Companies House

MR01(ef)

Registration of a Charge

Company Name: **J.P. MORGAN SECURITIES PLC**
Company Number: **02711006**

Received for filing in Electronic Format on the: **04/05/2021**

XA3RV82B

Details of Charge

Date of creation: **23/04/2021**

Charge code: **0271 1006 0114**

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

Brief description:

Contains fixed 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: **EDWARD MILLER**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2711006

Charge code: 0271 1006 0114

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd April 2021 and created by J.P. MORGAN SECURITIES PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th May 2021 .

Given at Companies House, Cardiff on 5th May 2021

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

LUXEMBOURG LAW SECURITY AGREEMENT RELATING TO A GLOBAL MASTER SECURITIES LENDING AGREEMENT (SECURITY INTEREST OVER COLLATERAL – 2018 VERSION)

CONTENTS

Clause		Page
1.	Interpretation	1
2.	Security	4
3.	Substitutions and Margin Adjustments	4
4.	Restrictions and Undertakings	5
5.	Discharge of Security	6
6.	Saving Provisions	6
7.	Substitutions	7
8.	Holding Collateral	7
9.	Enforcement	8
10.	Liability of the Secured Party	10
11.	Expenses	10
12.	Other Provisions	10
Schedule		15
Security Agreement Agency Annex (Security Agreement Agency Annex to Security Agreement)		16
Security Trustee Annex		18

Copyright © 2018
International Securities Lending Association

SECURITY AGREEMENT dated 23/04/21

BETWEEN:

(1) **J.P. MORGAN SECURITIES PLC** (***Security Provider***) a company incorporated under the laws of England acting through one or more Designated Offices;

(2) **CITIBANK, N.A., London branch** (***Lender***) acting as agent on behalf of each Principal, a company incorporated under the laws of the United States acting through one or more Designated Offices;

(3) in accordance with the Security Agreement Agency Annex hereto) each person identified as a Principal in the Agreement (as defined herein) (each a ***Principal, a Secured Party***), represented for the purposes hereof by the Lender; and

(4) **CITIBANK, N.A., London branch** (***Trustee***) a company incorporated under the laws of the United States of America, acting through its office at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB.

This security agreement (***Security Agreement***) is the Security Agreement with respect to the Global Master Securities Lending Agreement (Security Interest Over Collateral – 2018 Version) dated 23/04/21 between the Security Provider as ***Borrower*** and the Lender (as amended and supplemented from time to time, the ***Agreement***) where the Security Provider is Borrower in respect of Loans made by the Lender (including, where applicable, Loans made by the Lender as Agent (as defined in the Agreement)).

The parties agree as follows:

1. INTERPRETATION

1.1 Definitions

In this Security Agreement:

"***Appropriation Value***" means, on any date, in relation to securities of any description (such securities, the ***Relevant Securities***), the fair market value of the Relevant Securities as determined by an independent auditor (*réviseur d'entreprises*) or a reputable investment bank appointed by the Trustee acting in its own discretion, on the basis of such available elements and facts as deemed relevant by the auditor or the investment bank, acting in good faith and in a commercially reasonable manner.

"***Cash***" means any money standing from time to time to the credit of the Secured Account;

"***Cash Account***" means the cash account(s) opened or to be opened in the Custodian's system in the name of the Security Provider for the benefit of the Secured Party in relation to which the Custodian shall provide collateral management services in accordance with the Control Agreement, as specified in the Schedule to this Security Agreement;

"***Collateral***" has the meaning given to it in the Control Agreement;

"***Control Agreement***" means the Luxembourg law governed account control agreement dated [...] between the Security Provider, the Secured Party, the Trustee and the Custodian.

"***Custodian***" means J.P. Morgan Bank Luxembourg S.A., a *société anonyme* (public limited liability company) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 6, route de Trèves, L-2633, Senningerberg, Grand Duchy of Luxembourg, and registered with the Register under registration number B10958, and authorised by the *Commission de Surveillance du Secteur Financier* (CSSF) as a credit institution;

"***Encumbrance***" means a mortgage, charge, pledge, lien (including *privilège*), assignment or other security interest or transfer by way of security arrangement securing any obligation of any person or any other agreement or arrangement having a similar effect;

Copyright © 2018
International Securities Lending Association

"***Enforcement Event***" means (i) an Event of Default in respect of which the Security Provider is the Defaulting Party pursuant to the Agreement, (ii) any failure by the Security Provider to pay any amount payable by the Security Provider under paragraph 11.2(b) of the Agreement or (iii) an exercise by the Secured Party of its right under paragraph 9.1(b) of the Agreement in circumstances where all Loans have been terminated and the Borrower has failed to deliver Equivalent Securities in accordance with paragraph 8.3;

"***Financial Collateral Law***" means the Luxembourg law of 5 August 2005 on financial collateral arrangements, as amended;

"***Notice of Exclusive Control***" means, with respect to the Control Agreement, a notice given by an Authorised Person of the Trustee to the Custodian under paragraph (b) of Section 2.6 of the Control Agreement, in respect of a default of the Security Provider;

"***Notice of Exclusive Control Event***" means the occurrence of an event which constitutes, or with the giving of notice or the lapse of time or both, would constitute, an Enforcement Event;

"***Notice of Secured Party Default***" means, with respect to the Control Agreement, a notice given by the Security Provider to the Custodian under paragraph (c) of Section 2.6 of the Control Agreement in respect of a default of the Secured Party;

"***Parties***" means all of the parties to this Agreement;

"***Pledged Assets***" means the Collateral and the Pledged Rights (as defined in the Control Agreement) held on or in respect of the Secured Account;

"***Proceeds***" has the meaning given to it in the Control Agreement.

"***Secured Account***" means the Cash Account and the Securities Account;

"***Secured Obligations***" means all present, future, actual and contingent obligations of the Security Provider to the Secured Party under the Agreement and this Security Agreement;

"***Secured Party***" means, subject as otherwise provided in the Security Agreement Agency Annex (if applicable), the Lender;

"***Secured Party Default Event***" means:

(a) an Event of Default has occurred in relation to the Secured Party as Defaulting Party;

(b) the Security Provider as Non-Defaulting Party has determined the balance of the account payable pursuant to paragraph 11.2(b) of the Agreement and given notice thereof to the Secured Party;

(c) the amount so payable is payable to the Security Provider, is zero or was payable by the Security Provider but has been discharged in full together with any accrued interest payable; and

(d) the Security Provider has made a demand on the Secured Party under paragraph 5.3 of the Agreement and the Secured Party has failed to comply with its obligations under that paragraph;

"***Securities***" means all securities standing from time to time to the credit of the Secured Account and all right, title and interest of the Security Provider relating to or arising from such securities;

"***Securities Account***" means the securities account(s) opened or to be opened in the Custodian's system in the name of the Security Provider for the benefit of the Secured Party in relation to which the Custodian shall provide collateral management services in accordance with the Control Agreement, as specified in the Schedule to this Security Agreement;

"***Security***" means the first ranking pledge (*gage de premier rang*) created by or pursuant to this Security Agreement;

Copyright © 2018
International Securities Lending Association

"***Security Agreement Agency Annex***" means the annex to this Security Agreement so designated;

"***2001 Law***" means the Luxembourg law of 1 August 2001 regarding the transfer of securities and other fungible instruments, as amended.

