

# MR01

## Particulars of a charge



Companies House

100014/23



Go online to file this information  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

A fee is payable with this form  
Please see 'How to pay' on the last page.

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

☒ **What this form is NOT for**  
You may not use this form to  
register a charge where there is no  
instrument. Use form MR08.

For further information, please  
refer to our guidance at:  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form. The copy must be scanned and placed on the public record. **Do not send the original.**



\*AB50AKLX\*

A06

07/06/2022

#75

COMPANIES HOUSE

TUESDAY

### 1 Company details

Company number 0 6 7 5 8 3 9 8

Company name in full JEWELLERY QUARTER BULLION LIMITED ("THE CHARGOR")

For official use

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date <sup>d</sup> 0 <sup>d</sup> 6 <sup>m</sup> 0 <sup>m</sup> 6 <sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 2 <sup>y</sup> 2

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

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

Name COOKSON PRECIOUS METALS LIMITED ("LENDER/CHARGE")

(02775187) 59-83 Vittoria Street, Birmingham, B1 3NZ

Name

Name

Name

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

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

MR01

## Particulars of a charge

4

## Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Brief description

NONE

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

5

## Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ Yes

☐ No

6

## Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ Yes

7

## Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box.

☒ Yes

☐ No

8

Trustee statement <sup>1</sup>

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☒

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06).

9

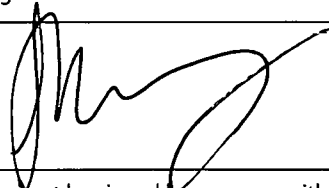
## Signature

Please sign the form here.

Signature

Signature

X



ANTHONY SMILEX  
DIRECTOR, CHARGOR

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

MR01

## Particulars of a charge

**Presenter information**

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

Contact name **ANGUS MACDONALD**

Company name **MERCATIS LAW EUROPE LLP**

Address **~~SUITE 2, ROYAL NAVAL CLUB,~~**

**17 PEMBROKE ROAD LA MIDDLE  
TEMPLE LANE**

Post town **PORTSMOUTH LONDON**

County/Region **HAMPSHIRE EC4Y 9AA**

Postcode **EC4Y 9AA**

Country **ENGLAND**

DX

Telephone **+44(0)2039501705 02038652577**

**Certificate**

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

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

**Important information**

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

**How to pay**

**A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.**

Make cheques or postal orders payable to 'Companies House.'

**Where to send**

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

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

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

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

**Further information**

For further information, please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

Execution Copy

Dated 6 June 2022

(1) **JEWELLERY QUARTER BULLION LIMITED**  
as Chargor

(2) **COOKSON PRECIOUS METALS LIMITED** as  
Lender

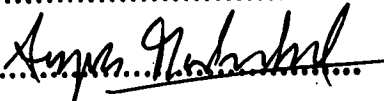
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**SECURITY DEED**

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I, Angus Macdonald, Solicitor, certify this to  
be a true copy of the original document.

Date..... 6 June 2022 .....

Signature.....  .....

(SRA No. 327669)

**THIS SECURITY DEED** is dated 6 June 2022 and made between:

- (1) **JEWELLERY QUARTER BULLION LIMITED**, a company incorporated in England and Wales (registered number 06758398) whose registered office is at Centre City Tower Floor 16, 7 Hill Street, Birmingham B5 4UA (the **"Chargor"**); and
- (2) **COOKSON PRECIOUS METALS LIMITED**, a company incorporated in England and Wales (registered number 02775187) whose registered office is at 59-83 Vittoria Street, Birmingham, B1 3NZ (the **"Lender"**).

**BACKGROUND:**

- (A) By a precious metals lease facility agreement dated as of 6 May 2022 and the incorporated standard provisions therein made between the Lender, as lessor, and the Chargor, as lessee (together, the **"Master PM Facility"**), the Lender has agreed to provide financial accommodation to the Chargor by way of a precious metals lease facility on the terms of the **"Agreement"** as that term is defined in the Master PM Facility.
- (B) The provision of this Security Deed is a condition precedent to the obligations of the Lender under the Master PM Facility. This is the **"Security Deed"** as defined in the Master PM Facility.
- (C) This document is the deed of the Chargor, even if it has not been duly executed by the Lender or has been executed by the Lender but not as a deed.

**THIS DEED WITNESSES that:**

**SECTION 1  
INTERPRETATION**

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Terms defined in the Master PM Facility**

Terms defined in the Master PM Facility but not in this Security Deed shall have the same meanings in this Security Deed as in the Master PM Facility.

**1.2 Definitions**

In addition, in this Security Deed:

**"Administration"** means any administrator appointed to manage the affairs, business and assets of the Chargor under this Security Deed.

**"Affiliate"** in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company.

**"Agreement"** means the Master PM Facility and any Confirmations issued pursuant thereto.

**"Assigned Documents"** means the Tri-partite Agreement, any Insurance to which the Chargor is beneficiary, all indicia of title in respect of Metal from time to time and any other agreement or document designated by the Lender as an Assigned Document.

**"Authorisation"** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration in relation to the Metal.

**"Barclays"** means Barclays Bank PLC and its successors and assigns;

**"Barclays Charge"** means the all asset debenture granted by the Chargor to Barclays on 15 August 2012 as the same may have been amended, supplemented or extended from time to time;

**"Debts"** means any book or other debt, revenue or claim (and the proceeds of any debt, revenue or claim) and the benefit of any Security Interest, guarantee or other right of any nature in relation to any of them, in each case, in relation to the Metal and in relation to the Chargor, **"its Debts"** means all Debts in which it has any rights.

