



Registration of a Charge

Company Name: **CZARNIKOW GROUP LIMITED**

Company Number: **02650590**



Received for filing in Electronic Format on the: **02/05/2024**

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Details of Charge

Date of creation: **01/05/2024**

Charge code: **0265 0590 0120**

Persons entitled: **NATIXIS**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **JENNIFER GREENGRASS, SENIOR ASSOCIATE AT SQUIRE PATTON BOGGS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2650590

Charge code: 0265 0590 0120

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st May 2024 and created by CZARNIKOW GROUP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd May 2024 .

Given at Companies House, Cardiff on 7th May 2024

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



Companies House



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



Dated 1 May 2024

CZARNIKOW GROUP LIMITED
as **Borrower**

and

NATIXIS
as **Lender**

SECURITY DEED

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THIS SECURITY DEED is made on 1 May **2024**.

BETWEEN:

- (1) **CZARNIKOW GROUP LIMITED** (the ***Borrower***) a company incorporated and existing under the laws of England & Wales with registered number 02650590 and its registered address at Paternoster House, 65 St. Paul's Churchyard, London, EC4M 8AB, United Kingdom; and
- (2) **NATIXIS** (the ***Lender***) having its principal office at 7 promenade Germaine Sablon, 75013 Paris, France,

in relation to the customer letter dated on or around the date of this Deed from the Lender to the Borrower (the ***Customer Letter***) incorporating the Standard Terms relating to Trade and Commodities Finance Utilisations (the ***Standard Terms***) (both the Customer Letter and the Standard Terms as amended, novated, supplemented, extended or restated from time to time and together referred to as the ***Terms of Finance***) and the other Finance Documents, as applicable, related thereto.

WHEREAS:

- (A) the Lender:
 - (i) has agreed, subject to the terms and conditions set out in the Terms of Finance, to make available to the Borrower the Facility by way of Utilisations subject to the terms and conditions set out in the Terms of Finance and the other Finance Documents applicable to each particular Utilisation; and
 - (ii) may enter into one or more other transactions with the Borrower pursuant to the Finance Documents.
- (B) Utilisations under the Facility are made available subject, *inter alia*, to the Borrower granting the security under this Security Deed.
- (C) Under this Security Deed, the Borrower provides security to the Lender for all its present and future obligations and liabilities to the Lender.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Security Deed, unless the context otherwise requires: (a) words and expressions defined in the Terms of Finance shall have the same respective meanings; and (b) the following words and expressions shall have the meanings given to them in this Clause 1 (*Interpretation*):

Assigned Rights has the meaning given to it in Clause 3.3 (*Assignment of Rights*) of this Security Deed;

Fixed Charge Assets has the meaning given to it in Clause 3.2 (*Fixed Charge*) of this Security Deed;

Floating Charge Assets has the meaning given to it in Clause 3.4 (*Floating Charge*) of this Security Deed;

Insolvency Legislation means (i) the Insolvency Act 1986 and secondary legislation made under it and (ii) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation;

LPA means the Law of Property Act 1925;

LCIA means the London Court of International Arbitration;

Permitted Security means (i) any Security Interest created in favour of the Lender pursuant to the Finance Documents and (ii) any lien arising by operation of law and in the ordinary course of trading.

Physical Assets has the meaning given to it in paragraph (a) of Clause 9.4 (*Insurance*) of this Security Deed;

Pledged Assets means together the Pledged Documents, the Pledged Goods and the Pledged Proceeds;

Pledged Documents has the meaning given to it in paragraph (a) of Clause 3.1 (*Pledge of Goods and Documents*) of this Security Deed;

Pledged Goods has the meaning given to it in paragraph (b) of Clause 3.1 (*Pledge of Goods and Documents*) of this Security Deed;

Pledged Proceeds has the meaning given to it in paragraph (c) of Clause 3.1 (*Pledge of Goods and Documents*) of this Security Deed;

Receivable means any amount whatsoever now or at any later time payable (actual or contingent) to the Borrower from any person arising under or in connection with any Sales Contract;

Receiver means a receiver and manager or other receiver appointed under this Security Deed in respect of the Secured Assets and shall, if allowed by law, include an administrative receiver;

Rules means the rules of the LCIA;

Secured Assets means the Pledged Assets, the Fixed Charge Assets, the Assigned Rights, the Floating Charge Assets;

Secured Liabilities has the meaning given to it by Clause 3 (*Creation of Security*) of this Security Deed;

Security means the Security Interests created or expressed to be created in favour of the Lender pursuant to this Security Deed;

Subsidiary has the meaning given to it in section 1159 Companies Act 2006.

1.2 Construction

The provisions of clause 11 (*Notices*) of the Customer Letter, clause 2 (*Construction*), clause 16 (*Combination of Accounts and Set-Off*), clause 19.2 (*Taxes*), clause 22 (*Confidentiality*), clauses 23.6, 23.8, and 23.10 (*Miscellaneous*) of the Standard Terms shall apply, *mutatis mutandis*, to this Security Deed.

1.3 Third Parties

- (a) Except as otherwise expressly provided in Clause 10.5(a) (*Protection of Third Parties*), Clause 18 (*Expenses and Indemnities*) or elsewhere in this Security Deed, the terms of this

Security Deed may be enforced only by a Party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

- (b) Notwithstanding any term of this Security Deed, no consent of a third party is required for any termination or amendment of this Security Deed.

2. COVENANT TO PAY

- (a) The Borrower shall, on demand, pay to the Lender and discharge all of the Secured Liabilities.
- (b) The Borrower acknowledges to the Lender that the amount secured by this Security Deed and in respect of which this Security Deed and the Security is enforceable is in respect of the full amount of the Secured Liabilities.