1.2 **Definitions and inconsistency**

Unless otherwise defined herein, capitalised terms defined in the Agreement or the Control Agreement have the same meanings in this Security Agreement. In the event of any inconsistency between this Security Agreement and the provisions of the Agreement or the Control Agreement, this Security Agreement will prevail, and in the event of any inconsistency (a) between the Schedule and the other provisions of this Security Agreement, the Schedule will prevail or (b) between the Security Agreement Agency Annex, if applicable, and the other provisions of this Security Agreement, the Security Agreement Agency Annex will prevail.

1.3 **Construction**

In this Security Agreement:

(a) references to paragraphs or to the Schedule are to paragraphs of or the Schedule to (as applicable) this Security Agreement;

(b) unless a contrary intention appears, any reference in this Security Agreement to:

(i) the Security Provider, the Secured Party, the Custodian or the Trustee shall be construed so as to include its or their (and any subsequent) successors in title; or

(ii) a provision of law is a reference to that provision as amended or re-enacted;

(iii) the Agreement or any other agreement or instrument (including this Security Agreement) is a reference to such agreement or instrument as the same may be amended, novated, varied, modified, suspended, assigned, supplemented, restated or replaced by any other agreement or instrument;

(iv) a provision of the Agreement shall refer to such provision as construed pursuant to the governing law of such relevant agreement; and

(v) matching instructions from the Security Provider and the Secured Party includes separate but matching instructions from each of the Security Provider and the Secured Party;

(c) all headings are for ease of reference only and shall not affect the interpretation of this Security Agreement; and

(d) an event is "continuing" if it has not been remedied or waived.

1.4 **Holding of Collateral**

A reference to a delivery of Collateral to or from the Custodian is deemed to be a reference to the relevant Collateral being, as applicable, credited to or transferred from the Secured Account.

2. **SECURITY**

2.1 **Security**

The Security Provider hereby grants a first ranking pledge (*gage de premier rang*) over the Pledged Assets in favour of the Trustee, in accordance with the Financial Collateral Law, as security for the due

Copyright © 2018
International Securities Lending Association

performance of the Secured Obligations.

2.2 **Proceeds**

The Security Provider agrees that the Proceeds that are not transferred to it pursuant to paragraph 3 (*Substitutions and Margin Adjustments*) shall, as the case may be, be booked on the Secured Account.

2.3 **Fungibility**

The parties acknowledge that the Securities shall be subject to the fungibility regime organised by the 2001 Law.

2.4 **Ranking**

The Security shall be a first ranking pledge.

2.5 **Perfection of the Security**

(a) As third party custodian bank maintaining the Secured Account, the Custodian shall be informed of the creation of the Security in favour of the Trustee over the Secured Account.

(b) For this purpose and for the perfection of the Security in accordance with Article 5 of the Financial Collateral Law, on or around the conclusion of this Security Agreement, the Security Provider and the Trustee shall inform the Custodian, (i) of the creation of the Security over the Secured Account, (ii) that the Security has been granted in favour of the Trustee and that the Secured Account shall be opened in the name of the Security Provider.

(c) Pursuant to the Control Agreement, the Custodian will designate the Secured Account as pledged in favour of the Trustee, earmark the Securities, individually or collectively by reference to the Secured Account, as pledged in favour of the Trustee and manage and operate the Collateral standing to the credit of the Secured Account in accordance with the Control Agreement.

(d) The Security Provider shall deliver Eligible Cash and/or Eligible Security to the Secured Account in accordance with the provisions of the Agreement and the Control Agreement. The Security Provider and the Trustee and/or the Secured Party (as the case may be) will give the appropriate notices to the Custodian in accordance with those agreements.

(e) The Security Provider and the Trustee acknowledge that for conflicts of law purposes, the Secured Account is the "relevant account" for the purposes of Article 23 of the Financial Collateral Law.

2.6 **Security held on trust**

The pledge created pursuant to paragraph 2.1 of this Security Agreement is created in favour of the Trustee as trustee for the Secured Party and the Trustee shall hold the benefit of this Security Agreement and the security interests created pursuant to it on trust for itself and as trustee for the Secured Party, in each case, in accordance with the provisions of the Security Trustee Annex.

3. SUBSTITUTIONS AND MARGIN ADJUSTMENTS

3.1 **Continuity of Security**

The parties agree that (a) a substitution of any part of the Collateral under paragraph 2.5 (*Substitutions*) or otherwise in accordance with the terms of the Control Agreement (a ***Substitution***) or (b) a transfer of additional Collateral under paragraph 5.3 of the Agreement or otherwise in accordance with the terms of the Control Agreement (a ***Delivery***) or (c) a return of Collateral under paragraph 5.3 of the Agreement or otherwise in accordance with the terms of the Control Agreement (a ***Return***) will not affect the continuity of the Security.

Copyright © 2018
International Securities Lending Association

3.2 **Release**

The parties acknowledge that (a) upon the occurrence of a Substitution or a Delivery, the substituting Collateral or additional Collateral transferred into the Secured Account will be pledged under the same conditions as the existing Collateral and will become part of the Pledged Assets and (b) upon the occurrence of a Substitution or a Return, the Collateral removed from the Secured Account pursuant to such Substitution or Return will be automatically and immediately released from the Security and will no longer form part of the Pledged Assets. For the avoidance of doubt, a Substitution will not constitute a release of the Security, except in respect of the Collateral which is substituted and removed from the Secured Account. All Collateral from time to time standing to the credit of the Secured Account will remain subject to the Security.

3.3 **Effect**

As of the date of:

(a) a Substitution: all references to Collateral in this Security Agreement will be deemed to include the substituting Collateral and to exclude the Collateral removed from the Secured Account pursuant to such Substitution;

(b) a Delivery: all references to Collateral in this Security Agreement will be deemed to include the additional Collateral; and

(c) a Return: all references to the Collateral will be deemed to exclude any Collateral removed from the Secured Account pursuant to such return.

4. **RESTRICTIONS AND UNDERTAKINGS**

4.1 **Restrictions on dealings**

The Security Provider shall not:

(a) create or permit to subsist any Encumbrance over all or any part of the Collateral; or

(b) sell, transfer, licence, lease, loan, grant any option, declare a trust over or otherwise dispose of or otherwise deal with any of its rights in respect of the Collateral,

other than the security constituted by this Security Agreement and by the Control Agreement Security Interest.

4.2 **No adverse action**

Subject to the rights of (i) the Security Provider under this Security Agreement and (ii) the Custodian under the Control Agreement Security Interest, the Security Provider shall not do, cause or permit to be done anything which:

(a) will, or could be reasonably expected to, directly or indirectly adversely affect the effectiveness, ranking, validity, value or enforceability of the security constituted by this Security Agreement or the rights of the Secured Party or the Trustee under this Security Agreement; or

(b) is in any material way inconsistent with this Security or this Security Agreement.

