevail

2 PAYMENT OF SECURED OBLIGATIONS

2 1 Covenant to Pay under the Finance Documents

The Chargor covenants with the Security Trustee as trustee for the Secured Parties that it shall on demand of the Security Trustee discharge all obligations which it or any Obligor may at any time have to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Finance Documents (including this Debenture), whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity) and including any liability in respect of any further advances made under the Finance Documents, and the Chargor shall pay to the Security Trustee when due and payable every sum at any time owing, due or incurred by it to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any of the other Secured Parties in respect of any such liabilities, in each case in the manner provided for in the Finance Documents. Provided that neither such covenant nor the Security constituted by this Debenture shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or Security to be unlawful or prohibited by any applicable law

2 2 Interest on Demands

If the Chargor fails to pay any sum on the due date for payment of that sum the Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the due date for payment until the date of actual payment calculated on a daily basis at the rate determined in accordance with the provisions of clause 14 3 (*Default Interest*) of the Senior Facilities Agreement

3 FIXED CHARGES, ASSIGNMENTS AND FLOATING CHARGE

3 1 Fixed Charges

- 3 1 1 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge (which so far as it relates to land in England and Wales vested in it at the date of this Debenture shall be a charge by way of legal mortgage) all its right, title and interest from time to time in and to all the Material Real Property except that registered at the Land Registry under title numbers SYK396314, SYK273331, SYK284278 and SYK233165 (the "**Beneficially-Owned Property**")
- 3 1 2 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations by way of fixed equitable charge all its right, title and interest from time to time in and to all Real Property owned by it on the date of this Debenture (to the extent not validly and effectively mortgaged pursuant to Clause 3 1 1 above) and all Real Property acquired by it in the future
- 3 1 3 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to the Tangible Moveable Property
- 3 1 4 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to the Accounts, but excluding the Securitisation Accounts

- 3 1 5 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to the Intellectual Property
- 3 1 6 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to any goodwill and rights in relation to the uncalled capital of the Chargor
- 3 1 7 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to the Investments
- 3 1 8 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to the Shares
- 3 1 9 The Chargor charges with full title guarantee in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations, by way of fixed charge all its right, title and interest from time to time in and to all Monetary Claims and all Related Rights and, to the extent they are not subject to an effective assignment under Clause 3 2 (*Assignment*), all rights, title and interest under or in respect of the assets listed in Clause 3 2 (*Assignment*), other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture

This Clause 3 1 is subject to Clause 6 3 (*Consents*)

3 2 **Assignments**

The Chargor assigns and agrees to assign absolutely with full title guarantee to the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations all its right, title and interest from time to time in and to each of the following assets

- 3 2 1 the proceeds of any Insurance Policy and all Related Rights,
- 3 2 2 all rights and claims in relation to any Assigned Account,
- 3 2 3 the Specific Contracts including (without limitation) all moneys payable to the Chargor and any claims, awards and judgments in favour of receivable or received by the Chargor, under or in connection with or pursuant to the Specific Contracts,

- 3 2 4 each Company Loan Agreement including (without limitation) all moneys payable to the Chargor and any claims, awards and judgments in favour of receivable or received by the Chargor, under or in connection with or pursuant to each Company Loan Agreement, and
- 3 2 5 each Intra-Group Loan Agreement including (without limitation) all moneys payable to the Chargor and any claims, awards and judgments in favour of receivable or received by the Chargor, under or in connection with or pursuant to each Intra-Group Loan Agreement

This Clause 3 2 is subject to Clause 6 3 (*Consents*)

3 3 Floating Charge

- 3 3 1 The Chargor with full title guarantee charges in favour of the Security Trustee as trustee for the Secured Parties as security for the payment and discharge of the Secured Obligations by way of floating charge all its present and future assets (including, without limitation, those assets expressed to be charged by Clause 3 1 (*Fixed Charges*) or assigned by Clause 3 2 (*Assignments*)) and undertaking
- 3 3 2 The floating Charge created by paragraph 3 3 1 above shall be deferred in point of priority to all fixed Security validly and effectively created by the Chargor under the Finance Documents in favour of the Security Trustee as trustee for the Secured Parties as security for the Secured Obligations
- 3 3 3 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating Charge created pursuant to this Clause 3 3

4 CRYSTALLISATION OF FLOATING CHARGE

4 1 Crystallisation By Notice

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

- 4 1 1 an Event of Default has occurred and is continuing, or
- 4 1 2 the Security Trustee reasonably considers (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process, or
- 4 1 3 the Security Trustee reasonably considers (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) that it is desirable in order to protect the priority of the Security

4 2 Crystallisation Automatic

Notwithstanding Clause 4 1 (*Crystallisation By Notice*) and without prejudice to any law which may have a similar effect, the floating Charge created by the Chargor will automatically be converted (without notice) with immediate effect into a fixed Charge

- 4 2 1 as regards all the assets subject to the floating Charge if

- (a) the Chargor creates or attempts to create any Security (other than any Security permitted under clause 27 17 (*No encumbrance*) of the Senior Facilities Agreement over any of its Charged Property), or
 - (b) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor or an Administrator is appointed to the Chargor, or
 - (c) any person (who is entitled to do so) gives notice of its intention to appoint an Administrator to the Chargor or files such a notice with the court, or
- 4 2 2 as regards any single asset of the Chargor subject to the floating Charge (a "**Relevant Charged Asset**") if any person levies or attempts to levy any distress, execution or other process against that Relevant Charged Asset

5 PERFECTION OF SECURITY

5 1 Notices of Assignment

The Chargor give notice of the assignments in Clause 3 2 (*Assignments*) substantially in the form of the Notice of Assignment (or in such other form as is acceptable to the Security Trustee), in each case, duly executed by, or on behalf of, it

- 5 1 1 in respect of each Assigned Account (unless such Assigned Account is held with the Security Trustee), on the date of this Debenture or, in relation to any Assignment Account opened or acquired after the date of this Debenture when such Assigned Account is opened or promptly (and in any event within 10 Business Days) upon the designation at any time by the Security Trustee and the Chargor of such account as an Assigned Account,
- 5 1 2 in respect of any Insurance Policy taken out by the Chargor which is the subject of an assignment pursuant to Clause 3 2 (*Assignments*), promptly after the occurrence of an Enforcement Event, and
- 5 1 3 in respect of any other asset which is the subject of an assignment pursuant to Clause 3 2 (*Assignments*) promptly and in any event within 10 Business Days of the date of this Debenture or, in relation to any asset acquired after the date of this Debenture which is the subject of an assignment pursuant to Clause 3 2 (*Assignments*), within 10 Business Days of the date of such acquisition,

and in each case shall use all reasonable endeavours to procure that each notice is promptly acknowledged by the recipient of each Notice of Assignment

5 2 Notices of Charge

The Chargor shall if requested by the Security Trustee from time to time promptly deliver to the Security Trustee (or procure delivery of) copies of the notices of charge (in form and substance reasonably satisfactory to the Security Trustee) duly executed by, or on behalf of, the Chargor and acknowledged by each of the banks or financial institutions with which any of the Accounts are opened or maintained and the Security Trustee shall be entitled to hold and retain all such notices of charge

5 3 Real Property Delivery of Documents of Title

The Chargor shall upon the execution of this Debenture in relation to any Material Real Property, and upon the acquisition by the Chargor of any interest in any freehold, leasehold or other immovable property