3. CREATION OF SECURITY

In consideration of the Lender agreeing to enter into the Finance Documents, the Borrower with full title guarantee hereby grants (or shall grant, as the case may be) as continuing security for the payment or discharge to the Lender when due of all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity and including interest, fees, commissions, expenses and other charges and all legal and other costs) now or at any time hereafter due, owing or incurred by the Borrower to the Lender on any account or in any manner whatsoever pursuant or in relation to the Finance Documents (all such monies, obligations and liabilities being together the ***Secured Liabilities***) the Security set out in Clause 3.1 (*Pledge of Goods and Documents*) to Clause 3.4 (*Floating Charge*).

3.1 Pledge of Goods and Documents

The Borrower hereby agrees that the Lender shall have a pledge upon:

- (a) all negotiable instruments, bills of lading, air waybills, rail waybills, delivery orders, warrants, warehouse certificates, receipts, trust receipts, invoices, drafts, bills of exchange, promissory notes, insurance policies, documents of title or any other document whatsoever relating to a Utilisation which are now or hereafter delivered into the possession (whether actual or constructive) of the Borrower, the Lender or their agent or nominee (together the ***Pledged Documents***);
- (b) all goods (including any goods described in or represented by any Pledged Documents) relating to a Utilisation which are now or hereafter delivered into the possession (whether actual or constructive) of the Lender or their agent, trustee or nominee (including, but not limited to, the actual or constructive possession of the Borrower whether it be on the Lender's behalf or otherwise) (together the ***Pledged Goods***); and
- (c) the proceeds of sale or realisation of the Pledged Goods or the Pledged Documents and any insurance proceeds received with respect thereto (together the ***Pledged Proceeds***),

(the Pledged Documents, the Pledged Goods and the Pledged Proceeds are referred to collectively as the *Pledged Assets*).

3.2 Fixed Charge

The Borrower with full title guarantee hereby charges to the Lender, by way of first fixed charge, all present and future interests of the Borrower in, or over, all:

- (a) goods, stock in trade, inventories, cash deposits of the Borrower which have become the property of the Borrower relating to a Utilisation, which are not Pledged Assets or which are not effectively pledged under Clause 3.1 (*Pledge of Goods and Documents*); and
- (b) rights under the Natixis Hedging Documents including any and all rights to receive payment (whether before or after any close-out netting) under or in respect of any derivative or hedging transactions or arrangements governed by the Natixis Hedging Documents whether such transactions or arrangements are entered into on an exchange or over-the-counter basis and any and all other rights (contractual or otherwise) of the Borrower accruing to, derived from or otherwise connected with those Natixis Hedging Documents,

(the *Fixed Charge Assets*).

3.3 Assignment of Rights

Subject to and in accordance with Clause 5 (Assigned Rights), the Borrower with full title guarantee hereby unconditionally and irrevocably assigns to the Lender absolutely by way of security, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities, all its present and future right, title and interest in and to the following:

- (a) any Sales Contract, any invoice issued under a Sales Contract or any Receivable;
- (b) any Supply Contract in respect of Financed Goods (including, for the avoidance of doubt, in respect of a prepayment thereunder);
- (c) any proceeds payable under any Insurance;
- (d) guarantees, letters of credit, letters of indemnity or similar obligations issued to or incurred by third parties for the benefit of the Borrower with respect to the Financed Goods or any contract of sale or purchase relating thereto;
- (e) claims the Borrower may have against a carrier of any Financed Goods, whether under or pursuant to a bill of lading or otherwise;
- (f) netting or other similar agreements or arrangements pursuant to which the rights and obligations for the sale and purchase of a particular commodity are effectively cancelled and substituted by new payment obligations; and
- (g) rights in action which may give rise to any debt, revenue or claim under or pursuant to any of the Assigned Rights, together with the full benefit of any guarantee, security or other rights relating to any such property including, without limitation, reservations of proprietary rights, rights of tracing, unpaid vendors liens and associated rights,

in each case, relating to a Utilisation (together the *Assigned Rights*).

3.4 Floating Charge

The Borrower with full title guarantee hereby charges to the Lender, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower relating to a Utilisation which is, at any time, not effectively pledged, charged or assigned pursuant to Clauses 3.1 (*Pledge of Goods and Documents*), 3.2 (*Fixed Charge*) and 3.3 (*Assignment of Rights*) respectively (the ***Floating Charge Assets***).

4. CONVERSION OF FLOATING CHARGE

4.1 Conversion by Notice

Without prejudice to Clause 4.2 (*Automatic Conversion*), the Lender may:

- (a) if the Lender considers it desirable to do so in order to protect or preserve the Security over any Floating Charge Asset and/or the priority of any such Security; or
- (b) upon the occurrence of an Event of Default,

by notice in writing to the Borrower convert the floating charge created under Clause 3.4 (*Floating Charge*) with immediate effect into a fixed charge as regards all or any of the Floating Charge Assets. This may be done on one or (in relation to different parts of the Secured Assets, as may exist from time to time) more occasions.

4.2 Automatic Conversion

Without prejudice to any conversion that may occur under applicable law, the floating charge created under Clause 3.4 (*Floating Charge*) shall automatically and immediately be converted into a fixed charge over all of the Floating Charge Assets:

- (a) if the Borrower takes any step to create any security in breach of Clause 8 (*Negative Pledge*) over any of the Floating Charge Assets;
- (b) if any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of Floating Charge Assets; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower.

4.3 Assets Acquired after any Floating Charge Crystallisation

Any asset acquired by the Borrower after any crystallisation of the floating charge created under Clause 3.4 (*Floating Charge*) which, but for such crystallisation, would be subject to a floating charge under this Security Deed shall (unless the Lender confirms in writing to the contrary) be charged to the Lender by way of first fixed charge.