4.3 **Attachments**

The Security Provider shall procure that no executory attachment (*saisie arrêt*) is made on any of the Pledged Assets and shall procure that any conservatory attachment (*saisie conservatoire)* on any of the Pledged Assets is released within 30 days. The Security Provider shall after becoming aware thereof inform the Trustee in writing without delay of any such attachment (including executory attachment (*saisie exécutoire*) or protective attachment (*saisie conservatoire*)), enforcement or other legal process

Copyright © 2018
International Securities Lending Association

commenced by a third party in respect of all or part of the Pledged Assets and the Security Provider shall promptly (i) notify the Trustee and send it a copy of the relevant attachment or enforcement documentation, (ii) notify the relevant third party in writing of the existence of the Pledgee's interest in the relevant Pledged Assets, (iii) take such measures to challenge the attachment or enforcement and obtain the release or discharge of this attachment or enforcement at the earliest possible and (iv) keep the Trustee regularly informed.

5. DISCHARGE OF SECURITY

5.1 Release

(a) Unless released in accordance with paragraph 3 (*Substitutions and Margin Adjustments*), the Security constituted by this Security Agreement will be discharged by, and only by, the express release thereof granted by the Trustee.

(b) To the extent that the Trustee, after consulting with the Secured Party, has determined that all Secured Obligations of the Security Provider owed to the Secured Party have been irrevocably satisfied in full and no further Secured Obligations may arise, then at the Security Provider's request and expense the Trustee will release the security interest granted under this Security Agreement over the Pledged Assets.

5.2 Security Provider rights and remedies

If at any time a Secured Party Default Event has occurred and is continuing, then:

(i) the Security Provider may exercise all rights and remedies available to a pledgor under applicable law with respect to the Pledged Assets; and

(ii) the Secured Party will be obligated immediately to transfer all the Collateral to the Security Provider.

6. SAVING PROVISIONS

6.1 Preservation of Security

(a) The Security constituted by this Security Agreement shall be a continuing security, shall not be satisfied by any intermediate payment or satisfaction of the whole or any part of the Secured Obligations but shall secure the ultimate balance of the Secured Obligations, and shall in particular not be discharged by reason of the circumstance that there is at any time no Secured Obligation currently owing from the Security Provider to the Secured Party.

(b) The Security constituted by this Security Agreement shall not be discharged by the entry of any Secured Obligations into any current account, in which case the Security shall secure any provisional or final balance of such current account up to the amount in which the Secured Obligations were entered therein.

(c) All rights of the Secured Party and the Trustee under this Security Agreement will remain in full force and effect notwithstanding any characterisation of any operation under the Agreement (including without limitation close-out netting) as a novation (*novation*) of the Secured Obligations.

(d) The security constituted by this Security Agreement shall be in addition to and shall not be affected by any other security now or subsequently held by the Trustee or the Secured Party for all or any of the Secured Obligations.

6.2 Waiver of defences

The obligations of the Security Provider under this Security Agreement shall not be affected by any act, omission or circumstance which, but for this provision, might operate to release or otherwise exonerate the Security Provider from its obligations under this Security Agreement or affect such obligations including (but without limitation) and whether or not known to the Security Provider, the Secured Party

Copyright © 2018
International Securities Lending Association

or the Trustee:

(a) any time or indulgence granted to or composition with the Security Provider or any other person;

(b) the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of the Agreement or any rights or remedies against, or any security granted by, the Security Provider or any other person;

(c) any irregularity, invalidity or unenforceability of any obligations of the Security Provider under the Agreement or any present or future law or order of any government or authority (whether of right or in fact) purporting to reduce or otherwise affect any of such obligations to the intent that the Security Provider's obligations under this Security Agreement shall remain in full force and this Security Agreement shall be construed accordingly as if there were no such irregularity, unenforceability, invalidity, law or order;

(d) any legal limitation, disability, incapacity or other circumstance relating to the Security Provider, any guarantor or any other person or any amendment to or variation of the terms of the Agreement or any other document or security; and

(e) any insolvency or similar proceedings.

6.3 **Immediate recourse**

The Security Provider waives any right (if any) arising under article 2037 of the Luxembourg Civil code or any right it may have of first requiring the Secured Party or the Trustee to proceed against or claim payment from any other person or enforce any guarantee or security before enforcing any of its rights and remedies under this Security Agreement.

6.4 **Reinstatement**

Where any discharge (whether in respect of the security constituted by this Security Agreement, any other security or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or any amount paid pursuant to any such discharge or arrangement must be repaid on bankruptcy, liquidation or otherwise without limitation, the security constituted by this Security Agreement and the liability of the Security Provider under this Security Agreement shall continue or be reinstated as if there had been no such discharge or arrangement.

7. SUBSTITUTIONS

With respect to the Security Provider's posting obligation, Eligible Cash and/or Eligible Securities may be substituted for Collateral in accordance with, and subject to, the terms of the Control Agreement.

8. HOLDING COLLATERAL

8.1 **General**

Prior to the enforcement of its rights and remedies under paragraph 9 (*Enforcement*), the Trustee will each have no duty with respect to Collateral, including, without limitation, any duty to collect any Proceeds, or enforce or preserve any rights pertaining to the Collateral. Notwithstanding any provision to the contrary in the Control Agreement, this Security Agreement will prevail over the Control Agreement.

8.2 **No use of Collateral**

Without limiting the rights of the Trustee under the other provisions of this Security Agreement, including without limitation the Trustee's rights and remedies under or as referred to in paragraph 9 (*Enforcement*), the Trustee will each have no right to sell, pledge, rehypothecate, assign, invest, use, commingle or otherwise dispose of, or otherwise use in its business any Collateral.

8.3 **No exercise of voting rights**

Copyright © 2018
International Securities Lending Association

Neither the Security Provider, the Trustee nor the Secured Party shall be entitled to instruct the Custodian to exercise voting rights and powers or any other holder rights and powers in relation to the Collateral in any manner.

8.4 **Restrictions on exercise of unilateral rights under Agreements**

(a) Notice of Exclusive Control

Without limiting the rights of the Trustee under the other provisions of this Security Agreement, the Trustee covenants to the Security Provider that it will not give a Notice of Exclusive Control under the Agreements unless and until a Notice of Exclusive Control Event occurs and that it will deliver a copy of the Notice of Exclusive Control to the Security Provider when it is delivered to the Custodian.

(b) Notice of Secured Party Default

The Security Provider covenants to the Trustee and the Secured Party that:

(i) it will not send a Notice of Secured Party Default under the Control Agreement to the Custodian in relation to the Secured Account unless and until a Secured Party Default Event occurs (except where it does so in order to exercise its right to return of Collateral pursuant to paragraph 9.3 (*Final Returns*) of this Agreement); and

(ii) it will deliver a copy of any Notice of Secured Party Default to the Trustee and the Secured Party at the same time as it is delivered to the Custodian.