**"Discharge Date"** has the meaning given to it in Clause 16.1 (*Continuing security*).

**"Finance Documents"** means the Agreement, this Security Deed, the Tri-partite Agreement, the Priority Deed and any other document designated by the Lender as a "Finance Document".

**"IA"** means the Insolvency Act 1986.

**"Insolvency"** of a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction.

**"Instrument"** means any document (which term includes any form of writing) under which any obligation is evidenced or undertaken or any Security Interest (or right in any Security Interest) is granted or perfected or purported to be granted or perfected.

**"Insurance"** means any policy or contract of insurance and including, for the avoidance of doubt, any renewal of or replacement for any policy or contract of insurance in relation to the Metal and in relation to the Chargor **"its Insurances"** means all Insurances in relation to the Metal in which it has any rights (including as loss payee or additional insured).

**"Insurance Proceeds"** means any monies which may from time to time be payable to or received by the Chargor (whether as an insured party, beneficiary or as loss payee) under any Insurance and the proceeds of all claims made by the Chargor under any Insurance.

**"Intellectual Property"** means, in so far as relates to the Chargor's dealings with the Metal, all intellectual property, including patents, utility models, trade and service marks, trade names, domain names, right in designs, copyrights, moral rights, topography rights, rights in databases, trade secrets and know-how, in all cases whether or not registered or registrable and including registrations and applications for registration of any of these and rights to apply for the same and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world and in relation to the Chargor, **"its Intellectual Property"** means all Intellectual Property in which it has any rights.

**"Losses"** means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

**"LPA"** means the Law of Property Act 1925.

**"Master PM Facility"** has the meaning given to it in Recital (A).

**"Maximum Aggregate Liability"** has the meaning given to it in the Priority Deed.

**"Notice of Assignment"** means a notice of assignment substantially in the form set out in Schedule 1 (*Notice of Assignment of Assigned Document*) or Schedule 2 (*Notice of Assignment of Insurance*), as appropriate, or in such other form as may be specified by the Lender.

**"Notice of Charge"** means a notice of charge substantially in the form set out in Schedule 3 (*Notice of Charge*) or in such other form as may be specified by the Lender.

**"Party"** means a party to this Security Deed.

**"Priority Deed"** means the priority deed made between the Chargor and the Lender and Barclays on or around the date of this Deed and substantially in the form and terms set out in Schedule 4 hereto pursuant to which Barclays has agreed to subordinate its security claims against the Chargor under the Barclays Charge to the security granted by the Chargor to the Lender under this Deed, up to the Maximum Aggregate Liability on the terms thereto.

**"Receiver"** means any receiver, receiver and manager or administrative receiver appointed by the Lender over all or any of the Secured Assets under this Security Deed whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time.

**"Secured Assets"** means the Metal, the Assigned Documents, the Specified Accounts and the other assets from time to time the subject of this Security, **"Secured Asset"** means any of them and any reference to one or more of the Secured Assets includes all or any part of it or each of them.

**"Secured Liabilities"** means all monies and Metal from time to time due or owing from, and all obligations and other actual or contingent liabilities from time to time

incurred by, the Chargor to the Lender under the Finance Documents or on any other account howsoever arising:

- (a) in whatever currency;
- (b) whether due, owing or incurred alone or jointly with others or as principal, surety or otherwise; and
- (c) including monies, Metal and liabilities purchased by or transferred to the Lender,

but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Security Deed to be unlawful or prohibited by any applicable law or regulation.

**"Security Documents"** means this Security Deed and any other document guaranteeing or creating security for or supporting the obligations of the Chargor to the Lender.

**"Security Interest"** means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Specified Account"** means any unallocated metals account in relation to the Metal and designated by the Lender as a Specified Account, including (the **"Brink's Account"**), but for the avoidance of doubt excluding any bank account in the name of the Chargor with Barclays Bank PLC or any other bank or lender and subject always to the terms of the Priority Deed which, for clarity provides that Barclays shall have prior security rights to the Lender over Barclays' and any other unallocated metals account or bank account in the name of the Chargor.

**"Specified Debt"** means any debt in relation to the Metal from time to time designated by the Lender as a specified debt.

**"Tri-partite Agreement"** means the collateral management agreement made on or around the date of this Security Deed between the Security Agent/Collateral Manager and the Chargor and the Lender pursuant to which the Security Agent/Collateral Manager has been engaged by the Chargor, on behalf of the Lender, to take custody and control of and manage all Metal as security agent for the exclusive benefit of the Lender.

### 1.3 Construction

- (a) Clause 1 (Definitions and interpretation) of the Master PM Facility shall apply as if set out in full again here, with references to "this Agreement" being construed as including references to this Security Deed and with such other changes as are appropriate to fit this context.



(b) In addition, in this Security Deed, any reference to:

- (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description (and any reference to a particular type or category of assets includes any present or future assets of that type or category);
- (ii) **this Security Deed** includes the Recitals and Schedules which form part of this Security Deed for all purposes;
- (iii) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
- (iv) any **Finance Document, other Instrument or other document** is to that Finance Document, other Instrument or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional and/or replacement facilities or an increase in any other amount or rate);
- (v) the masculine, feminine or neuter **gender** respectively includes the other genders and the **singular** includes the plural (and vice versa);
- (vi) a **"guarantee"** means:
  - (A) any guarantee, letter of credit, bond, indemnity, third party security or other legally binding assurance against loss; or
  - (B) any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person, to make an investment in or loan to any person or to purchase assets from any person where, in each case, that obligation is assumed in order to maintain or assist the ability of that person to meet its indebtedness;
- (vii) **"including"** means "including without limitation" (with related words being construed accordingly), **"in particular"** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
- (viii) **"indebtedness"** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (ix) a **"person"** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two

or more of them and any reference to a **Party** or other **particular person** includes its successors in title, permitted assignees and permitted transferees in accordance with their respective interests;