4.4 Moratorium

The floating charge created under Clause 3.4 (*Floating Charge*) may not be converted into a fixed charge solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under the Insolvency Legislation.

4.5 Reconversion to Floating Charge

Any floating charge which has crystallised under Clause 4.1 (*Conversion by Notice*) or Clause 4.2 (*Automatic Conversion*) may by notice in writing given at any time by the Lender to the Borrower be reconverted into a floating charge under Clause 3.4 (*Floating Charge*) in relation to the assets, rights and property specified in such notice.

5. ASSIGNED RIGHTS

5.1 Assignability

Without prejudice to Clause 7.1(b) (*Assigned Rights*), if prior to the date of any Utilisation Request the Borrower discloses in writing to the Lender that an Assigned Right cannot be secured or assigned without the consent of a party to that Assigned Right:

- (a) the Borrower shall use reasonable endeavours to obtain, prior to the proposed Utilisation Date or such other date specified to the Borrower by the Lender, the consent of the relevant party to the Assigned Right being secured under this Security Deed; and
- (b) this Security shall apply to the proceeds of all amounts which the Borrower may receive, or has received, under that Assigned Right but shall exclude the Borrower's rights, title and interest in and to the Assigned Right itself.

5.2 Notices

- (a) The Borrower shall, in relation to any Assigned Right, as so requested by the Lender from time to time, promptly and in any case within five Business Days of such request give notice to the other party to each Assigned Right (and authorises the Lender to serve such notice) in the form set out in Schedule 1 (*Form Of Notice Of Assignment*) (or if sent by the Lender in such other form as the Lender deems appropriate (acting reasonably, unless an Event of Default has occurred)) and shall procure that such parties deliver to the Lender a duly completed acknowledgement of such notice in the form set out in Schedule 2 (*Form Of Acknowledgment Of Assignment*).
- (b) Prior to the occurrence of an Event of Default or an that has or will have a Material Adverse Effect, the Borrower shall remain entitled to exercise all of its rights and remedies under or in respect of the Assigned Rights.

6. PROVISIONS RELATING TO SECURITY

- (a) All Security:
 - (i) is created in favour of the Lender for itself;
 - (ii) is created over the present and future applicable assets of the Borrower in accordance with Clause 3 (*Creation of security*); and
 - (iii) is a continuing security for the payment, discharge and performance of all of the Secured Liabilities and will extend to the ultimate balance of all sums payable under the Finance Documents regardless of any intermediate payment or discharge in whole or in part.
- (b) If the Lender considers that an amount paid to it under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then the Security and the liability of the Borrower under this Security Deed shall continue and that amount will not be considered to have been irrevocably paid for the purposes of this Security Deed.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties

The Borrower represents and warrants to the Lender as follows:

(a) General Representations

- (i) It has the right to create the Security Interests created by Clauses 3.1 (*Pledge of Goods and Documents*) to 3.4 (*Floating Charge*) inclusive.
- (ii) In relation to the Pledged Goods, it has the right to execute or sign any transfers, delivery orders or other requisite documents when called upon and that such Pledged Goods are within its control.
- (iii) This Security Deed constitutes its legal, valid, binding and enforceable obligations effective in accordance with its terms.
- (iv) This Security Deed does not and will not conflict with or result in any breach or constitute a default under any law, regulation, agreement, instrument or obligation to which it is a party or by which it is bound.
- (v) All necessary authorisations and consents to enable or entitle it to enter into this Security Deed have been obtained and will remain in full force and effect at all times during the subsistence of the Secured Liabilities.

(b) Assigned Rights

- (i) Its obligations under each Assigned Right to which it is a party are valid, legally binding and, enforceable in accordance with their terms.
- (ii) Further, with respect to each Assigned Right, that either:
 - (A) there is no prohibition on assignment in such Assigned Right of the Borrower that has not been waived by the other parties to it; or
 - (B) there is no prohibition on assignment in such Assigned Right of the Borrower which requires consent to assign from the other parties to it and pursuant to which consent has not been granted; or
 - (C) such Assigned Right is freely assignable and the entry into and performance by it of this Security Deed does not conflict with any terms of that Assigned Right of the Borrower.

(c) Secured Assets

- (i) It is the sole legal and beneficial owner of, and absolutely entitled to, the assets it purports to pledge, charge or assign under this Security Deed.
- (ii) It has not pledged, charged or assigned or otherwise encumbered or disposed of any of the assets it purports to pledge, charge or assign under this Security Deed.
- (iii) The assets it purports to pledge, charge or assign under this Security Deed are free from any security or option to purchase or similar right, in each case other than any security expressly permitted under the Finance Documents.

7.2 Times for Making Representations and Warranties

The representations and warranties set out in Clause 7.1 (*Representations and Warranties*) are made by the Borrower at any time there is an amount outstanding under the Finance Documents, by reference to the circumstances existing at that time.

8. NEGATIVE PLEDGE

The Borrower may not:

- (a) create or permit to subsist any security on any of the Secured Assets; or
- (b) (whether by a single transaction or a number of related or unrelated transactions and whether at the same time or over a period of time) assign, charge, transfer or dispose of all or any part of its rights, title and interest in and to the Secured Assets, other than (i) in the ordinary course of business, disposing of property that is subject to an uncrystallised floating charge hereunder or (ii) subject to the agreement of the Lender to release the Pledged Documents or Pledged Goods from time to time in accordance with the provisions of Clause **Error! Reference source not found.***(Release of Pledged Documents or Pledged Goods)*,

other than the Permitted Security.