9. **ENFORCEMENT**

9.1 **Rights and remedies**

(a) ***Trustee's rights***

If at any time an Enforcement Event has occurred and is continuing, then the Security created by or pursuant to this Security Agreement is immediately enforceable and the Trustee shall, without prior notice to the Security Provider and irrespective of whether the Secured Obligations are due and payable by the Security Provider at such time, be entitled to enforce the Security over the Pledged Assets (or the relevant portion thereof) in the most favourable manner provided for by law and may, in particular, but without limitation:

(i) sell or cause the sale of the Pledged Assets consisting of Securities (including transferable securities), listed or quoted on a stock exchange or dealt-in on one of the markets pursuant to Article 11 (1) (e) of the Financial Collateral Law, by (i) way of private sale on normal commercial terms, or (ii) at such stock exchange or on such market; and/or

(ii) sell or cause the sale of the Pledged Assets consisting of Securities (including transferable securities) other than those referred to in sub-clause (i) above (A) by private agreement on normal commercial terms, (B) at a stock exchange or (C) by public auction held by a public officer designated by the Trustee; and/or;

(iii) appropriate all or any of the Pledged Assets consisting of Securities (or any part of them). The value of the Securities in the event of appropriation under this sub-clause (iii) will be the Appropriation Value of such Securities as of, or as soon as reasonable practicable after (in accordance with the definition of Appropriation Value), the date on which such Securities are appropriated. The Trustee may elect, in its sole discretion, to appoint or nominate another person to which the ownership of the Securities shall be transferred in lieu of the Trustee, it being understood that such appointment or nomination shall not affect the Trustee's rights and obligations against the Security Provider;

Copyright © 2018
International Securities Lending Association

(iv) in respect of Pledged Assets consisting of claims for Cash, to require the Custodian to make payment of the relevant amount due by the Custodian directly to the Trustee; and/or to exercise all rights and remedies it possesses under all applicable laws, and act generally in relation to the Pledged Assets in such manner as it shall reasonably determine;

(v) use any other realisation or enforcement method to the widest extent permitted by applicable law; or

(vi) act generally in relation to the Pledged Assets in such manner as the Trustee acting reasonably shall determine.

The Trustee shall be entitled to instruct the Custodian to transfer to the Trustee or to any acquirer all or any of the Pledged Assets in the form of Securities upon or in relation with an enforcement.

Any currency conversion required for the purposes of this paragraph (a) shall be calculated at the rate of exchange at which the Trustee would be able, in good faith and using commercially reasonable procedures, to purchase the currency in which the Secured Obligations are denominated.

The Security Provider hereby authorises the Trustee to do anything which the Security Provider is obliged to do (but has not done) under this Security Agreement in connection with the Pledged Assets (including the protection of the Security, its ranking, its perfection and anything necessary or useful to facilitate the realisation of the Pledged Assets or the exercise of any rights vested in the Trustee under this Security Agreement). The Security Provider agrees to do any act necessary to give effect to this provision, including executing any document or agreement or granting any power of attorney.

The exercise by the Trustee of the rights set out in this paragraph (a) shall not be subject to authorisation from the courts.

(b) ***Protection of purchaser***

(i) No purchaser or other person dealing with the Trustee or with its attorney or agent shall be concerned to enquire (1) whether any power exercised or purported to be exercised by the Trustee has become exercisable, (2) whether any Secured Obligation remains due, (3) as to the propriety or regularity of any of the actions of the Trustee or (4) as to the application of any money paid to the Trustee.

(ii) In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed, so far as regards the safety and protection of such purchaser or other person, to be within the powers conferred by this Security Agreement and to be valid accordingly. The remedy of the Security Provider in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

9.2 **Deficiencies**

The Security Provider will remain liable for all its Secured Obligations remaining unsatisfied after the exercise of rights and remedies by the Trustee.

9.3 **Final returns**

To the extent that all Secured Obligations of the Security Provider owed to the Secured Party have been irrevocably satisfied in full and no further Secured Obligations may arise, then on the Security Provider's demand, the Trustee will instruct the Custodian to transfer to the Security Provider, at the Security Provider's expense, all Collateral and any proceeds of Collateral remaining (if any) following the Trustee's exercise of its rights and remedies under this Security Agreement and will release the Security granted under this Security Agreement.

9.4 **Waiver**

To the extent applicable, the Security Provider expressly waives the benefit of article 1253 and article

Copyright © 2018
International Securities Lending Association

1256 of the Luxembourg Civil code.

10. LIABILITY OF THE SECURED PARTY AND THE TRUSTEE

(a) Each of the Secured Party and the Trustee shall not be liable to the Security Provider or any other person for any properly incurred costs, losses, liabilities or expenses relating to the enforcement of the security constituted by this Security Agreement or for any act, default, omission or misconduct of the Secured Party or the Trustee or any of their officers, employees or agents in relation to the Collateral or this Security Agreement except to the extent caused by its own fraud (*fraude*), gross negligence (*faute grave*) or wilful misconduct (*intentionelle*).

(b) Each of the Secured Party and the Trustee shall not be under any obligation to take any steps to preserve any rights in the Collateral against any other parties, but may do so in its sole discretion. All reasonable expenses incurred in connection therewith shall be for the account of the Security Provider.

(c) None of the Secured Party, the Trustee nor their agents shall be liable by reason of (a) taking any action permitted by this Security Agreement or (b) any neglect or default in connection with the Pledged Assets or (c) the realisation of all or any part of the Pledged Assets, except in the case of fraud (*fraude*), gross negligence (*faute grave*) or wilful misconduct (*faute intentionnelle*), any joint liability (*solidarité*) being excluded.

11. EXPENSES

11.1 Collateral

The Security Provider will promptly pay when due all taxes, assessments or charges of any nature that are imposed with respect to the Collateral upon becoming aware of the same.

11.2 Enforcement/liquidation/application of Pledged Assets

All reasonable costs and expenses incurred by or on behalf of the Trustee in connection with the enforcement, liquidation, appropriation and/or application of the Pledged Assets under paragraph 9 (*Enforcement*) will be payable, on demand, by the Security Provider.

12. OTHER PROVISIONS

12.1 Further assurances

Promptly following a demand made by the Trustee, the Security Provider will execute, deliver, file and record any financing statement, specific assignment or other document and take any other action that may be necessary or desirable and reasonably requested by the Trustee to create, preserve, perfect or validate any security interest expressed to be created under paragraph 2.1, to enable the Security Provider to exercise or enforce its rights under this Security Agreement with respect to Collateral or to effect or document a release of a security interest on Collateral.

12.2 Further protection

The Security Provider will promptly give notice to the Trustee of, and defend against, any suit, action, proceeding or lien that involves Collateral or that could adversely affect any security interest expressed to be created by it under paragraph 2.1.

12.3 Notices, demands and other communications

Subject as otherwise provided in the Schedule, any notice, demand or other communication in respect of this Security Agreement shall be in writing and may be given in any manner provided in paragraph 20 of the Agreement, the provisions of which shall apply to this Security Agreement as if set out herein.