- (x) a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
  - (xi) a **"Recital"** is to a statement made under the heading "Background" above, any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Security Deed (as the case may be);
  - (xii) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future (and any reference to rights in a particular asset or type or category of assets includes any rights in the proceeds of any disposal of that asset or any assets within that type or category);
  - (xiii) **"tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);
  - (xiv) **"regulation"** includes any regulation, rule, official directive, notice, request, code of practice, guideline, demand or decision (in each case whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
  - (xv) **"this Security"** means the Security Interests constituted by or pursuant to this Security Deed.
- (c) The Clause, and Schedule headings are for ease of reference only.
  - (d) If there is any inconsistency between the terms of this Security Deed and those of the Master PM Facility, the terms of the Master PM Facility shall prevail.

#### 1.4 Third party rights

- (a) A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Security Deed.
- (b) No consent of any person who is not a Party is required to rescind or vary this Security Deed at any time.

**SECTION 2**  
**COVENANT TO PAY; GRANTING AND PERFECTION OF SECURITY**

**2. PAYMENT OF THE SECURED LIABILITIES**

**2.1 Covenant to pay**

The Chargor covenants with the Lender that it shall pay and discharge, or procure the payment or discharge of, each of the Secured Liabilities at the time and in the manner provided in the relevant Instrument for their payment or discharge by the Chargor.

**2.2 Interest**

If the Chargor fails to pay or procure the payment of any amount payable by it under Clause 2.1 on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment), at the rate and on the terms from time to time applicable under the relevant Instrument (or, in the absence of an applicable rate and applicable terms, to be calculated and paid under the terms of the Master PM Facility as if it were a sum due but unpaid under the Master PM Facility) and shall be payable on demand.

**2.3 Further Metals leases, advances or financial accommodation**

This Security Deed is made to secure the leasing of additional Metals, and/or any further advances or other facilities or financial accommodation made available by the Lender under the Finance Documents or on any other account howsoever described from time to time; but it does not create any obligation on the Lender to lease additional Metals, make any further advances or other facilities or financial accommodation available.

**3. SECURITY**

**3.1 Fixed charges**

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender by way of first fixed charge:

- (a) **Metals:** all of its rights in and to all Metal (as defined in the Master PM Facility), whether or not such Metal is in the physical custody and control of the Chargor, the Security Agent/Collateral Manager, or may be evidenced solely by a credit balance in a Specified Account and whether comprising raw metal, coins or bars and all substitutions, replacements and proceeds thereof from time to time;
- (b) **Specified Accounts:** all of its rights in any credit balances in respect of the Metals on the Specified Accounts and the indebtedness represented by them;
- (c) **Other bank accounts:** all of its rights in any credit balances on any other bank accounts and the indebtedness represented by them in respect of the Metals;

- (d) **Specified Debts:** all of its rights in any of its Debts which are Specified Debts in so far as they relate to the Metal;
- (e) **Other Debts:** all of its rights in its other Debts in so far as they relate to the Metal;
- (f) **Intellectual property rights:** all of its rights in its Intellectual Property in so far as it relates to the Metal;
- (g) **Licences:** all licences, consents and other Authorisations held in connection with the use of any Secured Assets and all of its rights in connection with them; and
- (h) **Other documents:** all of its rights in any agreements, reports and other documents from time to time relating to all or any part of the Secured Assets, other than those assigned by Clause 3.2.

### 3.2 Assignments

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns absolutely to the Lender:

- (a) **Insurance:** all of its rights in its Insurances and in any Insurance Proceeds; and
- (b) **Assigned Documents:** all of its rights under the Assigned Documents.

For the avoidance of doubt, the Chargor will remain at all times liable in respect of all of its obligations under each of the Assigned Documents to the same extent as if this Security had not been created and neither the Lender nor any Receiver will be under any obligation or liability to the Chargor or to any other person under or in respect of any Assigned Document.

### 3.3 Floating charge

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender by way of first floating charge in relation to the Secured Assets (other than the Secured Assets validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 and 3.2 by way of fixed security). Schedule B1, Paragraph 14 IA shall apply to the floating charge contained in this Security Deed.

### 3.4 Lender's title to Metals

This Security Deed is granted by the Chargor without prejudice to the absolute ownership rights and title that the Lender has in relation to any Metal leased by the Lender to the Chargor pursuant to the Agreement, whether such Metal is in the physical custody and control of the Chargor or the Security Agent/Collateral Manager or credited to a Specified Account; subject, however, to the terms of the Priority Deed which, for clarity provides that Barclays shall always have prior security rights to the

Lender over any unallocated metals account or bank account in the name of the Chargor. The Chargor hereby irrevocably undertakes and agrees on behalf of itself and its representatives from time to time that the Lender will have absolute legal right title and interest to such Metal and takes security over such Metal under this Security Deed only as a precaution in the event any person were to assert or court were to hold that the Chargor or another person has a superior right, title or interest in the Metal in conflict with the Lender's absolute legal title. The Chargor shall not directly or indirectly contest (or seek to contest) the Lender's title to such Metal.