9. UNDERTAKINGS

9.1 Preservation of Secured Assets

- (a) The Borrower shall not do, or permit to be done, any act or thing that would or could reasonably be expected to depreciate, jeopardise or otherwise prejudice the Security, or materially diminish the value of any of the Secured Assets or the effectiveness of the Security.
- (b) The Borrower shall perform all of its obligations under any agreement creating or relating to any Secured Asset and shall promptly notify the Lender in writing of any material breach of any such contract.

9.2 Pledged Assets

- (a) Upon request of the Lender, if applicable, the Borrower shall endorse any Pledged Document in favour of the Lender or notify the issuer of any Pledged Document of the Lender's Security Interest in any of the Pledged Goods.
- (b) The Borrower shall not, without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed) divert or procure the diversion of any vessel carrying Pledged Goods to any port other than one agreed by the Lender, if such diversion could in the determination of the Lender cause the Security taken as whole to be adversely affected, impaired or jeopardised.
- (c) The Borrower shall promptly pay on time all freight, warehouse charges, rent and all other costs of transportation and storage of the Pledged Goods. The Borrower shall, if so required by the Lender, institute proceedings against any third party responsible for the storage or carriage of any Pledged Goods in the event of any breach or default by such third party in respect of its obligations to the Borrower.
- (d) At any time when an Event of Default is continuing, if requested by the Lender, the Borrower shall deposit with the Lender, or as the Lender may direct, such Pledged Documents as the Lender may require.

9.3 Assigned Rights

- (a) In addition to Clause 9.1 (*Preservation of Secured Assets*), the Borrower shall take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of the Assigned Rights.

- (b) The Borrower will not, without the Lender's prior written consent, amend, waive or terminate any term of any Assigned Right unless permitted by the Finance Documents.
- (c) The Borrower shall not at any time, without the Lender's prior written consent, sell, assign, discount, factor, charge or deal with any Receivable unless permitted by the Finance Documents.
- (d) The Borrower shall supply to the Lender on request copies of each Assigned Right to which it is party and any other information and documentation relating to any Assigned Right to which it is party.
- (e) The Borrower shall ensure that payments under each invoice issued under a Sale Contract are made to the Borrower's Account.
- (f) The Borrower shall ensure that each invoice issued under a Sales Contract shall state the payment legend of the Borrower's Account substantially in the form below:

The benefits and proceeds of this invoice are irrevocably assigned to Natixis of 7 promenade Germaine Sablon, 75013 Paris, France. Payments are to be made directly to:

Bank name	:	[REDACTED]
SWIFT	:	[REDACTED]
In favour of	:	[REDACTED]
SWIFT	:	[REDACTED]
Account Number	:	[REDACTED]
Reference	:	[REDACTED]
Attention	:	[REDACTED]

9.4 Insurance

- (a) Unless otherwise insured under an Insurance, the Borrower shall keep all physical goods, stock in trade, inventories and assets that are the subject of a Security Interest pursuant to this Security Deed (the *Physical Assets*) insured in their full value against all usual risks and against such other risks and contingencies and with such insurer as the Lender may from time to time specify or approve and, if so required by the Lender, procure that the interest of the Lender is endorsed on the policy as loss payee or co-insured, as the case may be.
- (b) The Borrower shall hold the policies of all Insurances and proof of payment of the current premiums on behalf of the Lender and deliver the same to the Lender within five Business Days of demand.
- (c) The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance maintained.
- (d) If the Borrower breaches paragraph (c) of this Clause, the Borrower agrees that the Lender may, without further reference to the Borrower, insure any of the Secured Assets or pay such amounts, and any expenditure so incurred by the Lender shall be for the account of the Borrower.
- (e) All monies payable in relation to Secured Assets under any Insurance, at any time (whether the Security constituted by this Security Deed has become enforceable) shall:
 - (i) immediately be paid to the Lender; and

- (ii) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender.

9.5 Segregation

Upon the request of the Lender, the Borrower shall procure that the Physical Assets are stored separately and segregated from other goods.

9.6 Inspection

The Borrower shall permit, or procure permission for, the Lender, its agents, nominees and/or any person (being an inspection company, an accountant, auditor, solicitor, valuer or other professional adviser) authorised by the Lender to inspect on reasonable notice any Physical Assets or other relevant items or records, including allowing the Lender or such persons to:

- (a) have, at all reasonable times during normal business hours, and on reasonable notice, access to the facilities of the Borrower and all other property and premises of the Borrower and to all officers, accounting books, records and computer programs to the extent reasonably necessary to monitor the compliance with, and performance under, the Finance Documents;
- (b) pre-inspect and/or inspect each warehouse used or to be used for storage of Physical Assets to verify whether or not it is in an acceptable condition to hold such Financed Goods; and
- (c) inspect, at any time with reasonable notice, the Physical Assets including, without limitation, in respect of their quantity and quality.

9.7 Information

The Borrower shall:

- (a) give the Lender such information concerning the location, condition, use and operation of the Secured Assets as the Lender may require, acting reasonably;
- (b) immediately upon becoming aware notify the Lender of any breach under any Sales Contract or any breach under any contract relating to the storage or carriage of any Pledged Goods (including, but not limited to, any Storage Contract); and
- (c) promptly notify the Lender in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Lender's prior approval, implement those proposals at its own expense.

10. ENFORCEMENT OF SECURITY

10.1 Timing and Manner of Enforcement

- (a) The Security shall become enforceable and the powers referred to in this Clause 10 (*Enforcement of Security*) shall become exercisable:
 - (i) upon the occurrence of an Event of Default; or
 - (ii) on the appointment of a Receiver

- (b) Without prejudice to any specific provisions contained in this Security Deed, immediately after the Security has become enforceable, the Lender may in its absolute discretion (subject to the other provisions of this Security Deed) enforce all or any part of the Security in any manner it sees fit.