5 3 1 deposit with the Security Trustee, and the Security Trustee shall be entitled to hold, all deeds, certificates and other documents constituting or evidencing title relating to such property, or

5 3 2 undertake to hold all deeds, certificates and other documents constituting or evidencing title relating to such property to the order of the Security Trustee,

whilst this Debenture subsists

5 4 Existing Real Property

In the case of the Chargor's existing Material Real Property in England and Wales, the Chargor shall

5 4 1 as soon as practicable (and in any event within any applicable time limit for such registrations) apply to the Land Registry for first registration of that Material Real Property (where that Real Property is capable of being registered at the Land Registry and is not already so registered) and registration of the Chargor as proprietor of that Material Real Property,

5 4 2 simultaneously with the submission of the applications referred to in Clause 5 4 1 above apply to the Land Registry to register the Security created by Clause 3 1 1 (*Fixed Charges*) and notice of all other Charges,

5 4 3 promptly pay all appropriate registration fees,

5 4 4 as soon as practicable apply to the Land Registry requesting a restriction in accordance with clause 9 5 6 of the Intercreditor Agreement to be entered on the register of the title to that Real Property in respect of the Security created by Clause 3 1 1 and 3 1 2 above,

5 4 5 use all reasonable endeavours to procure that responses are given as soon as reasonably practicable to any Land Registry requisitions raised in connection with any applications for registration made pursuant to this Clause 5 4, and

5 4 6 notify the Security Trustee as soon as reasonably practicable following completion of any application for registration made pursuant to this Clause 5 4,

or, if the Security Trustee (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) gives notice to the Chargor that the Security Trustee will submit the relevant forms to the Land Registry, the Chargor shall promptly provide the Security Trustee with all duly completed forms reasonably requested by the Security Trustee and all appropriate registration fees

5 5 Future Real Property

In the case of any Real Property in England and Wales acquired by or on behalf of the Chargor after the execution of this Debenture, the Chargor shall promptly notify the Security Trustee of the title number(s) In the case of the Chargor's future Real Property in England and Wales, the Chargor shall

5 5 1 as soon as practicable (and in any event within any applicable time limit for such registrations) apply to the Land Registry for first registration of the title to that Real Property (where that Real Property is capable of being registered at the Land Registry and is not so registered) and registration of the Chargor as proprietor of that Real Property,

- 5.5.2 as soon as practicable (and in any event within any applicable time limit for such registrations) apply to the Land Registry to register an agreed notice in respect of the fixed equitable Charge created by Clause 3.1.2 above,
- 5.5.3 as soon as practicable apply to the Land Registry requesting a restriction in accordance with the provisions of clause 9.5.6 of the Intercreditor Agreement to be entered on the register of the title to that Real Property in respect of the Charge created by Clause 3.1.2 above,
- 5.5.4 use all reasonable endeavours to procure that responses are given as soon as reasonably practicable to any Land Registry requisitions raised in connection with any application for registration made pursuant to this Clause 5.5, and
- 5.5.5 promptly pay all appropriate registration fees,

or, if the Security Trustee (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) gives notice to the Chargor that the Security Trustee will submit the relevant forms to the Land Registry, the Chargor shall promptly provide the Security Trustee with all duly completed forms reasonably requested by the Security Trustee and all appropriate registration fees

5.6 Further Advances

- 5.6.1 Subject to the terms of the Senior Facilities Agreement each Lender is under an obligation to make further Loans (as defined in the Senior Facilities Agreement) to the Borrowers (as defined by the Senior Facilities Agreement) and that obligation will be deemed to be incorporated into this Debenture as if set out in this Debenture
- 5.6.2 The Chargor consents to an application being made to the Land Registry to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Charged Property

5.7 Application to the Land Registry

The Chargor consents to an application being made to enter a restriction by the Security Trustee (if so instructed by the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) in the proprietorship register of any Real Property that is registered land and is charged pursuant to Clause 3.1.1 and 3.1.2 above in the following form

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by (i) the proprietor for the time being of the charge dated 7 October 2010 in favour of Citibank, N A , London Branch referred to in the charges register and (ii) the proprietor for the time being of the charge dated *[insert date of this Debenture]* in favour of Citibank, N A , London Branch referred to in the charges register, or in each case if appropriate, signed on such proprietor's behalf by its conveyancer or, without a certificate signed by Tata Steel UK Limited of 30 Millbank, London, SW1P 4WY or their conveyancer that the provisions of clause 7.3 (*Permitted leases and other rights*) of the Existing Corus UK Debenture dated 7 October 2010 in favour of Citibank, N A , London Branch and clause 7.3 (*Permitted leases and other rights*) of the New Corus UK Debenture dated *[insert date of this Debenture]* have been complied with "

5 8 Delivery of Share Certificates

The Chargor shall

- 5 8 1 within seven days of the date of this Debenture and, where Shares are acquired by it after the date of this Debenture, within seven days of the date of that acquisition, deposit with the Security Trustee (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (executed in blank by or on behalf of the Chargor), and
- 5 8 2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, notify the Security Trustee of that occurrence and procure the delivery to the Security Trustee of (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (executed in blank on behalf of the Chargor) in respect thereof as the Security Trustee may request

5 9 Registration of Intellectual Property

The Chargor shall, if requested by the Security Trustee, execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered Intellectual Property

6 FURTHER ASSURANCE

6 1 Further Assurance General

- 6 1 1 The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6 1 2 below
- 6 1 2 Subject to the Agreed Security Principles (as defined in the Senior Facilities Agreement), the Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))
 - (a) to perfect the Security created or intended to be created in respect of its Charged Property (which may include the execution by the Chargor of a mortgage, charge or assignment or other Security over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights,
 - (b) to confer on the Security Trustee or the Secured Parties Security over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture,
 - (c) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Charged Property, and/or
 - (d) to facilitate the exercise of any rights vested in the Security Trustee or any Receiver

6 2 Necessary Action

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Secured Parties by or pursuant to this Debenture

6 3 Consents

If the consent of any party to a document is required to create fixed security over, or an assignment of, the rights of the Chargor under that document

6 3 1 until the consent of the relevant party has been obtained, this Debenture shall secure all amounts which the Chargor may receive, or has received, under that document but exclude any fixed security over, or any assignment of, those rights,

6 3 2 the Chargor shall use all reasonable endeavours to obtain (in form and content reasonably satisfactory to the Security Trustee) the consent of the relevant party to the creation of fixed security over or, as the case may be, an assignment of, those rights under this Debenture as soon as possible, and

6 3 3 on the date on which the consent of the relevant party is obtained, the fixed security over or, in respect of an asset expressed to be subject to an assignment, the assignment of, those rights under this Debenture shall attach to those rights

6 4 Implied Covenants for Title

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

7 NEGATIVE PLEDGE AND DISPOSALS

7.1 Negative Pledge

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, create or permit to subsist any Security over all or any part of its Charged Property nor do anything else prohibited by clause 27.17 (*No encumbrance*) of the Senior Facilities Agreement, other than to the extent permitted pursuant to the Finance Documents

7.2 No Disposal of Interests

The Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture, except as permitted pursuant to the Senior Facilities Agreement, the Intercreditor Agreement or by this Clause 7