### **3.5 Declaration of trust**

- (a) Without prejudice to: (i) the Lender's absolute ownership rights and title in all Metals and the proceeds thereof, and associated rights thereto (as otherwise acknowledged in this Security Deed), and (ii) any grant of security to the Lender under the terms of this Security Deed, the Chargor hereby agrees and declares that the Chargor shall hold on trust for, and on request immediately deliver up to the Lender, any and all Metal and the proceeds thereof and the associated rights thereto irrespective of whether such Metal is in the physical custody and control of the Chargor, the Security Agent/Collateral Manager, or in Unallocated form as may be evidenced solely by a credit balance in a Specified Account, and irrespective of whether such Metal might be commingled with metals owned by the Chargor or third parties or may have been withdrawn by the Chargor from a Specified Account, subject, however, to the terms of the Priority Deed which, for clarity provides that Barclays shall always have prior security rights to the Lender over any unallocated metals account or bank account in the name of the Chargor. The trust the subject of this clause shall endure until those monies or Metal are paid and/or delivered to the Lender in accordance with this Clause 3.5.
- (b) This declaration of trust is irrevocable.
- (c) It is hereby acknowledged and agreed by the parties hereto that all Metals and associated amounts held on trust under this Deed for the benefit of the Lender shall be held on "bare trust" for the purposes of the laws of England and Wales.
- (d) If the rule against perpetuities applies to the trust created by this Security Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

### **3.6 Barclays' Security**

The Lender and Barclays shall enter into the Priority Deed on or around the date hereof, as a condition of the Master PM Facility (substantially in the form and terms of Schedule 4 hereto) recording Barclays' consent to the Chargor entering into this Security Deed and Barclays' undertaking and agreement that the Security Interest created by the Barclays Charge shall insofar as it affects the Secured Assets the subject of this Security Deed (other than any Specified Account or any other bank account), but not further or otherwise, be postponed to and rank after and take effect in all

respects subject to this Security Deed up to the Maximum Aggregate Liability as defined in the Priority Deed.

#### **4. CRYSTALLISATION OF FLOATING CHARGE**

##### **4.1 Crystallisation by notice**

The Lender may at any time by notice in writing to the Chargor convert the floating charge created by the Chargor in Clause 3.3 (*Floating charge*) into a fixed charge with immediate effect as regards any Secured Asset specified in the notice if:

- (a) an Event of Default has occurred or a potential Event of Default has occurred;
- (b) the Lender considers that any Secured Asset may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy; or
- (c) the Lender considers that it is desirable to protect the priority of this Security.

##### **4.2 Automatic crystallisation**

The floating charge created by the Chargor in Clause 3.3 (*Floating charge*) shall automatically (without notice to the Chargor) be converted into a fixed charge with immediate effect as regards all assets subject to the floating charge if:

- (a) the Chargor creates a Security Interest over any Secured Asset or attempts to do so or any Secured Asset is disposed of contrary to Clause 6.2 (*No disposals*) or is otherwise in jeopardy;
- (b) any person levies or attempts to levy any distress, execution, sequestration or other process against any Secured Asset; or
- (c) the Lender receives notice of a proposal or intention to wind up, or appoint an administrator of, the Chargor or if the Chargor is wound up or has an administrator appointed.

Nothing in this Clause 4 shall affect the crystallisation of the floating charge created by the Chargor under applicable law and regulation.

#### **5. PERFECTION OF SECURITY AND FURTHER ASSURANCE**

##### **5.1 Notice of Assignment**

The Chargor shall:

- (a) promptly upon a request from the Lender deliver (with a copy to the Lender) a Notice of Assignment, duly completed, to:
  - (i) any other party to an Assigned Document specified by the Lender; and

- (ii) any insurer liable on any Insurance of the Chargor specified by the Lender; and
- (b) procure that each addressee of a Notice of Assignment acknowledges that Notice of Assignment in the form attached to that Notice of Assignment (or in such other form as the Lender may approve).

## 5.2 Notice of Charge

- (a) The Chargor shall:
  - (i) Promptly upon a request from the Lender deliver (with a copy to the Lender) a Notice of Charge, duly completed, to any bank (other than Barclays) specified by the Lender, being a bank with which any of the Specified Accounts or its other bank accounts are opened or maintained, subject always to the terms of the Priority Deed which, for clarity provides that Barclays shall always have prior security rights to the Lender over any unallocated metals account or bank account in the name of the Chargor; and
  - (ii) procure that each addressee of a Notice of Charge acknowledges that Notice of Charge in the form attached to that Notice of Charge (or in such other form as the Lender may approve).

## 5.3 Further assurance

The Chargor shall at the request of the Lender and at its own expense promptly execute (in such form as the Lender may reasonably require) any Instruments or other documents and otherwise do any acts and things which the Lender may require to improve, preserve, perfect or protect the security created (or intended to be created) by this Security Deed or the priority of it or to facilitate the realisation or enforcement of it or to exercise any of the rights of the Lender or any Receiver in relation to the same.

### **SECTION 3 ASSET COVENANTS**

#### **6. NEGATIVE PLEDGE AND DISPOSALS**

##### **6.1 Negative pledge**

The Chargor undertakes that it will not, at any time prior to the Discharge Date, create or permit to subsist any Security Interest over any Secured Asset.

##### **6.2 No disposals**

The Chargor undertakes that it will not, at any time prior to the Discharge Date, dispose of (or agree to dispose of) any Secured Asset except as expressly permitted by the Agreement.

#### **7. OTHER COVENANTS OF GENERAL APPLICATION**

##### **7.1 Information and access**

- (a) The Chargor shall deliver to the Lender from time to time on request such information about its business, the Secured Assets and its compliance with the terms of this Security Deed as the Lender may reasonably require.
- (b) The Chargor shall permit the Lender and/or its representatives, agents or contractors free access during business hours (and at all other times outside of business hours in the event of an emergency) to the Secured Assets and any books, accounts and records relating to them to examine the state and condition of those assets, to inspect and take copies and extracts from those books, accounts and records, to comply with or object to any direction or notice or other matter served on it or to take any other action (including the payment of money) which the Lender considers necessary or desirable to remedy any failure to comply with any obligation of the Chargor under the Finance Documents.