10.2 General

- (a) The Secured Liabilities shall be deemed to have become due and payable on the date of this Security Deed for the purposes of section 101 of the LPA. The power of sale and other powers conferred by section 101 of the LPA (as varied and extended by this Security Deed) and all other powers conferred on a mortgagee by law shall be deemed to arise immediately after execution of this Security Deed.
- (b) Section 103 of the LPA (restricting the power of sale) and Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Security Deed or this Security.

10.3 Pledged Goods

- (a) Without prejudice to and in addition to Clause 10.2 (*General*), upon this Security becoming enforceable in accordance with Clause 10.1 (*Timing and Manner of Enforcement*) above, the Lender may without notice or further consent of any person sell, assign, transfer, negotiate or otherwise dispose of the Pledged Goods at such times, in such manner and generally on such terms and conditions and for such consideration as in its absolute discretion thinks fit without being under any responsibility to the Borrower for the price obtained thereby and the Lender may apply the proceeds in accordance with Clause 16 (*Release*) below.
- (b) In addition to Clause 14 (*Further Assurances*), the Borrower shall, if and when required by the Lender, execute and sign all transfers, delivery orders and other documents which the Lender may from time to time require for perfecting its title or for vesting or enabling it to vest any of the Pledged Goods in or for facilitating delivery of the same, to the Lender or its nominees or any purchaser and to do all such acts and things as may be necessary or expedient for effecting, or in connection with, any sale or disposition that the Lender may make.

10.4 Exercise of Powers

All or any of the powers conferred on mortgagees by the LPA as varied or extended by this Security Deed and all or any of the rights and powers conferred by this Security Deed on a Receiver (whether express or implied) may be exercised by the Lender without further notice to the Borrower at any time after an Event of Default has occurred and is continuing, irrespective of whether the Lender has taken possession of the Secured Assets or appointed a Receiver.

10.5 Protection of Third Parties

- (a) No person (including a purchaser) dealing with the Lender or a Receiver or any of its respective agents will be concerned to enquire:
 - (i) whether the Secured Liabilities have become payable;
 - (ii) whether any power which the Lender or that Receiver may purport to exercise has become exercisable or is being properly exercised;
 - (iii) whether any amount remains due under the Finance Documents; or
 - (iv) how any money paid to the Lender or to that Receiver is to be applied.

- (b) The receipt of the Lender or any Receiver of any monies paid to the Lender or any Receiver by any person (including a purchaser) shall be an absolute and conclusive discharge and shall relieve any person dealing with the Lender or that Receiver of any obligation to see to the application of any monies paid to or by the direction of the Lender or any Receiver.
- (c) In paragraphs (a) and (b) of this Clause, **purchaser** includes any person acquiring, for money or money's worth, any interest or right whatsoever in relation to the Secured Assets.

10.6 Redemption of Prior Security

The Lender or any Receiver may at any time after an Event of Default has occurred and is continuing redeem any prior security on or relating to any of the Secured Assets or procure the transfer of that security to itself, and may settle and pass the accounts of any person entitled to that prior security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on the Borrower. The Borrower will on demand pay to the Lender all principal monies and interest and all losses incidental to any such redemption or transfer.

11. RECEIVER

11.1 Appointment of Receivers

- (a) The Lender may (without notice) by deed or otherwise in writing signed by any officer or manager of the Lender or any person authorised for this purpose by the Lender, appoint one or more persons to be a Receiver:
 - (i) if requested by the Borrower; or
 - (ii) upon the occurrence of an Event of Default that is continuing (whether the Lender has taken possession of the Secured Assets).
- (b) The Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium or anything done with a view to obtaining a moratorium under the Insolvency Legislation.
- (c) The power to appoint a Receiver conferred by this Security Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Legislation, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- (d) If the Lender appoints more than one person as Receiver, the Lender may give those persons power to act either jointly or severally.
- (e) Any Receiver may be appointed Receiver of all of the Secured Assets or Receiver of a part of the Secured Assets specified in the appointment. In the case of an appointment of a part of the Secured Assets, the rights conferred on a Receiver as set out in Clause 11.5 (*Powers of Receivers*) shall have effect as though every reference in Clause 11.5 (*Powers of Receivers*) to any Secured Assets were a reference to the part of those assets so specified or any part of those assets.

11.2 Removal of Receivers

The Lender may by notice in writing remove any Receiver appointed by it whenever it thinks fit and appoint a new Receiver instead of any Receiver whose appointment has terminated for any reason.

11.3 Agent of the Borrower

Any Receiver shall be the agent of the Borrower for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA. The Borrower is solely responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver. The Lender will not incur any liability (either to the Borrower or any other person) by reason of the appointment of a Receiver or for any other reason.

11.4 Remuneration

- (a) The Lender may determine the remuneration of any Receiver appointed by it and any maximum rate imposed by any law (including under section 109(6) of the LPA) shall not apply to this Security Deed.
- (b) For the avoidance of doubt, the remuneration of any Receiver, as determined under paragraph (a) of this Clause, shall be a debt secured by this Security Deed, to the extent not otherwise discharged.