- 7.2.1 execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of its Charged Property,
- 7.2.2 create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of its Charged Property,
- 7.2.3 (a) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of its Charged Property or (b) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, its Charged Property, which may, in each case, adversely affect the value of any of its Charged Property or the ability of the Security Trustee to exercise any of the Collateral Rights, or
- 7.2.4 assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account maintained with the Security Trustee, or the credit balance standing to any such Account shall be capable of assignment or other disposal

7.3 Permitted leases and other rights

- 7.3.1 Without prejudice to the generality of Clause 7.2 (*No Disposal of Interests*) above and to the operation of clause 27.18 (*Disposals*) of the Senior Facilities Agreement, provided no Enforcement Event or Pensions Obligor Liability Event has occurred and is continuing and, prior to the Senior Discharge Date, no Event of Default has occurred and is continuing, the Chargor may and is hereby authorised to effect any of the following transactions, dealings or arrangements
 - (a) grant leases pursuant to statutory rights of renewal contained in any lease subsisting at the date of this Debenture provided that the renewal lease shall be on terms no less onerous than the existing lease and at an open market rent and the term of the renewal lease shall not exceed that of the existing lease,
 - (b) grant (i) leases of 5 years or less in the ordinary course of business and on terms which do not attract statutory rights of renewal and which, in the case of leases granted to suppliers to the business carried on by the Chargor, contain a provision for automatic termination of the lease in the event of termination of the supply contract with the suppliers and (ii) leases of electricity substations of any length which contain a provision for the landlord thereunder to relocate the electricity substation at the

landlord's cost in the event of redevelopment of the mortgaged property and which, in either case, in the reasonable opinion of the Company, does not have a material adverse impact on the saleability, value or use of the mortgaged property, and

- (c) grant (i) temporary easements or other temporary rights in favour of third parties which do not exceed one year in duration and (ii) permanent easements in favour of utility suppliers, which, in either case, do not, in the reasonable opinion of the Company, have a material adverse impact on the saleability, value or use of the mortgaged property
- 7.3.2 Without prejudice to the generality of Clause 7.2 (*No Disposal of Interests*) above and the terms of the Senior Facilities Agreement, provided no Enforcement Event or Pensions Obligor Liability Event has occurred and is continuing and, prior to the Senior Discharge Date, no Event of Default has occurred and is continuing, the Chargor may and is hereby authorised to grant to Sahaviriya Steel Industries Public Co. Ltd or one of its Affiliates or to any Joint Venture in which the Chargor maintains an equity interest, easements over, or licenses, consents or rights to occupy or use its Charged Property at the Teesside site provided that any proceeds from any such arrangements are applied in mandatory prepayment of the Facilities pursuant to clause 12 (*Mandatory Prepayment*) of the Senior Facilities Agreement

7.4 Permitted Disposals

If the Chargor shall have provided the Security Trustee with a certificate signed by two directors of the Chargor certifying that any arrangement, dealing or transaction in respect of Real Property is a Permitted Disposal and that no Event of Default exists or would result therefrom and that no Enforcement Event has occurred and is continuing, the Security Trustee shall, as soon as reasonably practicable provide the Chargor with any relevant confirmations, certificates (including, without limitation, certificates of non-crystallisation in the form attached as Schedule 5 (*Notice of Non-Crystallisation*) hereto) and certificates to the Land Registry confirming that the consent of the Security Trustee is given to the Permitted Disposal in question for the purposes of compliance with the restriction appearing on the relevant registered title pursuant to Clause 5.7 (*Application to the Land Registry*) above) or consents (in each case the forms of which shall have been provided by the Chargor) reasonably required to be given by the Security Trustee pursuant to, or in connection with, such Permitted Disposal and shall enter into such deeds and documents (at the expense and cost of the Chargor) as shall be provided to the Security Trustee by the Chargor in relation to such Permitted Disposal (including, without limitation, any deeds of release and Land Registry forms DS1 and DS3), provided that the Security Trustee shall not be required to enter into any such deed or document if, in its sole opinion (acting reasonably), entering into such deed or document would impose additional obligations or liabilities on the Security Trustee thereunder or under the Security Documents or otherwise

7 5 Permitted Securitisation

- 7 5 1 Clause 20 18 2 (*Release of Security on Disposals*) of the Intercreditor Agreement provides irrevocable authorisation for the Security Trustee to execute as provided in that clause any release of Security over an asset which is the subject of a Permitted Disposal (the "**Release Authorisation**")
- 7 5 2 Pursuant to the Release Authorisation and subject to clause 20 21 (*Preservation of rights to receive distribution*) of the Intercreditor Agreement, the Security Trustee agrees that each receivable disposed of into a Permitted Securitisation in accordance with paragraph (i) of the definition of Permitted Disposal (each a "**Relevant Disposal**") shall be automatically released from the Security at the time of such Relevant Disposal, provided that at the time of such Relevant Disposal an Enforcement Event or Pensions Obligor Liability Event has not occurred or is not continuing

7 6 Beneficially-Owned Property

The Chargor shall not (and shall ensure that each legal owner of the Beneficially-Owned Property shall not) do or agree to do anything in relation to the Beneficially-Owned Property which the Security Trustee determines (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the Intercreditor Agreement) would prejudice the value of, or the ability of the Security Trustee to realise, the Security created by this Debenture

8 SHARES AND INVESTMENTS

8 1 Shares Before Enforcement Event

Prior to the occurrence of an Enforcement Event the Chargor shall be entitled to

- 8 1 1 retain all dividends, interest and other monies arising from the Shares in accordance with the terms of the Senior Facilities Agreement, and
- 8 1 2 exercise all voting rights in relation to the Shares **provided that** the Chargor shall not exercise such voting rights in any manner, or otherwise permit or agree to any (a) variation of the rights attaching to or conferred by any of the Shares or (b) increase in the issued share capital of any company whose Shares are charged pursuant to this Debenture, which the Security Trustee determines (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement) would prejudice the value of, or the ability of the Security Trustee to realise, the Security created by this Debenture

8 2 Shares After Enforcement Event

Subject to the provisions of the Intercreditor Agreement the Security Trustee shall be entitled, upon the occurrence of an Enforcement Event, (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor) to

- 8 2 1 exercise (or refrain from exercising) any voting rights in respect of the Shares,
- 8 2 2 apply all dividends, interest and other monies arising from the Shares in accordance with Clause 19 (*Application of Monies*),
- 8 2 3 transfer the Shares into the name of such nominee(s) of the Security Trustee as it shall require, and

8 2 4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares,

in such manner and on such terms as the Security Trustee may think fit or as directed by the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement, and the proceeds of any such action shall form part of the Charged Property

8 3 Investments and Shares. Payment of Calls

The Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments and Shares, and in any case of default by it in such payment, the Security Trustee may (but shall not be obliged), if it thinks fit, make such payment on behalf of the Chargor in which case any sums paid by the Security Trustee shall be reimbursed by the Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate and in accordance with Clause 2 2 (*Interest on Demands*)

8 4 Investments Delivery of Documents of Title

After the occurrence of an Enforcement Event the Chargor shall promptly on the request of the Security Trustee, deliver (or procure delivery) to the Security Trustee, and the Security Trustee shall be entitled to retain, all of the Investments and any certificates and other documents of title or evidence of ownership representing the Investments to which the Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Security Trustee may reasonably request (in such form and executed as the Security Trustee may reasonably require) with a view to perfecting or improving its Security over the Investments or to registering any Investment in its name or the name of any nominee(s)