##### **7.2 Covenants, legal obligations and payments**

The Chargor shall:

- (a) observe, perform and otherwise comply with all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Secured Assets or their use or enjoyment, including those contained in any other Assigned Documents and (if required by the Lender) produce evidence to satisfy the Lender that it is complying with this obligation;
- (b) comply with all (and not permit any breach of any) by-laws, other laws and regulations affecting any of the Secured Assets; and



- (c) pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Secured Assets.

### **7.3 Enforcement of rights**

The Chargor shall:

- (a) use its best endeavours to procure prompt compliance by the relevant party of the covenants and other obligations imposed on third parties (including any Security Agent/Collateral Manager) in respect of the Secured Assets; and
- (b) use its best endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which the Lender may from time to time require,

in each case at the Chargor's cost.

### **7.4 Management of Secured Assets**

The Chargor shall manage its Secured Assets in a proper and efficient manner and in particular shall:

- (a) keep its Secured Assets in good condition;
- (b) not without the prior written consent of the Lender make, permit or allow any alterations or additions to any of its Secured Assets;
- (c) not do, permit or allow to be done anything which might in any way depreciate, jeopardise or otherwise prejudice the security held by the Lender or the value of any of that Chargor's Secured Assets and shall immediately inform the Lender of anything which occurs which might have that effect; and
- (d) shall provide and/or cause the Security Agent/Collateral Manager to provide to the Lender a written inventory report once every week or more regularly on request, as to the quantity and fine metal content of Metals stored with the Security Agent/Collateral Manager. The Chargor shall endeavour to ensure:
  - (i) (if possible) the Metal is segregated and stored by the Security Agent/Collateral Manager in a specially designated area and clearly marked as the property of the Lender;
  - (ii) (if possible) the Security Agent/Collateral Manager opens a sub-account in the name of the Lender so that any Metal credited with the Chargee in an account of the Security Agent/Collateral Manager shall be held in a sub-account in the name of the Lender.

## **7.5 Maintenance of insurance**

Unless provided by the Security Agent/Collateral Manager on terms satisfactory to the Lender at the Chargor's cost (which is the Lender's expectation and requirement), the Chargor shall, at all times until the Discharge Date:

- (a) insure and keep insured with All Risks or equivalent cover, with reputable and responsible insurers approved by the Lender, those of the Secured Assets which are of an insurable nature, either in the name of the Chargor with the interest of the Lender noted on the Insurances, or, at the option of the Lender, in the joint names of the Chargor and the Lender, against risks usually insured against by prudent companies carrying on businesses similar to those of the Chargor and on such terms as the Lender may from time to time require;
- (b) comply with the conditions and other terms of its Insurances and not do or permit to be done anything which may make its Insurances void or voidable;
- (c) duly and promptly pay all premiums and other monies necessary to effect and maintain its Insurances and produce to the Lender a copy or sufficient extract of each policy together with evidence of the payment of those monies; and
- (d) if required by the Lender, deliver to the Lender all policies of insurance relating to the Secured Assets or produce those policies to the Lender and/or its representatives or agents for inspection.

## **7.6 Default in relation to insurance**

If the Chargor fails to comply with any of its obligations as to insurance, the Lender may, but shall not be required to, take out, renew or maintain the relevant insurance on the terms, in the name(s) and in the amount(s) which it considers appropriate, and the Chargor shall indemnify the Lender for all costs incurred in so doing.

## **7.7 Application of insurance proceeds**

Clause 15.3 (*Insurance proceeds*) provides for the application of any insurance proceeds.

## **7.8 Covenants for title**

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

# **8. DEBTS AND ACCOUNTS**

## **8.1 No dealings with Debts**

The Chargor shall not create a Security Interest, dispose, release, set-off, compound or otherwise deal over, of or with its Debts otherwise than by getting in and realising them in the ordinary and proper course of its business (and for this purpose the

realisation of Debts by means of block discounting, factoring or the like shall not be regarded as dealing in the ordinary and proper course of its business).

## **8.2 Payments of Debts**

- (a) The Chargor shall promptly pay, or procure the prompt payment of, all moneys received by it or on its behalf in respect of any Specified Debt into the relevant Specified Account or other relevant bank account. Until that payment, it will hold, or procure that the recipient holds, those moneys on trust for the Lender.

## **9. INTELLECTUAL PROPERTY**

At all times until the Discharge Date:

- (a) the Chargor shall do all acts and things which may be necessary to preserve and maintain the subsistence and validity of its Intellectual Property; and
- (b) the Chargor shall not use or permit any of its Intellectual Property to be used in any way which may materially and adversely affect its value.

## **10. ASSIGNED DOCUMENTS**

The Chargor shall:

- (a) not waive any rights under nor amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated any Assigned Document without the prior written consent of the Lender; and
- (b) diligently pursue any remedies available to it for any breach of, or in respect of any claim in relation to, any Assigned Document.