11.5 Powers of Receivers

Any Receiver appointed pursuant to Clause 11.1 (*Appointment of Receivers*) shall have the following rights, powers and discretions (in addition to those conferred by the LPA on any Receiver appointed under the LPA):

- (a) the powers given to an administrative receiver by the Insolvency Legislation;
- (b) the powers given to a mortgagee or a receiver by the LPA, but without the restrictions contained in section 103 of the LPA;
- (c) the power to do, or omit to do, on behalf of the Borrower, anything which the Borrower itself could have done, or omitted to do, if the Secured Assets were not the subject of any security interests and the Borrower were not in insolvency proceedings;
- (d) to take immediate possession of, get in and collect any Secured Asset;
- (e) to carry on any business of the Borrower in any manner he thinks fit;
- (f) to enter into any contract or arrangement and to perform, repudiate, succeed or vary any contract or arrangement to which the Borrower is party;
- (g) to appoint and discharge any managers, officers, agents, accountants, servants, workmen and others for the purposes of this Security Deed upon such terms as to remuneration or otherwise as he thinks fit and to discharge any person appointed by the Borrower;
- (h) to raise and borrow money either unsecured or on the security of any Secured Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he thinks fit;
- (i) to sell, exchange, convert into money and realise any Secured Asset by public auction or private contract and generally in any manner, and on any terms which he thinks fit and for a consideration of any kind (which may be payable in a lump sum or by instalments spread over any period);
- (j) to settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Borrower or relating in any way to any Secured Asset;

- (k) to bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Secured Asset which he thinks fit;
- (l) to give a valid receipt for any monies and execute any assurance or thing which may be proper or desirable for realising any Secured Asset;
- (m) to form a Subsidiary of the Borrower and transfer to that Subsidiary any Secured Asset;
- (n) to delegate his powers in accordance with this Security Deed;
- (o) to lend money or advance credit to any customer of the Borrower;
- (p) to effect any insurance and do any other act which the Borrower might do in the ordinary conduct of its business to protect or improve any Secured Asset in each case as he thinks fit;
- (q) to exercise all the powers described in schedule 1 to the Insolvency Act 1986 whether or not the Receiver is an administrative receiver as defined in the Insolvency Act 1986;
- (r) to purchase or acquire by leasing, hiring, licensing or otherwise (for such consideration and on such terms as he may think fit) any assets which he considers necessary or desirable for the carrying on, improvement, realisation or other benefit of any of the Secured Assets or the business of the Borrower;
- (s) to exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Secured Asset;
- (t) to make any payment and incur any expenditure, which the Lender is, by this Security Deed, expressly or impliedly authorised to make or incur;
- (u) to do all other acts and things which he may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Security Deed or law; and
- (v) to use the name of the Borrower for any of the purposes set out in paragraphs (a) to (u) (inclusive) of this Clause.

12. DELEGATION

- (a) The Lender or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Security Deed. Any such delegation may be made upon such terms (including the power to sub-delegate) and subject to such conditions and regulations as the Lender or Receiver may think fit.
- (b) References in this Security Deed to the Lender or a Receiver shall be deemed to include references to any delegate of the Lender or Receiver appointed in accordance with this Clause 12 (*Delegation*).

13. PRESERVATION OF SECURITY

13.1 Reinstatement

- (a) If any payment by the Borrower or any discharge or release given by the Lender (whether in respect of the obligations of any person or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (i) the liability of the Borrower and the relevant security shall continue as if the payment, discharge, release, avoidance or reduction had not occurred; and
 - (ii) the Lender shall be entitled to recover the value or amount of that security or payment from the Borrower, as if the payment, discharge, avoidance or reduction had not occurred.
- (b) The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

13.2 Waiver of Defences

None of the obligations of the Borrower under this Security Deed nor any Security will be affected by any act, omission, matter or thing (whether known or not to the Borrower or the Lender) which, but for this provision, would reduce, release, prejudice or provide a defence to any of those obligations including:

- (a) any time, waiver, release or consent granted to, or composition with, the Borrower or any other person;
- (b) the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of any member of the Borrower's group or any other person;
- (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 the assets of, the Borrower or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any such rights or security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security 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
- (g) any insolvency or similar proceedings.

13.3 Immediate Recourse

The Borrower waives any right it may have of first requiring the Lender (or any agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from or enforcing against the Borrower under this Security Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

13.4 Deferral of Borrower's rights

- (a) Until all the Secured Liabilities have been irrevocably paid in full and unless the Lender otherwise directs, the Borrower will not exercise any rights which it may have by reason of performance (or a claim for performance) by it of its obligations under the Finance Documents:

- (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any guarantor of any Obligor's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;
 - (iv) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the Borrower has given a guarantee, undertaking or indemnity under the Finance Documents;
 - (v) to exercise any right of set-off against an Obligor;
 - (vi) to exercise any right of quasi-retainer or other analogous equitable right; and/or
 - (vii) to claim or prove as a creditor of an Obligor in competition with the Lender.
- (b) If the Borrower 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 Lender by an Obligor under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct.

13.5 Security held by the Borrower

The Borrower shall not, without the prior consent of the Lender, hold or otherwise take the benefit of any security from any other Obligor in respect of the Borrower's liability under this Security Deed. The Borrower will hold any security and the proceeds thereof held by it in breach of this provision on trust for the Lender.

13.6 Additional Security/Non-Merger

The Security is in addition to and shall not be merged into or in any way excluded or prejudiced by any other security now or hereafter held by or on behalf of the Lender in respect of the Secured Liabilities or any other amount due by the Borrower to the Lender.

13.7 New Accounts and Ruling Off

- (a) The Lender may open a new account in the name of the Borrower at any time after a subsequent security affects any Secured Asset. If the Lender does not open a new account in such circumstances it will nevertheless be deemed to have done so upon the occurrence of such circumstances.
- (b) No monies paid into any account (whether new or continuing) after the occurrence of any circumstances referred to in paragraph (a) of this Clause shall reduce or discharge the Secured Liabilities.

13.8 Conversion of Currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this Security Deed (including the proceeds of any previous conversion under this Clause 13.8 (*Conversion of*

Currency) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.