8 5 Investments: Exercise of Rights

The Chargor shall not exercise any of its rights and powers in relation to any of the Investments in any manner which, the Security Trustee determines (acting on the instructions of the Senior Agent or, following the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the terms of the Intercreditor Agreement), would prejudice the value of, or the ability of the Security Trustee to realise, the Security created by this Debenture

9 ACCOUNTS

9 1 Accounts Notification and Variation

The Chargor, during the subsistence of this Debenture

9 1 1 shall promptly deliver to the Security Trustee on the date of any change in the details of the Accounts, details of such change, and

9 1 2 shall not, without the Security Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account (unless the Chargor provides confirmation in form and substance satisfactory to the Security Trustee (copied to the Senior Agent) that such Account to be closed has a zero balance and all monies previously held in such Account has been transferred to another Account which is subject to Security in favour of the Security Trustee as trustee for the Secured Parties and such confirmation shall be conclusive and binding on all Secured Parties)

9 2 Accounts Operation Before Enforcement Event

The Chargor shall prior to the occurrence of an Enforcement Event be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account (other than an Assigned Account) subject to the terms of the Senior Facilities Agreement

If an amount is withdrawn from an Account as permitted by this Clause 9 2, that amount shall be automatically released from the fixed Charge on that Account on that withdrawal being made. However, if all or part of that amount is paid into another Account which is in credit or becomes in credit as a result, it shall automatically become subject to the fixed Charge on that Account

9 3 Accounts Operation After Enforcement Event

After the occurrence of an Enforcement Event the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Trustee

9 4 Assigned Accounts

9 4 1 The Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account except with the prior consent of the Security Trustee or as permitted pursuant to the terms of the Senior Facilities Agreement

9 4 2 The Security Trustee shall, upon the occurrence of an Enforcement Event, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to

- (a) demand and receive all and any monies due under or arising out of each Assigned Account, and
- (b) exercise all such rights as the Chargor was then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Debenture, exercise

9 5 Accounts: Application of Monies

The Security Trustee shall, upon the occurrence of an Enforcement Event, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 19 (*Application of Monies*)

10 MONETARY CLAIMS

10 1 Dealing with Monetary Claims

The Chargor shall not at any time during the subsistence of this Debenture, without the prior written consent of the Security Trustee

10 1 1 deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Security Trustee) and paying the proceeds of those Monetary Claims into the relevant Account(s) (and such proceeds shall be held upon trust by the Chargor for the Security Trustee on behalf of the Secured Parties prior to such payment in), or

10 1 2 factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting,

except, in each case, to the extent expressly permitted under the terms of the Senior Facilities Agreement prior to the occurrence of an Enforcement Event

10 2 Release of Monetary Claims· Before Enforcement Event

Prior to the occurrence of an Enforcement Event, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Senior Facilities Agreement), upon such proceeds being credited to an Account, be released from the fixed Charge created pursuant to Clause 3 1 (*Fixed Charges*) and applied in accordance with the terms of the Senior Facilities Agreement

10 3 Release of Monetary Claims: After Enforcement Event

After the occurrence of an Enforcement Event the Chargor shall not, except with the prior written consent of the Security Trustee, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account

11 INSURANCES

11 1 Insurance. Undertakings

The Chargor shall at all times during the subsistence of this Debenture

11 1 1 keep its Charged Property insured in accordance with the terms of the Senior Facilities Agreement,

11 1 2 if required by the Security Trustee, cause each insurance policy or policies relating to its Charged Property other than any Insurance Policy which has been the subject of a Notice of Assignment pursuant to Clause 5 (*Perfection of Security*) to contain (in form and substance reasonably satisfactory to the Security Trustee) an endorsement naming the Security Trustee as sole loss payee in respect of all claims,

11 1 3 promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Security Trustee a copy of each policy and evidence (reasonably acceptable to the Security Trustee) of the payment of such sums, and

11 1 4 if required by the Security Trustee (but subject to the provisions of any lease of its Charged Property), deposit all Insurance Policies relating to its Charged Property with the Security Trustee

11 2 Insurance. Default

If the Chargor defaults in complying with Clause 11 1 (*Insurance Undertakings*), the Security Trustee may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies expended by the Security Trustee in doing so shall be reimbursed by the Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the rate specified in Clause 2 2 (*Interest on Demands*)

11 3 Application of Insurance Proceeds

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

to the occurrence of an Enforcement Event, be applied in accordance with the terms of the Senior Facilities Agreement, after the occurrence of an Enforcement Event, the Chargor shall hold such monies upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with Clause 19 (*Application of Monies*) and the Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of its Charged Property

12 SPECIFIC CONTRACTS

The Chargor shall remain liable to perform all its obligations under each Specific Contract. Neither the Security Trustee nor any Receiver or Delegate shall be under any obligation or liability to the Chargor or any other person under or in respect of any Specific Contract.

13 REAL PROPERTY

13.1 Property Notification

The Chargor shall immediately notify the Security Trustee of any contract, conveyance, transfer or other disposition for the acquisition by the Chargor (or its nominee(s)) of any Real Property.

13.2 Lease Covenants

The Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of its Charged Property is at any time subject

13.2.1 pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee, and

13.2.2 not do any act or thing whereby any lease or other document which gives any right to occupy any part of its Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term

13.3 General Property Undertakings

The Chargor shall

13.3.1 repair and keep in good and substantial repair and condition to the reasonable satisfaction of the Security Trustee all the Real Property at any time forming part of its Charged Property,

13.3.2 not at any time without the prior written consent of the Security Trustee sever or remove any of the fixtures forming part of the Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in its Charged Property (except for the purpose of any necessary repairs or replacement of it or as otherwise permitted under the Senior Facilities Agreement), and

13.3.3 comply with and observe and perform (a) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to the Real Property, (b) any conditions attaching to any planning permissions relating to or affecting the Real Property and (c) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property

13 4 Title Information Document

On completion of the registration of any Charge pursuant to Clause 5 4 (Existing Real Property) to Clause 5 7 (*Application to the Land Registry*), the Chargor shall promptly supply to the Security Trustee a certified copy of the relevant Title Information Document issued by the Land Registry or, as the case may be, Certificate of Registration of Land Charge issued by the Land Charges Registry

13 5 Restricted Leasehold Property

The Chargor shall at its own expense in respect of any Restricted Leasehold Property vested in the Chargor at the date hereof promptly after the date of this Debenture use all reasonable endeavours to apply for all necessary consents and approvals to charge that Restricted Leasehold Property and, forthwith upon receiving any such consent or approval shall notify the Security Trustee

13 6 Entitlement to Remedy

If the Chargor fails to comply with any of the undertakings contained in this Clause 13, the Security Trustee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the reasonable opinion of the Security Trustee be required to remedy such failure and all monies spent by the Security Trustee in doing so shall be reimbursed by the Chargor on demand with interest from the date of payment by the Security Trustee until reimbursed in accordance with Clause 2 2 (*Interest on Demands*) provided that the Security Trustee shall not be obliged to do any such things unless indemnified and/or secured to its satisfaction Notwithstanding any other provision of this Debenture or any other Security Document, the Security Trustee shall not have any power to remediate contamination of the environment

14 GENERAL UNDERTAKINGS AND REPRESENTATIONS

14 1 Intellectual Property

The Chargor shall during the subsistence of this Debenture in respect of any Intellectual Property which is material to or required in connection with its business

14 1 1 take all such steps and do all such acts as may be necessary to preserve and maintain the subsistence and the validity of any such Intellectual Property, and