## SECTION 4 ENFORCEMENT OF SECURITY

### 11. ENFORCEMENT – GENERAL PROVISIONS

#### 11.1 Enforcement

Without prejudice to the uncommitted nature of the financial accommodation provided to the Chargor under the Master PM Facility, on or at any time after the occurrence of what the Lender considers to be a potential Event of Default or an Event of Default:

- (a) the Lender shall cease to be under any further commitment to the Chargor and may at any time (notwithstanding any conflicting agreement or arrangement) by notice to the Chargor render the Secured Liabilities (or such of them as the Lender may specify) immediately due and payable or payable immediately on demand;
- (b) the Chargor shall on demand provide cash cover for all of its contingent Secured Liabilities to the Lender; and
- (c) this Security shall become immediately enforceable and the Lender may enforce all or any of its rights under this Security Deed as it thinks fit. In particular, it may without further notice exercise in relation to the Secured Assets:
  - (i) the power of sale and all other powers conferred on mortgagees by the LPA (or otherwise by law) or on an administrative receiver by the IA, in either case as extended or otherwise amended by this Security Deed;
  - (ii) to the extent that Clause 12 (*Right of appropriation*) applies, the power to appropriate the Secured Assets in or towards the payment and discharge of the Secured Liabilities in accordance with Clause 12.2 (*Exercise of right of appropriation*); and
  - (iii) (without first appointing a Receiver) any or all of the rights which are conferred by this Security Deed (whether expressly or by implication) on a Receiver.

#### 11.2 LPA provisions

- (a) The Secured Liabilities shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Security Deed.
- (b) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale) and s109 LPA (restricting the power to appoint a receiver) shall not apply to this Security.

### **11.3 Protection of third parties**

- (a) No purchaser, mortgagee or other person dealing with a Receiver or the Lender shall be bound to enquire whether its right to exercise any of its rights has arisen or become exercisable, or be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Receiver or the Lender.
- (b) All of the protection to purchasers contained in ss104 and 107 LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Receiver or the Lender as if the Secured Liabilities had become due and the statutory powers of sale and of appointing a Receiver in relation to the Secured Assets had arisen on the date of this Security Deed.

### **11.4 Delegation**

- (a) The Lender may delegate to any person or persons all or any of the rights which are exercisable by it under this Security Deed. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Lender may think fit.
- (b) A delegation under Clause 13.4(a) shall not preclude the subsequent exercise of those rights by the Lender itself nor preclude the Lender from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) The Lender shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

### **11.5 No liability**

- None of the Lender, any Receiver or any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Secured Assets for any loss on realisation or for any other action, default or omission for which it or he might be liable.

## **12. RIGHT OF APPROPRIATION**

### **12.1 Application of right of appropriation**

This Clause 12 applies to the extent the Secured Assets constitute "financial collateral" and this Security Deed constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

## **12.2 Exercise of right of appropriation**

If and to the extent that this Clause 12 applies, the Lender may appropriate the Secured Assets. If the Lender exercises its right of appropriation then it shall for these purposes value:

- (a) any relevant Specified Account or other bank account and the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation; and
- (b) any other relevant Secured Asset by reference to an independent valuation or other procedure determined by the Lender, acting reasonably, at the time of the appropriation.

## **13. APPOINTMENT OF RECEIVER**

### **13.1 Appointment of Receiver**

Without prejudice to any statutory or other powers of appointment of the Lender under the LPA as extended by this Security Deed or otherwise, at any time after this Security has become enforceable or if the Chargor so requests in writing at any time the Lender may without further notice to the Chargor do any of the following:

- (a) appoint by deed or otherwise (acting through a duly authorised officer) any one or more persons qualified to act as a Receiver to be a Receiver of all or any part of the Secured Assets;
- (b) either at the time of appointment or any time after that appointment fix his or their remuneration (without being limited by the maximum rate specified in s109(6) LPA); and
- (c) (except as otherwise required by statute) remove any Receiver and appoint another or others in his or their place.

### **13.2 Powers of Receiver**

Every Receiver shall have in relation to the Secured Assets (every reference in this Clause 13.2 to "Secured Assets" being a reference only to all or any part of the Secured Assets in respect of which that Receiver was appointed) the powers granted by the LPA to any receiver appointed under it or to any mortgagor or mortgagee in possession and (whether or not the Receiver is an administrative receiver) the powers granted by the IA to any administrative receiver, all as varied and extended by this Security Deed. In addition, but without limiting the preceding sentence, every Receiver shall have power to do the following:

- (a) **Collection:** enter on, take possession of, collect and get in the Secured Assets and collect and get in all rents and other income whether accrued before or after the date of his appointment and for those purposes make any demands and take any actions or other proceedings which may seem to him expedient;

- (b) **Compliance with Security Deed:** comply with and perform all or any of the acts, matters, omissions or things undertaken to be done or omitted by the Chargor under this Security Deed;
- (c) **Dealing with Secured Assets:** sell or otherwise dispose of the Secured Assets, grant rights or options over or in respect of them and surrender, accept the surrender or vary any agreement or arrangement relating to them. This power may be exercised without the need to comply with ss99 and 100 LPA. Any disposal or other dealing under this Clause 13.2(d) may be effected in the manner and on the terms which he thinks fit, for consideration consisting of cash, debentures or other obligations, shares or other valuable consideration and this consideration may be payable in a lump sum or by instalments spread over a period as he may think fit;
- (d) **Severance of assets:** sever from the premises to which they are annexed and sell separately (in accordance with Clause 13.2(d)) Secured Assets;
- (e) **Upkeep of Secured Assets:** finish, maintain, alter, improve, replace, renew or add to the Secured Assets as he shall think fit and effect, maintain, renew or increase indemnity insurance and other insurances and obtain bonds;
- (f) **Dealing with third parties:** deal with third parties on such terms (as to remuneration and otherwise) as he may think fit;
- (g) **Agreements:** perform, repudiate, terminate, amend or enter into any arrangement or compromise any contracts or agreements which he may consider expedient;
- (h) **Proceedings:** settle, arrange, compromise or submit to arbitration any accounts, claims, questions or disputes which may arise in connection with the business of the Chargor or the Secured Assets and bring, prosecute, defend, enforce, compromise, submit to and discontinue any actions, suits, arbitrations or other proceedings;
- (i) **Rights in connection with Secured Assets:** exercise or permit any person to exercise any rights incidental to the ownership of the Secured Assets in such manner as he may think fit;
- (j) **Raising money:** in the exercise of any of the rights conferred on him by this Security Deed or for any other purpose to raise and borrow money either unsecured or secured and either in priority to, pari passu with or subsequent to this Security and generally on such terms as he may think fit;
- (k) **Receipts and discharges:** give valid receipts for all monies and Metal and execute all discharges, assurances and other documents which may be proper or desirable for realising the Secured Assets and redeem, discharge or compromise any Security Interest whether or not having priority to the Security or any part of it;