- (b) Any such conversion shall be effected at the Lender's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this Clause 13.8 (*Conversion of Currency*) to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

14. FURTHER ASSURANCES

The Borrower shall, at its own expense, take whatever action the Lender or a Receiver, acting reasonably, may require or consider expedient for:

- (a) creating, perfecting or protecting any security intended to be created by or pursuant to this Security Deed (whether in respect of assets located in England and Wales or in any other jurisdiction);
- (b) facilitating the realisation of any Secured Asset;
- (c) facilitating the exercise of any right, power or discretion exercisable by the Lender or any Receiver in respect of any Secured Asset;
- (d) effecting any sale or other disposition which the Lender may make in respect of all or any of the Secured Assets,

including:

- (e) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Lender (or to its nominee); and
- (f) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient.

15. POWER OF ATTORNEY

15.1 Appointment

- (a) The Borrower by way of security irrevocably appoints the Lender and each Receiver severally as its attorney with full power of substitution and, on its behalf and in its name or otherwise, in such manner as the relevant attorney thinks fit, if (1) an Event of Default is continuing, (2) the Borrower has failed to comply with any of its obligations under this Security Deed or (3) if required by the Lender for the purposes of preservation, enforcement or perfection of the security created by this Security Deed to:
 - (i) execute any documents and do any acts and things that the Borrower is obliged to do under this Security Deed;
 - (ii) execute any documents and do any acts and things that any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Security Deed or by law on the Lender and each Receiver;
 - (iii) endorse, give receipts and releases in respect of the Pledged Assets; or

- (iv) demand, sue for, collect or receive any monies or property at any time due, payable or receivable on account of in exchange of any of the Secured Assets.

15.2 Ratification

The Borrower ratifies and confirms and agrees to ratify and confirm whatever any attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 15.1 (*Appointment*).

16. RELEASE

16.1 Release of Pledged Documents or Pledged Goods

- (a) If at any time the Lender releases any of the Pledged Documents or the Pledged Goods to or to the order of the Borrower, the Borrower shall hold the relevant Pledged Documents or Pledged Goods and the Pledged Proceeds on trust for the Lender in accordance with this Security Deed.
- (b) The Borrower acknowledges that any Pledged Documents or Pledged Goods so released by the Lender are released solely for the purpose of:
 - (i) sale in the ordinary course of trading to an Acceptable End-Buyer; or
 - (ii) shipment or other transportation to a suitable location pending sale in the ordinary course of trading to an Acceptable End-Buyer.
- (c) Notwithstanding any release pursuant to this Clause 16.1, the Borrower shall hold the Pledged Documents and the Pledged Goods to the order of the Lender provided that, at all relevant times, the risk and any expenses in respect of such Pledged Documents and Pledged Goods shall be the responsibility of the Borrower.
- (d) Pending the sale of any Pledged Goods, the Borrower undertakes to keep such Pledged Goods in a warehouse or warehouses acceptable to the Lender, and shall keep such Pledged Goods separate from other goods at the warehouse or warehouses in accordance with the provisions set out in this Security Deed.

16.2 Final Release

Subject to Clause 13.1 (*Reinstatement*), on the date on which the Lender is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and that no further Secured Liabilities are capable of being outstanding, the Lender shall, at the request and cost of the Borrower, use reasonable endeavours to:

- (a) release the Secured Assets from the Security constituted by this Security Deed; and
- (b) reassign the Secured Assets to the Borrower.

17. APPLICATION OF PROCEEDS

17.1 Order of Application

- (a) All amounts received by the Lender or any Receiver pursuant to this Security Deed or the powers conferred by it shall be applied at the Lender's discretion.
- (b) The order of application referred to in paragraph (a) of this Clause shall override any appropriation by the Borrower.

17.2 Appropriation

Neither the Lender nor any Receiver shall be bound (whether by virtue of section 109(8) of the LPA or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

17.3 Suspense Account

Until all the Secured Liabilities have been irrevocably paid and discharged in full, the Lender or any Receiver may:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Lender or any Receiver in respect of those monies and the Borrower shall not be entitled to the benefit of the same; and
- (b) hold any monies received from the Borrower or on account of the Borrower's liability under this Security Deed in a suspense account (whether interest bearing or not) or by way of *remise d'espèces en pleine propriété à titre de garantie* (remittance of cash collateral by way of security with full transfer of ownership) for so long as the Lender or any Receiver deems fit.

18. EXPENSES AND INDEMNITIES

18.1 Expenses

The Borrower shall, promptly on demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender or any Receiver (or any person acting on their behalf) in connection with:

- (a) this Security Deed or the Secured Assets (provided that such costs, charges, expenses, taxes and liabilities under this paragraph (a) have been pre-agreed with the Borrower before being incurred);
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's or a Receiver's rights under this Security Deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Terms of Finance.

18.2 Indemnity

Without prejudice to clause 17 (*Indemnities*) of the Standard Terms, the Borrower shall indemnify the Lender, each Receiver and any person acting on their behalf, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Security Deed or by law in respect of the Secured Assets;

- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the Security; or
- (c) any default or delay by the Borrower in performing any of its obligations under this Security Deed.

Any such person who is not a Party to this Security Deed may rely on this Clause 18 (*Expenses and Indemnities*) and enforce its terms under the Contracts (Rights of Third Parties) Act 1999.

19. LIABILITY

Neither the Lender nor any Receiver shall (either by reason of taking possession of the Secured Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Borrower or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Secured Assets or from any act, default, omission or misconduct of the Lender or any Receiver or their respective officers, employees or agents in relation to the Secured Assets or in connection with the Finance Documents except to the extent caused by its or his own gross negligence or wilful misconduct.