14 1 2 not use or permit any such Intellectual Property to be used in any way which may materially and adversely affect its value

14 2 Information and Access

If an Event of Default is continuing or the Security Trustee reasonably suspects an Event of Default is continuing or may occur, the Chargor shall from time to time on request of the Security Trustee, furnish the Security Trustee with such information as the Security Trustee may reasonably require about the Chargor's business and affairs, its Charged Property and its compliance with the terms of this Debenture and the Chargor shall permit the Security Trustee, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice to (a) inspect and take copies and extracts from the books, accounts and records of the Chargor and (b) to view its Charged Property (without becoming liable as mortgagee in possession)

14 3 No other prejudicial conduct

The Chargor shall not do, or permit to be done, anything which could prejudice the Security created by this Debenture

14 4 Representations

The Chargor represents and warrants to the Security Trustee as at the date of this Debenture that

- 14 4 1 the material real estate assets owned by the Chargor are as listed in Schedule 2 (*Material Real Property*),
- 14 4 2 the accounts listed in Schedule 3 (*Accounts*) in respect of the Chargor are all of the relevant class of assets in which it has an interest,
- 14 4 3 the shares listed in Schedule 4 (*Shares*) are duly authorised, validly issued and fully paid, non-assessable and freely transferable and constitute shares in the capital of limited companies. There are no moneys or liabilities outstanding or payable in respect of any of the Shares

15 ENFORCEMENT OF SECURITY

15 1 Enforcement

At any time after the occurrence of an Enforcement Event or if the Chargor requests the Security Trustee to exercise in relation to it any of its powers under this Debenture or if a petition or application is presented for the making of an administration order in relation to the Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an Administrator of the Chargor or files such a notice with the court, the Security created by or pursuant to this Debenture is immediately enforceable as against it and the Security Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion

- 15 1 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 its Charged Property, and
- 15 1 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 Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers

15 2 No Liability as Mortgagee in Possession

Neither the Security Trustee 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 upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable

15 3 Financial collateral arrangement

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargor hereunder constitute a "financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations")) the Security Trustee (or an agent, Delegate, attorney or Receiver appointed by it) shall (subject to the terms of this Debenture) have the right following the occurrence of an Enforcement Event

- 15 3 1 to use and dispose of any Charged Property which constitutes "financial collateral" (as defined in the Regulations ("Financial Collateral")) in such manner

as it sees fit, in which case the Security Trustee (or an agent, Delegate, attorney or Receiver appointed by it) shall comply with the requirements of the Regulations as to obtaining "equivalent financial collateral" (as defined in the Regulations),

- 15 3 2 to set off the value of any equivalent financial collateral against, or apply it in discharge of, any Secured Obligations in accordance with the Regulations, and
- 15 3 3 to appropriate any Charged Property which constitutes Financial Collateral in such manner as it sees fit in or towards discharge of the Secured Obligations in accordance with the Regulations

If the Security Trustee is required to value any equivalent financial collateral or Financial Collateral for the purposes of Clause 15 3 2 or 15 3 3 above, the value shall be (a) in the case of cash, its face value at the time of appropriation or set-off, and (b) in the case of financial instruments or other Financial Collateral, their market price at the time of appropriation or set-off as determined by the Security Trustee (or an agent, Delegate, attorney or Receiver appointed by it) by reference to a public index or by such other process as the Security Trustee (or an agent, Delegate, attorney or Receiver appointed by it) may select, including independent valuation in each case as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation or set-off selected by the Security Trustee. In each case, the Parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

Following the occurrence of an Enforcement Event, the Chargor authorises the Security Trustee to transfer any Charged Property which constitutes Financial Collateral in accordance with the Regulations, and any such Charged Property shall pass from the Chargor to the Security Trustee by way of outright title transfer, free and clear of any liens, claims, charges or encumbrances or any other interest of the Chargor or any third party. The Security Trustee shall, accordingly, have the right to deal with, lend, dispose of, pledge, charge or otherwise use any Charged Property which constitutes Financial Collateral

15 4 Effect of Moratorium

The Security Trustee shall not be entitled to exercise its rights under Clause 4 (*Crystallisation of Floating Charge*) or Clause 15 1 (*Enforcement*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986

16 EXTENSION AND VARIATION OF THE LAW OF PROPERTY ACT 1925

16 1 Extension of Powers

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture

16 2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Trustee of its right to

consolidate all or any of the Security created by or pursuant to this Debenture with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to the Chargor on or at any time after the occurrence of an Enforcement Event

16 3 Power of Leasing

The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the occurrence of an Enforcement Event and the Security Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925

17 APPOINTMENT OF RECEIVER OR ADMINISTRATOR

17 1 Appointment and Removal

After the occurrence of an Enforcement Event or if a petition or application is presented for the making of an administration order in relation to the Chargor or if any person who is entitled to do so gives written notice of its intention to appoint an Administrator of the Chargor or files such a notice with the court or if requested to do so by the Chargor, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to the Chargor

- 17 1 1 appoint one or more persons to be a Receiver of the whole or any part of the Chargor's Charged Property,
- 17 1 2 appoint two or more Receivers of separate parts of such Charged Property with power to act either jointly or severally,
- 17 1 3 remove (so far as it is lawfully able) any Receiver so appointed,
- 17 1 4 appoint another person(s) as an additional or replacement Receiver(s), or
- 17 1 5 appoint one or more persons to be an Administrator of the Chargor pursuant to paragraph 14 of Schedule B1 to the Insolvency Act 1986

17 2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 17 1 (*Appointment and Removal*) shall be

- 17 2 1 entitled to act individually or together with any other person appointed or substituted as Receiver,
- 17 2 2 subject to Clause 22 6 (*No Liability*) for all purposes shall be deemed to be the agent of the Chargor 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 Security Trustee, and
- 17 2 3 entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

17 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 Security Trustee under the Law of Property Act 1925 (as

extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Property

18 POWERS OF RECEIVER

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor)

18.1.1 all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,

18.1.2 all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),

18.1.3 all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do, and

18.1.4 the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including realisation of all or any part of the applicable Charged Property) or (c) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Property

19 APPLICATION OF MONIES

All monies received or recovered by the Security Trustee or any Receiver pursuant to this Debenture or the powers conferred by it shall (to the extent permitted by applicable law) be applied by the Security Trustee (notwithstanding any purported appropriation by the Chargor) in accordance with clause 17 (*Appropriations*) of the Intercreditor Agreement

20 PROTECTION OF PURCHASERS

20.1 Consideration

The receipt by the Security Trustee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

20.2 Protection of Purchasers

20.2.1 No purchaser or other person dealing with the Security Trustee or any Receiver or Delegate shall be bound to inquire whether the right of the Security Trustee or such Receiver or Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings

20.2.2 All the protection to purchasers contained in Sections 104 and 107 of the Law of Property Act 1925, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any other Finance Party, any Receiver or any Delegate

21 POWER OF ATTORNEY

21 1 Appointment and Powers

The Chargor by way of Security irrevocably appoints the Security Trustee and any Receiver and any Delegate severally as its attorney (with full power of substitution) and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney (acting reasonably) may consider to be required or desirable for

21 1 1 carrying out any obligation imposed on the Chargor by this Debenture or any other Finance Document to which it is party (including the execution and delivery of any deeds, charges, assignments, notices, orders, directions or other security and any transfers of the applicable Charged Property), and