Unless otherwise specified in writing with at least 7 days' notice to the other parties, the notice details for any notices or communications to the Trustee under this Security Agreement are as follows:

Copyright © 2018
International Securities Lending Association

Address: Citibank, N.A., London Branch, Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB

Attention: EMEA Head of Agency Securities Lending

E-mail: Stuart.Jarvis@Citi.com

12.4 **Governing law and jurisdiction**

(a) This Security Agreement (except for the Security Trustee Annex) and any non-contractual obligations arising out of or in connection with this Security Agreement (except for the Security Trustee Annex) shall be governed by, and shall be construed in accordance with, the laws of the Grand Duchy of Luxembourg, to the exclusion of its rules of conflict of laws.

(b) The courts of the city of Luxembourg have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes or any non-contractual obligation which may arise out of or in connection with this Security Agreement (except for the Security Trustee Annex) and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of the city of Luxembourg.

12.5 **Waiver of immunity**

Each party hereby waives all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgement) and execution to which it might otherwise be entitled in any action or proceeding in the courts of the city of Luxembourg or of any other country or jurisdiction relating in any way to this Security Agreement (except for the Security Trustee Annex) and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

12.6 **Assignment, successors of the Trustee**

The Security Provider may not without the prior written consent of the Trustee assign or transfer all or any part of its rights or obligations hereunder.

This Security Agreement shall remain in effect despite any amalgamation or merger (however effected) relating to the Trustee, and without prejudice to the provision of the Agreement, references to the Trustee shall be deemed to include any assignee or successor in title of the Trustee and any person who, under any applicable law, has assumed the rights and obligations of the Trustee hereunder or to which under such laws the same have been transferred or novated or assigned in any manner. Such assignment by the Trustee shall be enforceable towards the Security Provider pursuant to the provisions of article 1690 of the Luxembourg Civil code. To the extent a further notification or registration or any other step is required by law to give effect to the above, such further registration shall be made and the Security Provider hereby gives power of attorney to the Trustee to make any notifications and/or to require any required registrations or to take any other steps, and undertakes to do so itself if so requested by the Trustee.

For the purpose of article 1278 of the Luxembourg Civil code, to the extent required under applicable law, the Trustee hereby expressly reserves the preservation of this Security and the security interest created thereunder in case of assignment, novation, amendment or any other transfer of the Secured Obligations.

12.7 **Severability**

If any provision of this Security Agreement is or becomes prohibited or unenforceable in any respect under the law of any jurisdiction this shall not affect the validity or enforceability of any other provision hereof or affect the validity or enforceability of such other provision in any other competent jurisdiction. The Parties shall endeavour in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of such invalid, illegal or unenforceable provisions. This Security Agreement shall, however, thereafter be amended by the Parties in such reasonable manner so as to achieve, without illegality the intention of the

Copyright © 2018
International Securities Lending Association

Parties with respect to that severed provision.

This Security Agreement has been duly executed on the date stated at the beginning in as many originals as there are Parties hereto.

Copyright © 2018
International Securities Lending Association

THE SECURITY PROVIDER
J.P. MORGAN SECURITIES PLC

[redacted]

Name:
Title: Andrew M Pritchard
Managing Director

Name:
Title:

SECURED PARTY
CITIBANK, N.A., London branch acting as agent on behalf of each Principal

[redacted]

Name: Stuart Jarvis
Title: Managing Director

Name:
Title:

THE TRUSTEE
CITIBANK, N.A., London branch

[redacted]

Name: Stuart Jarvis
Title: Managing Director

Name:
Title:

Copyright © 2018
International Securities Lending Association

SCHEDULE

1. ACCOUNTS DETAILS AND CONTROL AGREEMENT

(a) Custodian: See the Security Agreement Agency Annex

(b) Secured Account details:

see the Security Agreement Agency Annex

[As specified in paragraph 2(iv) of the Security Agreement Agency Annex]

(c) Control Agreement: see the Security Agreement Agency Annex

2. OTHER PROVISIONS

[None specified]

Copyright © 2018
International Securities Lending Association

SECURITY AGREEMENT AGENCY ANNEX
(SECURITY AGREEMENT AGENCY ANNEX TO SECURITY AGREEMENT)

1. APPLICATION

(A) This Security Agreement Agency Annex applies where one or more persons are specified as Principal(s) in paragraph 2(d) of this Security Agreement Agency Annex and accordingly Lender will not enter into any Loans other than Agency Loans.

(B) The Principal Lender Annex to this Security Agreement may be amended, varied, restated, modified or replaced from time to time if such amendment, variation, restatement, modification or replacement is in writing and signed by or on behalf of each of the Borrower and the Lender. The Principal Lender Annex may be amended, varied, restated, modified or replaced from time to time in accordance with this paragraph 1(B) to reflect any additions of, removals of, or substitutions of Pooled Principals in accordance with the terms of the Agreement and to reflect the corresponding custody arrangements of such Pooled Principals, as appropriate.

2. MODIFICATIONS

2.1 Where this Security Agreement Agency Annex applies:

(a) each person named as a Principal in paragraph (d) below is, separately, a party to this Security Agreement in addition to the Security Provider, the Lender and the Trustee;

(b) the Lender enters into this Security Agreement as agent of the relevant Principal for the purposes of the Agreement, with respect to Agency Loans entered into by Lender on behalf of such Principal;

(c) references in this Security Agreement to the "Agreement" shall be construed as references to the provisions of, with respect to a Pooled Group, each Agreement applicable separately as between each Pooled Principal in that Pooled Group and the Security Provider (as Borrower) as provided in the Agency Annex to the Agreement;

(d) the provisions of this Security Agreement shall apply separately as between the Trustee, the Security Provider, the Lender and the Pooled Principals in the relevant Pooled Group (on a several, but not joint, basis as between the Pooled Principals in that Pooled Group) (such Security Agreement, a "**Pooled Security Agreement**"), as if the Trustee, the Security Provider and the Lender (acting on behalf of the relevant Pooled Principals) were parties to a separate agreement with each Pooled Group (in the case of a Pooled Security Agreement) on the terms and conditions thereof (as modified by the provisions of this Security Agreement Agency Annex) and for this purpose:

(i) all references in this Security Agreement to the "Secured Party" shall be construed as references to each Pooled Principal in the relevant Pooled Group (on a several, but not joint basis) and/or, where the circumstances permit, the Lender on behalf of such Pooled Principal and/or as "Lender" and "Pledgee's Representative" under the Control Agreement;

(ii) the definitions of "Secured Account" and "Control Agreement" shall be deemed to refer (respectively) to the pledged account specified as such with respect to the relevant Principal in the table below and to the Control Agreement with respect to such account:

Pooled Principal(s)	Secured Account	Control Agreement
GIC Private Limited	[redacted]	Account Control Agreement for Pooled Principals with J.P. Morgan Bank Luxembourg S.A. as