20. CHANGES TO PARTIES

20.1 Transfer by the Lender

The Lender may at any time assign or otherwise transfer all or any part of its rights under this Security Deed to any successor appointed in accordance with the Finance Documents.

20.2 Changes to Parties

The Borrower agrees to be bound by the terms of clause 23.1 of the Standard Terms and authorises the Lender to execute on its behalf any document the Lender considers, acting reasonably, necessary or desirable in relation to the creation, perfection or maintenance of the Security and any transfer or assignment contemplated by such provisions.

21. COUNTERPARTS

This Security Deed may be executed in any number of counterparts, and by each Party hereto on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Security Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

22. GOVERNING LAW AND ENFORCEMENT

22.1 Governing Law

This Security Deed and any non-contractual obligations arising out of or in connection with these shall (unless expressly provided otherwise) be governed by and construed in accordance with English law.

22.2 Jurisdiction

- (a) It is irrevocably agreed that the Courts of England and Wales shall have jurisdiction to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection (for any reason whatsoever) with this Security Deed or any non-contractual obligations arising out of or in connection with this Security Deed and, for such purposes the Parties irrevocably submit to the exclusive jurisdiction of the English courts.

- (b) The agreement contained in paragraph (a) of this Clause is included for the benefit of the Lender who shall retain the right to take proceedings in any court of any other jurisdiction (whether concurrently or not, to the extent permitted by the law of such other jurisdiction) where assets of any Obligor may be located or where any Obligor has its statutory seat, central administration or principal place of business. The Borrower irrevocably submits to the jurisdiction of any such court. To the extent permitted by law, the Lender may take concurrent proceedings in any number of jurisdictions.
- (c) The Borrower agrees that a judgment or order of any court referred to in this Clause is conclusive and binding and may be enforced against it in the courts of any other jurisdiction.

22.3 Waiver

The Borrower waives its right to object to the choice of any jurisdiction on the ground of public policy or otherwise in connection with any dispute and waives its rights generally to raise any objections with regard to the validity of paragraph (a) of Clause 22.2, whether on the grounds of public policy or otherwise.

22.4 Amendments

No amendment of this Security Deed shall be effective unless it is in writing and signed by, or on behalf of, each Party (or its authorised representative).

THIS SECURITY DEED has been executed and delivered as a deed on the date stated at the beginning of this Security Deed.

SCHEDULE 1

FORM OF NOTICE OF ASSIGNMENT

To: [Assigned Debtor]

From: [Assignor][Natixis, as attorney for the Assignor]

Date:

Dear Sirs,

Reference is made to the following [contract][policy] between [include details of the Borrower] and yourselves (as amended, supplemented, or otherwise modified from time to time, the **Assigned Rights**):

[•]

We hereby give you notice that by clause 3.3 of the security deed dated [date] (the **Security Deed**) and made between ourselves and Natixis (the **Assignee**), we have assigned to the Assignee all of our rights, title and interests [in the proceeds] arising pursuant to the Assigned Right.

Please note that notwithstanding the Security Deed, you must treat [us][include name of Assignor] as the only person liable under the Assigned Right. The Assignee shall have no obligations of any kind in respect of the Assigned Right.

You are hereby directed that, upon first request of the Assignee, all payments to be made by you under the Assigned Right shall be made pursuant to the terms and conditions thereof in accordance with the directions of the Assignee without set-off or any other deduction which may apply pursuant to the Assigned Right.

We hereby confirm that the Assignee is authorised to issue directly to you such request without further involvement or confirmation from us.

This notice and the instructions herein contained are irrevocable.

Please acknowledge receipt of this notice to the Assignee on the enclosed acknowledgement of assignment.

This notice, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

[Assignor][Natixis, as attorney for the Assignor]

By:

Title:

SCHEDULE 2

FORM OF ACKNOWLEDGMENT OF ASSIGNMENT

To: Natixis

From: [Assigned Debtor]

Date: [●]

Dear Sirs,

Reference is made to the following [contract][policy] between [include details of the Borrower] and ourselves (the **Assignor**) (as amended, supplemented or otherwise modified from time to time, the **Assigned Right**):

[●]

We hereby acknowledge receipt of a notice of assignment dated [date] (the **Notice**) from the Assignor and confirm that the Notice is adequate notice of the assignment contemplated in clause 5 of the security deed dated [date] (the **Security Deed**) and made between you and the Assignor (a copy of which we have received and taken notice of).

We will not terminate, amend or vary any of the terms of the Assigned Right without your prior written consent.

We further confirm that, upon your first request at the address or fax number specified below, we shall act in accordance with your directions with regard to the payments to be made by us under the Assigned Right. We acknowledge your authority to issue such request and undertake to effect such payment without set-off, defence or counterclaim available to us against [Assignor].

We have no knowledge of any prior assignment or encumbrance having been established in respect of the Assigned Right.

Yours faithfully

[Assigned Debtor]

By: _____

Title: _____


Address:

Fax:


SIGNATORIES TO THE SECURITY DEED

LENDER

Executed as a deed by **NATIXIS**, a company incorporated in France, by Romain Egloff and Nicolas JANORAN being persons who, in accordance with the laws of that territory, are acting under the authority of the company

DocuSigned by:

C81B493A3AC14A7...


Authorised signatory

DocuSigned by:

BAED0E4BAAF44C7...


Authorised signatory

BORROWER

Executed as a deed by **CZARNIKOW GROUP LIMITED**, a company incorporated in England & Wales by Robin cave and Julian Randles being persons who, in accordance with the laws of that territory, are acting under the authority of the company

DocuSigned by:

300EBD11105B462...

Director

DocuSigned by:

89B262DA7AEF455...

Director