21 1 2 enabling the Security Trustee, any Receiver or any Delegate to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or by law (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Charged Property),

provided that the power of attorney granted hereby shall operate following the occurrence of an Enforcement Event

21 2 Ratification

The Chargor ratifies and confirms and shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers granted by the Chargor under Clause 21 1 (*Appointment and Powers*)

22 EFFECTIVENESS OF SECURITY

22 1 Continuing Security

22 1 1 The Security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Trustee

22 1 2 No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

22 1 3 If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any Obligor or any security for those obligations or otherwise) is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor and each Obligor and the security shall continue or be reinstated as if the payment, discharge, release or arrangement had not occurred

22 2 Cumulative Rights

The Security created by or pursuant to this Debenture and the Collateral Rights shall be cumulative, in addition to and independent of every other Security which the Security Trustee or any Secured Party may at any time hold for the Secured Obligations (including, without limitation, the Existing Debenture) or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security

Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property (including, without limitation, the Existing Debenture) shall merge into the Security constituted by this Debenture

22 3 No Prejudice

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

22 4 Remedies and Waivers

22 5 No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Secured Party shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law, including the right to appoint an Administrator under the Insolvency Act 1986

22 6 No Liability

None of the Security Trustee, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part

22 7 Partial Invalidity

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

22 8 Waiver of defences

The obligations of the Chargor under this Debenture and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of the Chargor's obligations under this Debenture (without limitation and whether or not known to it or any Secured Party) including

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,

- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person,
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Obligations including without limitation any change in the purpose of, any extension of, or any increase in, any facility or the addition of any new facility under any Finance Document or other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Obligations, or
- (g) any insolvency or similar proceedings

22 9 Chargor intent

Without prejudice to the generality of Clause 22 8 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Charges shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following business acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

22 10 Immediate recourse

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

22 11 Appropriations

Each Secured Party (or any trustee or agent on its behalf) may place and retain on a suspense account, for as long as it considers fit, any moneys received, recovered or realised under or in connection with this Debenture to the extent of the Secured Obligations, without any obligation on the part of such Secured Party (or any trustee or agent on its behalf) to apply such moneys in or towards the discharge of such Secured Obligations.

22 12 Deferral of Rights

22 12 1 Until such time as the Secured Obligations have been discharged in full, and all facilities which might give rise to Secured Obligations have been terminated and unless the Security Trustee otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Finance Document or by reason of any amount being payable, or liability arising under this Debenture

- (a) to be indemnified by any Obligor,
- (b) to claim any contribution from any other provider of Security for or guarantor of any Obligor's obligations under the Finance Documents, and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party

22 12 2 If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors or the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 19 (*Application of Monies*)

23 RELEASE OF SECURITY

23 1 Redemption of Security

Subject to Clause 23 2 (*Avoidance of Payments*) but without prejudice to Clause 7 (*Negative Pledge and Disposals*) above, if the Security Trustee is satisfied that the Secured Obligations have been discharged in full and none of the Secured Parties are under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Finance Documents, the Security Trustee shall (acting on the instructions of the Senior Agent or, after the Senior Discharge Date, the Pensions Trustees, in each case in accordance with the provisions of the Intercreditor Agreement), at the request and cost of the Chargor, release and cancel the Security constituted by this Debenture and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Debenture, in each case subject to Clause 23 2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

23 2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid

24 SET-OFF

The Chargor authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right) after the occurrence of an Event of Default which is continuing to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Trustee to the Chargor regardless of the place of payment, booking branch or currency of either obligation and apply any credit balance to which the Chargor is entitled on any Account with the Security Trustee in accordance with Clause 19 (*Application of Monies*) (notwithstanding any specified maturity of any deposit standing to the credit of any such Account) If the obligations are in different currencies, the Security Trustee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of set-off

25 SUBSEQUENT AND PRIOR SECURITY INTERESTS

25 1 Subsequent security interests

If the Security Trustee (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture and the Senior Facilities Agreement, all payments thereafter by or on behalf of the Chargor to the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Trustee received such notice

25 2 Prior security interests

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security or upon the exercise by the Security Trustee or any Receiver of any power of sale under this Debenture the Security Trustee may redeem that prior Security or procure the transfer of it to itself The Security Trustee may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Trustee on demand

26 CURRENCY INDEMNITY

If any sum (a "Sum") owing by the Chargor under this Debenture or any order or judgment given or made in relation to this Debenture has to be converted from the currency (the "First Currency") in which such Sum is payable into another currency (the "Second Currency") for the purpose of

26 1 1 making or filing a claim or proof against the Chargor,

26 1 2 obtaining an order or judgment in any court or other tribunal,

26 1 3 enforcing any order or judgment given or made in relation to this Debenture, or

26 1 4 applying the Sum in satisfaction of any of the Secured Obligations,

the Chargor shall indemnify the Security Trustee from and against any cost, loss or liability suffered or incurred as a result of any discrepancy between (a) the rate of exchange used for such purpose to convert such Sum from the First Currency into the

Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of such receipt of such Sum

27 ASSIGNMENT

27 1 Assignments and transfer by Security Trustee

The Security Trustee may assign and transfer all or any of its rights and obligations under this Debenture to the extent and in the manner permitted under the Intercreditor Agreement. The Security Trustee shall be entitled to disclose such information concerning the Chargor and this Debenture as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor to the extent and in the manner permitted under the Intercreditor Agreement or to any person to whom information may be required to be disclosed by any applicable law

27 2 No assignments and transfer by Pensions Trustees

The Pensions Trustees may not assign any of their rights or transfer any of their rights or obligations under this Debenture except as permitted under the Intercreditor Agreement

28 NOTICES

Each communication to be made under or in connection with this Debenture shall be made in accordance with clause 18 (*Notices*) of the Intercreditor Agreement

29 EXPENSES, STAMP TAXES AND INDEMNITY

29 1 Expenses

The Chargor shall, from time to time on demand of the Security Trustee, reimburse the Security Trustee for all the costs and expenses (including legal fees) on a full indemnity basis together with any VAT thereon incurred by it

29 1 1 properly in connection with the negotiation, preparation and execution of this Debenture and the completion of the transactions and perfection of the Security contemplated in this Debenture, and

29 1 2 in connection with the exercise, preservation and/or enforcement of any of the Collateral Rights or the Security contemplated by this Debenture or any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the Security or of enforcing the Collateral Rights,

and shall carry interest from the date of such demand until so reimbursed at the rate and on the basis as mentioned in Clause 2 2 (*Interest on Demands*)

29 2 Stamp Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Debenture, the Security contemplated in this Debenture or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Security Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax

29 3 Indemnity

The Chargor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Security Trustee, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by the Chargor of the provisions of this Debenture, the

exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or otherwise relating to the Charged Property

29 4 Indemnities separate

Each indemnity in each Finance Document shall

29 4 1 constitute a separate and independent obligation from the other obligations in that or any other Finance Document,

29 4 2 give rise to a separate and independent cause of action,

29 4 3 apply irrespective of any indulgence granted by any Finance Party,

29 4 4 continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any liability or any other judgment or order, and

29 4 5 apply whether or not any claim under it relates to any matter disclosed by the Chargor or otherwise known to any Finance Party or, as the case may be, the Pensions Trustees

29 5 Continuing effect

The indemnity provisions of this Debenture shall survive the termination of this Debenture