- (l) **All other acts:** execute and do all such other acts, things and documents as he may consider necessary or desirable for the realisation or preservation of the Secured Assets or incidental or conducive to any of the rights conferred on or vested in him under or by virtue of this Security Deed or otherwise and exercise and do in relation to the Secured Assets, and at the cost of the Chargor, all the rights and things which he would be capable of exercising or doing if he were the absolute beneficial owner of the same and for the avoidance of any doubt, nothing in this clause or elsewhere in this Security Deed shall be construed or relied upon by any person as derogating from the Lender's absolute title to all Metals leased to the Chargor pursuant to the Agreement; and
- (m) **Name of Chargor:** use the name of the Chargor or his own name to exercise all or any of the rights conferred by this Security Deed.

### 13.3 Agent of the Chargor

Any Receiver appointed under this Security Deed whether acting solely or jointly shall be deemed to be the agent of the Chargor and to be in the same position as a receiver appointed under the LPA and the Chargor shall be solely responsible for his acts, omissions, defaults, losses and misconduct and for his remuneration and the Lender shall not be in any way liable or responsible either to the Chargor or to any other person for any Receiver.

### 13.4 Joint appointment

If at any time two or more persons have been appointed as Receivers of the same Secured Assets, each one of those Receivers shall be entitled to exercise individually all of the rights conferred on Receivers under this Security Deed to the exclusion of the other or others in relation to any of the Secured Assets in respect of which he has been appointed unless the Lender shall state otherwise in the document appointing him.

## 14. APPOINTMENT OF ADMINISTRATOR

### 14.1 Appointment of Administrator

- (a) The Lender may without notice appoint any one or more persons to be an administrator of the Chargor pursuant to Schedule B1, Paragraph 14 IA at any time after this Security has become enforceable.
- (b) Clause 14.1(a) shall not apply to the Chargor if Schedule B1, Paragraph 14 IA does not permit an administrator of the Chargor to be appointed.
- (c) Any appointment under Clause 14.1(a) shall be in writing signed by a duly authorised officer of the Lender.



## **14.2 Replacement of an Administrator**

The Lender may (subject to any necessary approval from the court) end the appointment of any Administrator by notice in writing signed by a duly authorised officer and appoint under Clause 14.1 a replacement for any Administrator whose appointment ends for any reason.

## **15. APPLICATION OF PROCEEDS**

### **15.1 Order of priority**

Any monies or Metal received by the Lender or any Receiver under this Security Deed or under the rights conferred by this Security Deed shall, after the occurrence of an Event of Default and payment of any claims having priority to this Security, be applied in the following order, but without prejudice to the right of the Lender to recover any shortfall from the Chargor:

- (a) where applicable, in payment of all Losses of and incidental to the appointment of the Receiver and the exercise of all or any of his powers;
- (b) where applicable, in payment of the Receiver's remuneration at such rate as may be agreed with the Lender;
- (c) in or towards discharge of the Secured Liabilities in such order as the Lender in its absolute discretion thinks fit; and
- (d) if the Chargor is not under any further actual or contingent liability under the Agreement, in payment of the surplus (if any) to the person or persons entitled to it.

The application of monies and/or Metal received by an Administrator will be governed by the IA.

### **15.2 Security accounts**

Until the Discharge Date (and whether or not an Event of Default has occurred) the Lender may, in its discretion, apply any part of the monies or Metal standing to the credit of any Specified Account and any bank account referred to in Clause 3.1(c) (*Other bank accounts*) in accordance with Clause 15.1.

### **15.3 Insurance proceeds**

- (a) All monies received by the Chargor by virtue of any Insurance on the Secured Assets, whether or not effected under this Security Deed:
  - (i) shall be deemed part of the Secured Assets; and
  - (ii) (subject to any rights of third parties arising under any applicable law and regulation relating to the application of insurance monies) shall, save with the prior written consent of the Lender, be paid to the

Lender. This shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Security Deed.

- (b) Any monies so paid to the Lender or otherwise received by the Lender by virtue of any insurance on the Secured Assets shall be applied at the discretion of the Lender either in reduction of the Secured Liabilities or in or towards making good the loss or damage in respect of which they became payable. The Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable.
- (c) Any monies received by the Chargor by virtue of any Insurance on the Secured Assets shall be held on trust for the Lender until those monies are paid to the Lender in accordance with this Clause 15.3.

**SECTION 5**  
**GENERAL SECURITY PROVISIONS**

**16. GENERAL SECURITY PROVISIONS**

**16.1 Continuing security**

This Security Deed is a continuing security and regardless of any intermediate payment or discharge in whole or in part to the Lender, shall be binding until the date (the "Discharge Date") on which:

- (a) all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full to the satisfaction of the Lender; and
- (b) the Lender is satisfied that it has ceased to have any commitment, obligation or other liability (whether actual or contingent) to make any credit or provide any other accommodation to the Chargor under any Finance Document or otherwise or to any other person in respect of whose liabilities the Chargor has undertaken a liability to the Lender under any Finance Document.