Copyright © 2018
International Securities Lending Association

		Custodian
Kuwait Investment Authority	[redacted]	Account Control Agreement for Pooled Principals with J.P. Morgan Bank Luxembourg S.A. as Custodian
Japan Trustee Services Bank	[redacted]	Account Control Agreement for Pooled Principals with J.P. Morgan Bank Luxembourg S.A. as Custodian

(iii) with respect to a Pooled Security Agreement:

(A) notwithstanding Clause 5 of that Pooled Security Agreement, the Trustee shall apply the proceeds of realising any of the Trust Property towards the Secured Obligations owed to the Pooled Principals in the Pooled Group relevant to the Pooled Security Agreement on a pro rata basis determined by reference to the Market Value of the Loaned Securities that are the subject of any outstanding Agency Loan entered into by each Pooled Principal in the Pooled Group (determined as of the Close of Business on the most recent day on which the Borrower delivered Collateral to the relevant Pooled Secured Account in accordance with paragraph 5 of any of the Agreements between the Borrower and any of the Pooled Principals in the Pooled Group); and

(B) for the purposes of paragraph 1.6(a) of the Security Trustee Annex to that Pooled Security Agreement, the Lender shall be the sole person entitled to give instructions to the Trustee and any such instructions shall be given on behalf of all of the Pooled Principals in the relevant Pooled Group.

2.2 **Security additional**

The security expressed to be constituted in favour of the Trustee by this Security Agreement shall be in addition to and shall not be affected by any other security now or subsequently held by any Secured Party, the Trustee or any other person for all or any of the Secured Obligations. No such security shall be prejudiced by any unenforceability or invalidity of any other security, agreement, instrument or arrangement or by any time or indulgence granted to the Security Provider or any other person or by any other thing which might otherwise prejudice any such security.

2.3 **Pooled Secured Accounts**

For the avoidance of doubt, with respect to a particular Pooled Secured Account, paragraph 2.1(d) of this Security Agreement Agency Annex shall operate such that only a single Pooled Security Agreement shall be deemed to exist in respect of that Pooled Secured Account and all Pooled Principals relating to such Pooled Secured Account.

3. CONTRACTUAL RECOGNITION OF UK BAIL-IN AND STAY IN RESOLUTION

3.1 **UK Bail-in**

(a) Each party acknowledges and accepts that liabilities arising under this Agreement may be subject to the exercise of the UK Bail-in Power by the relevant resolution authority and acknowledges and accepts to be bound by any Bail-in Action and the effects thereof, which may include, without limitation:

(A) the early termination and valuation of all Loans (or all Loans relating to one or more netting sets, as applicable) under this Agreement; and

Copyright © 2018
International Securities Lending Association

(B) if the Bail-in Termination Amount is determined to be payable by the Security Provider to the Secured Party pursuant to any such Bail-in Action:

(1) a reduction, in full or in part, of the Bail-in Termination Amount;

(2) a conversion of all, or a portion of, the Bail-in Termination Amount into shares or other instruments of ownership, in which case the Secured Party acknowledges and accepts that any such shares or other instruments of ownership may be issued to or conferred upon it as a result of the Bail-in Action; and/or

(3) variation, modification and/or amendment to the terms of this Agreement as may be necessary to give effect to any such Bail-in Action.

(b) Each party acknowledges and accepts that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understanding between the parties relating to the subject matter of this provision and that no further notice shall be required between the parties pursuant to the Agreement in to order to give effect to the matters described herein.

(c) For this purpose:

"**Bail-in Action**" means the exercise of the UK Bail-in Power by the relevant resolution authority in respect of all the Pledgor's obligations under this Agreement.

"**Bail-in Termination Amount**" means any amounts payable by the Security Provider, together with any accrued but unpaid interest thereon, determined pursuant to the Bail-in Action in respect of its obligations under this Agreement (before, for the avoidance of doubt, any such amount is written down or converted by the relevant resolution authority).

"**BRRD**" means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"**UK Bail-in Power**" means any write-down or conversion power existing from time to time (including, without limitation, any power to amend or alter the maturity of eligible liabilities of an institution under resolution or amend the amount of interest payable under such eligible liabilities or the date on which interest becomes payable, including by suspending payment for a temporary period and together with any power to terminate and value transactions) under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the United Kingdom relating to the transposition of the BRRD as amended from time to time, including but not limited to, the Banking Act 2009 as amended from time to time, and the instruments, rules and standards created thereunder, pursuant to which the obligations of a regulated entity (or other affiliate of a regulated entity) can be reduced (including to zero), cancelled or converted into shares, other securities, or other obligations of such regulated entity or any other person.

A reference to a "**regulated entity**" is to any BRRD Undertaking as such term is defined under the PRA Rulebook promulgated by the United Kingdom Prudential Regulation Authority or to any person falling within IFPRU 11.6, of the FCA Handbook promulgated by the United Kingdom Financial Conduct Authority, both as amended from time to time, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies.

3.2 Stay in Resolution

(a) Each party agrees that, with respect to this Agreement, if a:

(1) "*crisis prevention measure*";

(2) "*crisis management measure*"; or

Copyright © 2018
International Securities Lending Association

(3) "*recognised third-country resolution action*",

is taken in relation to the Security Provider or any "*member*" of its "*group*", the Trustee shall be entitled to exercise "*termination rights*" under, or rights to enforce a "*security interest*" in connection with, this Agreement, to the extent that it would be entitled to do so under the "*Special Resolution Regime*" if this Agreement were governed by the laws of any part of the "*United Kingdom*".

(b) For the purposes of clause (a) above, Section 48Z of the U.K. Banking Act 2009 is to be disregarded to the extent that it relates to a "*crisis prevention measure*" other than the making of a "*mandatory reduction instrument*" by the Bank of England under section 6B of the U.K. Banking Act 2009.

(c) Words and phrases in quotation marks and italics have the meaning given to them in or pursuant to the PRA Rule and this provision shall be interpreted in accordance with the PRA Rule.

"***PRA Rule***" means the final rules contained in Appendix 1 to the Prudential Regulation Authority's Policy Statement 25/15.

3.3. **Qualifying Financial Contracts**

The parties have adhered to the 2018 ISDA U.S. Resolution Stay Protocol (the "**Protocol**"). The terms of the Protocol are incorporated into and form a part of this Agreement, and for such purposes this Agreement shall be deemed a Protocol Covered Agreement, and the Borrower shall be deemed a Regulated Entity and the Agent and the Lender shall be deemed Adhering Parties. In the event of any inconsistencies between this Agreement and the terms of the Protocol, the Protocol will govern. Terms used in this paragraph without definition shall have the meanings assigned to them under the Protocol. For purposes of this paragraph, references to "this Agreement" include any related credit enhancements entered into between the parties or provided by one to the other. In addition, the parties agree that the terms of this paragraph shall be incorporated into any related covered affiliate credit enhancements, with all references to the Security Provider replaced by references to the covered affiliate support provider.

Copyright © 2018
International Securities Lending Association

SECURITY TRUSTEE ANNEX

1. THE TRUSTEE

1.1 Appointment and declaration of trust

(a) The Secured Party has appointed the Trustee to act as its trustee in connection with the Agreement and this Security Agreement on the terms set out in this Security Agreement.