30 PAYMENTS

30 1 Free of deduction

All payments to be made to the Security Trustee under this Debenture shall be made free and clear of and without deduction for or on account of tax unless the Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made

30 2 Demands

Any demand for payment made by any Secured Party under this Debenture shall, to the extent that any of the Charges referred to herein are due and payable to such Secured Party, be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them

30 3 Payments

All payments by the Chargor under this Debenture (including damages for its breach) shall be made in the Currency of Account and to such account, with such financial institution and in such other manner as the Security Trustee may direct

30 4 Continuation of accounts

At any time after

- (a) the receipt by any Secured Party of notice (either actual or otherwise) of any subsequent security, other than Permitted Security, affecting the Charged Property, or
- (b) the presentation of a petition or the passing of a resolution for the winding-up of the Chargor,

any Secured Party may open a new account in the name of the Chargor with that Secured Party (whether or not it permits any existing account to continue) If that Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred No moneys paid into any account, whether new or continuing, after that event shall (prior to the discharge of the Charges) discharge or reduce the amount recoverable pursuant to any Finance Document to which the Chargor is party

31 DISCRETION AND DELEGATION

31 1 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Trustee, or to the extent permitted by law, an Administrator after the Security created by this Debenture becomes enforceable, whether or not the Security Trustee shall have taken possession or appointed a Receiver of the Charged Property

31 2 Discretion

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

31 3 Delegation

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

32 AMBIGUITY

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to this Debenture, the terms of this Debenture shall prevail

33 GOVERNING LAW

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

34 JURISDICTION

34 1 English Courts

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

34 2 Convenient Forum

The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary

34 3 Exclusive Jurisdiction

This Clause 34 is for the benefit of the Security Trustee only. As a result and notwithstanding Clause 34 1 (*English Courts*), it does not prevent the Security Trustee from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Trustee may take concurrent proceedings in any number of jurisdictions.

THIS DEBENTURE has been delivered on the date stated at the beginning of this Debenture

**SCHEDULE 1
NOTICE OF ASSIGNMENTS**

**PART A
FORM OF NOTICE OF ASSIGNMENT OF ACCOUNT**

Date []

From [CHARGOR]

To [ACCOUNT BANK]

**[CHARGOR] – Debenture
dated [] (the "Debenture")**

Dear Sirs,

We hereby give you notice that pursuant to the Debenture we have assigned and charged to [Citibank, N A , London Branch] (the "**Security Trustee**") by way of security all of our right, title and interest in and to account number [•], account name [•] (including any renewal or redesignation of such account) and all monies standing to the credit of that account from time to time (the "**Account**")

With effect from the date of your receipt of this notice, until you receive instructions from the Security Trustee to the contrary

- (a) [any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the Security Trustee or to its order (with a copy to us)] *[insert agreed operating procedures in relation to any Claims Account, which should be stated to be revocable at any time on notice from the Security Trustee]*
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Security Trustee

You agree

- (a) to disclose to the Security Trustee such information relating to the Account as the Security Trustee may from time to time reasonably request, and
- (b) not to claim or exercise any security interest in, set-off, counterclaim or other rights in respect of the Account

This authority and instruction is irrevocable without the prior written consent of the Security Trustee

Please accept this notice and confirm that you will comply with all provisions of this notice by signing the enclosed acknowledgement and returning it to the Security Trustee at [] marked for the attention of []

Yours faithfully

for and on behalf of
[CHARGOR]

[on copy only]

To [Citibank, N A , London Branch] as Security Trustee

Date []

At the request of [CHARGOR] we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms) We confirm that

- the balance standing to the Account at today's date is [•], no fees or periodic charges are payable in respect of the Account and there are no restrictions on (a) the payment of the credit balance on the Account [(except, in the case of a time deposit, the expiry of the relevant period)] or (b) the assignment of the Account to the Security Trustee or any third party,
- we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the Security Trustee's consent (a) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (b) amend or vary any rights attaching to the Account,
- we will act only in accordance with the instructions given by persons authorised by the Security Trustee and we shall send all statements and other notices given by us relating to the Account to the Security Trustee, and
- we will not claim or exercise any security interest in, set-off, counterclaim or other rights in respect of the Account

For and on behalf of [ACCOUNT BANK]

By

Name

Title

PART B
FORM OF NOTICE OF ASSIGNMENT OF INSURANCES

From [CHARGOR] (the "Chargor")
To [THE INSURERS]
Address []
Date []

Dear Sirs

[CHARGOR] – Debenture
dated [] (the "Debenture")

- 1 We refer to the Debenture
- 2 We give notice that by an assignment contained in the Debenture the Chargor assigned to the Security Trustee by way of security all its right, title and interest from time to time in and to the insurances, details of which are set out in the attached schedule (the "Insurances"), including all moneys or proceeds paid or payable deriving from the Insurances and all rights or claims in relation to the Insurances
- 3 All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid to the account notified to you by the Security Trustee
- 4 Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid
 - (a) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made, or
 - (b) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party
- 5 We instruct you to
 - (a) notify the Security Trustee if any renewal, premium or other sum payable by the Chargor in respect of the Insurances is not paid when due,
 - (b) notify the Security Trustee if the Chargor reduces the cover under the Insurances or if any risk insured against under the Insurances is restricted or cancelled, and
 - (c) if the Insurances are not renewed, cover under the Insurances is reduced or any risk insured against under the Insurances is restricted or cancelled, to provide

insurances of the assets of the Chargor reasonably required by the Security Trustee and upon payment of an additional premium by the Security Trustee

6 This authority and instruction is irrevocable without the prior written consent of the Security Trustee

7 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)

8 Please acknowledge receipt of this notice of assignment and confirm that

- (a) you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice of assignment,
- (b) you have not received any other notice of any assignment of any Insurance or of any other interest of any third party in any Insurance,
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Insurance, and
- (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [____]

[CHARGOR]

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (d) of paragraph 8 of the notice of assignment

[THE INSURERS]

By

Date

PART C
FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED AGREEMENTS

From [CHARGOR] (the "Chargor")
To [PARTY TO THE AGREEMENT]
Address []
Date []

Dear Sirs

[CHARGOR] – Debenture
dated [] (the "Debenture")

- 1 We refer to the Debenture
- 2 We give notice that by an assignment contained in the Debenture the Chargor assigned to [Citibank, N A , London Branch] (the "**Security Trustee**") by way of security all its right, title and interest from time to time in and to the agreements, details of which are set out in the attached schedule (the "**Assigned Agreements**"), including all rights or claims in relation to the Assigned Agreements
- 3 Until you receive written instructions from the Security Trustee to the contrary, all moneys payable by you to the Chargor in respect of the Assigned Agreements shall be paid to the account notified to you by the Chargor
- 4 Despite the assignment referred to above or the making of any payment by you to the Security Trustee under or in connection with it
 - (a) the Chargor shall remain liable to perform all its obligations under each Assigned Agreement, and
 - (b) the Security Trustee and any Delegate shall not at any time be under any obligation or liability to you under or in respect of any Assigned Agreement
- 5 You are authorised and instructed, without requiring further approval, to provide the Security Trustee with such information relating to the Assigned Agreements as it may from time to time request and to send to the Security Trustee and us copies of all notices issued by you
- 6 This authority and instruction is irrevocable without the prior written consent of the Security Trustee
- 7 This notice of assignment and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this notice of assignment (including a dispute relating to the existence, validity or termination of this notice of assignment or any non-contractual obligation arising out of or in connection with this notice of assignment)