(b) The Trustee declares that it shall hold the Trust Property on trust for the Secured Parties on the terms contained in this Deed.

(c) The Secured Party agrees that the Trustee shall have only those duties, obligations and responsibilities expressly specified in this Security Agreement (and no others shall be implied).

(d) The Secured Party shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any rights or powers arising under this Security Agreement except through the Trustee.

(e) In relation to any jurisdiction the courts of which would not recognise or give effect to the trusts expressed to be constituted under this Security Agreement, the relationship of the Trustee and Secured Party shall be construed as one of principal and agent, but to the extent permissible under the laws of such jurisdiction, all the other provisions of this Security Agreement shall have full force and effect between the parties.

1.2 Discretion

Any liberty or power which may be exercised, or any determination which may be made, under this Security Agreement by the Trustee may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

1.3 Delegation

(a) The Trustee shall have full power to delegate to any person (either generally or specifically) the powers, authorities and discretions conferred on it by this Security Agreement (including any power of attorney) on such terms and conditions as it shall see fit, which delegation shall not preclude the subsequent exercise of those powers, authorities or any subsequent delegation of any such powers, authorities and discretions.

(b) The Trustee shall be liable for the exercise of due care in the selection and supervision of his Delegates. The Trustee shall remain responsible for any negligence or wilful misconduct on the part of the Delegates.

1.4 Liability of the Trustee, Receivers and Delegates

Notwithstanding anything to the contrary in this Security Agreement, none of the Trustee, any Receiver or Delegate and any of their respective officers, employees, agents or attorneys shall be liable to the Security Provider or any other person by reason of:

(a) taking any action permitted by this Security Agreement;

(b) taking possession of or realising all or any part of the Pledged Assets; or

(c) any neglect, default or omission in connection with the Pledged Assets,

except in the case of gross negligence, fraud or wilful misconduct upon its part.

Copyright © 2018
International Securities Lending Association

1.5 **Trustee's rights, powers and discretions**

By way of supplement to the Trustee Act 1925 and the Trustee Act 2000 (together, the "**Trustee Acts**"), it is expressly declared as follows:

(a) the Trustee may, in relation to this Security Agreement, rely and act on the opinion or advice of or a certificate or any information obtained from any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant, financial adviser, securities dealer, merchant bank or other expert, whether obtained by the Trustee or any Receiver and whether or not addressed to the Trustee and whether or not the liability of any such adviser in relation to such advice or opinion is limited or accords with normal practice and shall not be responsible for any loss occasioned by so acting; any such opinion, advice, certificate or information may be sent or obtained by letter, telemessage, email, telex, cable or facsimile transmission and the Trustee shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same shall contain some error or shall not be authentic;

(b) save as otherwise expressly provided in this Security Agreement, the Trustee shall, as regards all the trusts, powers, authorities and discretions vested in it by or pursuant to this Security Agreement or by or pursuant to any document the rights or benefit under which constitute part of the Pledged Assets or which are conferred upon the Trustee by operation of law, have absolute and uncontrolled discretion as to the exercise or non-exercise thereof and shall not be responsible for any loss, costs, damages, expenses or inconvenience that may result from the exercise or non-exercise thereof. The Trustee shall not be so bound unless first indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damage and expenses (including reasonable legal costs and expenses) and liabilities which it may properly incur by so doing;

(c) the Trustee may appoint a custodian and shall be at liberty to place this Security Agreement and all deeds and other documents relating to the Pledged Assets in any safe deposit, safe or other receptacle selected by the Trustee, in any part of the world (excluding, however, any jurisdiction where any stamp or withholding or other tax is triggered), or with any bank or banking company or company whose business includes undertaking the safe custody of documents, lawyer or firm of lawyers believed by it to be of good repute, in any part of the world (excluding, however, any jurisdiction where any stamp or withholding or other tax would be triggered), and the Trustee shall not be responsible for or be required to insure against any loss incurred in connection with any such deposit, and the Security Provider shall pay all sums required to be paid on account of or in respect of any such deposit;

(d) the Trustee as between itself and the Secured Party shall have full power to determine all questions and doubts arising in relation to any of the matters in respect of which it is required or entitled to exercise a judgement or form an opinion and every such determination shall be conclusive and shall bind the Trustee and the Secured Party;

(e) any consent given by the Trustee for the purposes of this Security Agreement may be given on such terms and subject to such conditions (if any) as the Trustee thinks fit and, notwithstanding anything to the contrary contained in any of this Security Agreement, may be given retrospectively;

(f) the Trustee shall not be responsible for recitals, statements, warranties or representations of any party (other than those relating to or provided by it) contained in this Security Agreement or any other document entered into in connection therewith and shall assume the accuracy and correctness thereof and shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity or enforceability or admissibility in evidence of any such agreement or other document or any trust or security thereby constituted or evidenced. Notwithstanding the generality of the foregoing, the Secured Party shall be solely responsible for making its own independent appraisal of, and investigation into, the financial condition, creditworthiness, condition, affairs, status and nature of the Security Provider and the Trustee shall not at any time have any responsibility for the same and the Secured Party shall not rely on the Trustee in respect thereof;

Copyright © 2018
International Securities Lending Association

(g) the Trustee shall be protected and shall incur no liability for, or in respect of, any actions or thing done or suffered by it in reliance upon any document reasonably believed by it to be genuine and to have been signed by the proper parties;

(h) in connection with any proposed modification, waiver, authorisation or determination permitted by the terms of this Security Agreement, the Trustee shall not have regard to the consequences thereof for the Secured Party resulting from its being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory;

(i) no provision of this Security Agreement shall require the Trustee to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers or otherwise in connection with this Security Agreement (including, without limitation, enforcing the Transaction Security or forming any opinion or employing any legal, financial or other adviser), if it shall have grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it;

(j) notwithstanding the generality of this paragraph 1.5, the Trustee shall not be responsible for the genuineness, validity, effectiveness or suitability of this Security Agreement or any other document entered into in connection therewith or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto or any security or the priority thereof constituted or purported to be constituted thereby or pursuant thereto, nor shall it be responsible or liable to any person because of any invalidity of any provision of such documents or the unenforceability thereof, whether arising from statute, law or the decision of any court and (without prejudice to the generality of the foregoing) the Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever (in the absence of negligence, fraud or wilful misconduct) for:

(i) the nature, status, creditworthiness or solvency of the Security Provider;

(ii) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of this Security Agreement or any other document entered into in connection therewith;

(iii) the title, ownership, value, sufficiency or existence of this Security Agreement or the Pledged Assets;

(iv) the registration, filing, protection or perfection of any of the Transaction Security or the priority of the Transaction Security whether in respect of any initial advance or any subsequent advance or any other sums or liabilities or the failure to effect or procure such registration, filing, protection or perfection of any of the Transaction Security;

(v) the scope or accuracy of any representations, warranties or statements made by or on behalf of the Security Provider;