8 Please acknowledge receipt of this notice of assignment and confirm that

- (a) you will pay all moneys in respect of each Assigned Agreement as directed by or pursuant to this notice of assignment,
- (b) you have not received any other notice of any assignment of an Assigned Agreement,
- (c) you will not claim or exercise any set-off or counterclaim in respect of any Assigned Agreement, and
- (d) you will comply with the other provisions of this notice of assignment,

by signing the acknowledgement on the attached copy of this notice of assignment and returning that copy to the Security Trustee at [____], marked for the attention of [____]

[CHARGOR]

By

[On duplicate]

We acknowledge receipt of the notice of assignment of which this is a copy and confirm each of the matters referred to in paragraphs (a) – (d) of paragraph 8 of the notice of assignment

[PARTY TO THE AGREEMENT]

By

Dated

SCHEDULE 2
MATERIAL REAL PROPERTY

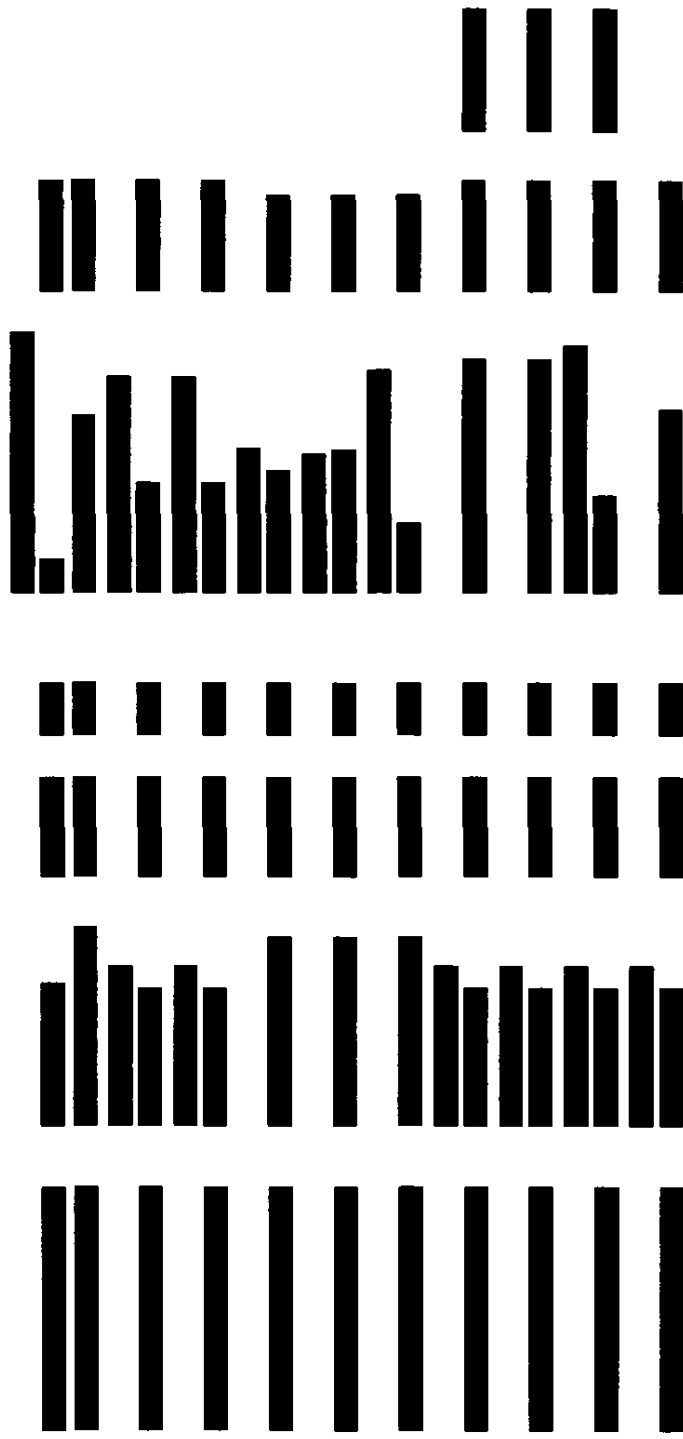
1 FREEHOLD

Registered	Title Numbers
Teesside	CE6045
	CE26409
	CE39540
	CE48932
	CE130906
	CE175027
	CE175028
	CE175030
	CE175031
	CE175032
Skinninggrove	CE141882
Hartlepool	CE195098
Scunthorpe	HS304988
	HS321926
	HS321955
	HS138613
	HS34777
	HS203938
	HS351986
	HS349039
	HS349040
Aldwarke, Rotherham	SYK396314
	SYK273331
	SYK284278
Stocksbridge	SYK233165
Brinsworth Strip Mills	SYK522396
Swinden Tech Centre, Rotherham	SYK424520
Port Talbot	WA189629
Llanwern	WA808056
Trostre	CYM331602

Cornelly Quarry	WA853290
Cookley Works	WM344304
Stallings Lane	WM45423
Corby	NN282122
Shotton	CYM372794
	CYM374770
	CYM373432
	CYM373147
	CYM389190
	CYM504221
Shap	CU237024
	CU237025
Workington	CU207074
	CU202637
Clydebridge	LAN207451
Dalzell	N/A (Application for registration currently with Scottish Land Registry)
Orb Works, Newport	WA616045
2 Leasehold	
A Restricted Leasehold Property	
Southbank wharf	CE177010
Immingham	HS204107

SCHEDULE 3
ACCOUNTS

[illegible]



SCHEDULE 4
SHARES

Subsidiary of the Chargor	Registration No	Number and class of shares
Corus International Limited	00747010	490,361,595 of ordinary shares of £1 00 each
Tata Steel International (UK) Limited	02755939	1,657,666 of ordinary shares of £1 00 each
Kalzip Limited	02128169	3,700,000 of ordinary shares of £1 00 each

SCHEDULE 5
NOTICE OF NON-CRYSTALLISATION

To []

From []
as Security Trustee

Date []

Dear Sirs,

**Debenture dated [] 2014 (the "Debenture") granted by Tata Steel UK Limited
(company number 02280000) (the "Chargor") in our favour**

We refer to the Debenture and in particular the floating charge created by clause 3.3 (*Floating Charge*) of the Debenture (the "Floating Charge")

We hereby confirm that as at the date of this Notice

- (1) we are not aware of any matter which would have caused the Floating Charge to crystallise,
- (2) we are not aware of any matter entitling us to crystallise the Floating Charge, and
- (3) we have not taken any steps to crystallise the Floating Charge

Yours faithfully,

For and on behalf of

[]
as Security Trustee

SIGNATURE PAGE TO THE TATA STEEL UK LIMITED DEBENTURE

The Chargor

EXECUTED AS A DEED

by TATA STEEL UK LIMITED

(Company number 2280000)

[REDACTED]

Signature of Director

NK MISRA

Name of Director

in the presence of

[REDACTED]

Signature of Witness

Name: JOE RICHARDS

Address:

[REDACTED]

SIGNATURE PAGE TO THE TATA STEEL UK LIMITED DEBENTURE

The Security Trustee

Signed by



Signature



Name

for and on behalf of
CITIBANK, N A , LONDON BRANCH

in the presence of



Signature of Witness

Name

Address