(vi) the performance or observance by the Security Provider or any other person of any provisions of this Security Agreement or any document entered into in connection therewith or the fulfilment or satisfaction of any conditions contained therein or relating thereto or any waiver or consent which has at any time been granted in relation to any of the foregoing;

(vii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection with this Security Agreement or the transactions related thereto;

(viii) the failure to call for delivery of documents of title to or require any transfers, legal mortgages, charges or other further assurances in relation to any of the Pledged Assets; or

Copyright © 2018
International Securities Lending Association

(ix) any other matter or thing relating to or in any way connected with this Security Agreement or any document entered into in connection therewith whether or not similar to the foregoing;

(k) the Trustee shall not be liable or responsible for any loss, cost, damages, expenses or inconvenience which may result from anything done or omitted to be done by it in accordance with the provisions of this Security Agreement;

(l) the Trustee shall not have any responsibility whatsoever to the Secured Party as regards:

(i) any deficiency which might arise because the Trustee is subject to tax in respect of the Pledged Assets or any part thereof or any income therefrom or any proceeds thereof;

(ii) the application of moneys realised under any of this Security Agreement;

(iii) any shortfall which arises:

(A) on the enforcement of the Transaction Security; or

(B) by reason of any floating charge granted by the Security Provider in this Security Agreement not being recognised, valid, binding or enforceable in any jurisdiction; or

(iv) by reason of any charge or security assignment granted by the Security Provider in this Security Agreement and which is expressed to be a fixed charge or assignment, taking effect as a floating charge or otherwise failing to take effect as may be described or being less advantageous than any alternative form of security;

(m) the Trustee shall not be liable to the Security Provider or any other person whatsoever for any loss or damage arising from the realisation of the Pledged Assets or any part thereof;

(n) the Trustee shall not be under any obligation to insure any of the Pledged Assets or to require any other person to maintain any such insurance and shall not be responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy or insufficiency of any such insurance;

(o) subject to paragraph 1.3 of this Security Trustee Annex in relation to any asset held by it under this Security Agreement, the Trustee may appoint any person to act as its nominee on any terms;

(p) Section 1 of the Trustee Act 2000 shall not apply to the duties of the Trustee in relation to the trusts constituted by this Security Agreement. Where there are any inconsistencies between the Trustee Acts and the provisions of this Security Agreement, the provisions of this Security Agreement shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of the Trustee Act 2000;

(q) the Trustee shall not by reason of its fiduciary position as a trustee be in any way precluded from making any contracts or entering into any transactions in the ordinary course of business with the Security Provider or the Secured Party or any person or body corporate directly or indirectly associated with the Security Provider or such other party, or from accepting the trusteeship of any other party or any person or body corporate directly or indirectly associated with the Security Provider or such other party. The Trustee shall not be accountable to the Security Provider, the Secured Party or any person or body corporate directly or indirectly associated with the Secured Party or the Secured Party for any profit, fees, commissions, interest, discounts or share of brokerage earned, arising or resulting from any such contracts or transactions and shall also be at liberty to retain the same for its or his own benefit; and

(r) in acting as trustee for the Secured Party, the Trustee shall be regarded as acting through its trustee division which shall be treated as a separate entity from any of its other divisions or departments

Copyright © 2018
International Securities Lending Association

and any information received by any other division or department of the Trustee may be treated as confidential and shall not be regarded as having been given to the Trustee's trustee division,

provided, however, that none of the provisions of this Security Agreement shall relieve the Trustee from or indemnify the Trustee against any liabilities, loss or damage which by virtue of any rule of law would, but for any such provision, attach to it in respect of any negligence, fraud or wilful misconduct on the part of the Trustee.

1.6 **Instructions to the Trustee and exercise of discretion**

(a) Subject to sub-paragraphs (c) and (d) below, the Trustee shall act in accordance with any instructions given to it by the Secured Party or, if so instructed by the Secured Party, refrain from exercising any right, power, authority or discretion vested in it as Trustee and shall be entitled to assume that (i) any instructions received by it from the Secured Party are duly given in accordance with the terms of this Security Agreement, and (ii) unless it has received actual notice of revocation, that those instructions or directions have not been revoked.

(b) The Trustee shall be entitled to request instructions, or clarification of any direction, from the Secured Party as to whether, and in what manner, it should exercise or refrain from exercising any rights, powers, authorities and discretions and the Trustee may refrain from acting unless and until those instructions or clarification are received by it.

(c) Sub-paragraph (a) above shall not apply:

(i) where a contrary indication appears in this Security Agreement;

(ii) where this Security Agreement requires the Trustee to act in a specified manner or to take a specified action; and

(iii) in respect of any provision which protects the Trustee's own position in its personal capacity as opposed to its role of Trustee for the Secured Party.

(d) Without prejudice to the other provisions of this paragraph 1.6, the Trustee may (but shall not be obliged to), in the absence of any instructions to the contrary, take such action in the exercise of any of its powers and duties under this Security Agreement as it considers in its discretion to be appropriate.

1.7 **Indemnity**

The Security Provider shall, notwithstanding any release or discharge of all or any part of the Transaction Security, indemnify the Trustee (on behalf of itself and the Secured Party) and any Receiver, attorney, agent or other person appointed by the Trustee under this Security Agreement (for the purposes of this Clause, each an "**Indemnified Party**") in respect of all direct losses and liabilities (whether in contract, tort or otherwise and whether arising at common law, in equity or by statute) which may be incurred by any of them (or by or against any agent, officer or employee for whose liability, act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of any breach by the Borrower of any of its obligations under this Security Agreement except to the extent such losses and liabilities arise as a result of the negligence, fraud or wilful misconduct of an Indemnified Party.

1.8 **Interpretation**

In this Security Trustee Annex:

"***Delegate***" means any person appointed pursuant to paragraph 1.3 of this Security Trustee Annex and any person appointed as an attorney of the Trustee;

"***Recoveries***" means all amounts from time to time received or recovered by the Trustee in connection with the realisation or enforcement of all or any part of the Transaction Security;

Copyright © 2018
International Securities Lending Association

"***Transaction Security***" means the security interests created or evidenced or expressed to be created or evidenced under or pursuant to this Security Agreement; and

"***Trust Property***" means the Pledged Assets, the Transaction Security, the Recoveries and all covenants, representations, guarantees, indemnities and other contractual provisions in favour of the Trustee (other than any such benefits given to the Trustee for its own benefit) created by this Security Agreement.

1.9 **Governing law and jurisdiction**

Notwithstanding paragraph 12.4 of this Security Agreement:

(a) the provisions of this Security Trustee Annex and any non-contractual obligations arising out of or in connection with it are governed by and construed in accordance with English law;

(b) the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Trustee Annex (including a dispute regarding the existence, validity or termination of this Security Trustee Annex or any non-contractual obligations arising out of or in connection with this Security Trustee Annex) (a "**Dispute**").

(c) the Secured Party and the Trustee agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

Copyright © 2018
International Securities Lending Association