**16.2 Additional security**

This Security Deed is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of the Lender. Nor shall this Security Deed be relied upon by any person to prejudice (or seek to prejudice) the absolute ownership rights that the Lender has in relation to Metals leased to the Chargor pursuant to the Facility Deed.

**16.3 Waiver of defences**

The obligations of the Chargor under this Security Deed will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 16.3, would reduce, release or prejudice any of its obligations under this Security Deed, including (whether or not known to it or the Lender):

- (a) any time, waiver, consent or other indulgence granted to, or composition with, the Chargor or any other person;
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor;
- (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 Interest over the assets of, the Chargor 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 take, or failure to realise the full value of, any Security Interest;

- (d) any incapacity or lack of power, authority or legal personality of or Insolvency or change in the members or status of the Chargor or any other person; or
- (e) any disclaimer, unenforceability, illegality, invalidity or ineffectiveness of any of the Secured Liabilities or any other obligation of any person under any Finance Document or any other Instrument or Security Interest.

#### 16.4 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender to proceed against or enforce any Security Interest or other rights or claim payment from any other person before claiming from it under this Security Deed. This waiver applies irrespective of any applicable law and regulation or any provision of any Finance Document to the contrary.

#### 16.5 Discretion in enforcement

Until the Discharge Date, the Lender or any Receiver may:

- (a) refrain from applying or enforcing any other monies, Metal, Security Interests or other rights held or received by it in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies, Metal or other rights received from the Chargor or on account of the Secured Liabilities.

#### 16.6 Subsequent Security Interests

At any time following:

- (a) the Lender's receipt of notice (either actual or constructive) of any subsequent Security Interest affecting the Secured Assets;
- (b) the Insolvency of the Chargor; or
- (c) any disposal of all or any of the Secured Assets in breach of Clause 6.2 (*No disposals*),

the Lender may open a new account or accounts in the name of the Chargor (whether or not it permits any existing account to continue). If the Lender does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Insolvency commenced or the assignment or transfer occurred and from that time all payments or transfers of Metal made by the Chargor to the Lender or received by the Lender for the account of the Chargor shall be credited or treated as having been credited to the new account and shall not operate to reduce the amount secured by this Security Deed at the time when the Lender received or was deemed to have

received that notice or, as the case may be, the Insolvency commenced or the assignment or transfer occurred.

## **17. POWER OF ATTORNEY**

### **17.1 Appointment**

The Chargor irrevocably and by way of security appoints the Lender and any Receiver and every delegate referred to in Clause 13.4 (*Delegation*) and each of them jointly and also severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed to execute, deliver and perfect all Instruments and other documents and do any other acts and things which may be required or which the attorney may consider desirable:

- (a) to carry out any obligation imposed on it by this Security Deed;
- (b) to carry into effect any disposal or other dealing by the Lender or any Receiver;
- (c) to convey or transfer any right in any asset;
- (d) to get in the Secured Assets; and
- (e) generally to enable the Lender and any Receiver to exercise the respective rights conferred on them by this Security Deed or by applicable law and regulation,

and the Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of its powers and all monies spent by an attorney shall be deemed to be expenses incurred by the Lender under this Security Deed.

### **17.2 Irrevocable power**

The Chargor acknowledges that each power of attorney granted by Clause 17.1 is granted irrevocably and for value as part of this Security to secure a proprietary interest of, and the performance of obligations owed to, the donee within the meaning of s4 Powers of Attorney Act 1971.

## **18. RETENTION OF SECURITY**

### **18.1 Release of Security**

Following the Discharge Date and at the request and cost of the Chargor, the Lender shall, as soon as reasonably practicable after receipt of that request, release and discharge this Security and re-assign the assets assigned to the Lender under this Security Deed to the Chargor (or as it shall direct), at all times without recourse, representation or warranty and subject to the provisions of the Agreement, Clauses 18.2 and 18.3 herein and the rights of any person having prior rights over those assets. Any release or discharge of this Security or re-assignment shall not release or discharge the Chargor from any liability to the Lender or any other Finance Party for

the Secured Liabilities or any other monies or Metal which exists independently of this Security Deed.

## **18.2 Reinstatement**

- (a) Any release, settlement, discharge, re-assignment or arrangement (in this Clause 20, a "release") made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to Insolvency.
- (b) If any avoidance, reduction or clawback occurs or order is made as referred to in Clause 18.2(a), then the release given by the Lender shall have no effect and shall not prejudice the right of the Lender to enforce this Security in respect of the Secured Liabilities. As between the Chargor and the Lender, this Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

## **18.3 Retention of security**

- (a) The Lender may retain all or part of this Security, the documents of title and other documents relating to the Secured Assets and its other rights under this Security Deed as security for the Secured Liabilities for a period of 25 months after the Secured Liabilities shall have been paid and discharged in full.
- (b) If at any time within that period of 25 months a petition is presented to a competent court for a winding-up order to be made in respect of the Chargor, steps are taken to wind up the Chargor voluntarily, an application is made to a competent court for an administration order to be made in respect of the Chargor, a notice of intention to appoint an administrator to the Chargor is filed at court or the appointment of an administrator to the Chargor takes effect, then the Lender may continue to retain all or part of this Security, those documents and those other rights for any further period as the Lender may in its absolute discretion determine.

## **19. PRIOR SECURITY INTERESTS**

### **19.1 Redemption**

The Lender may at any time:

- (a) redeem, or procure the transfer to itself of, any prior Security Interest over any Secured Assets; or
- (b) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall be conclusive and binding on the Chargor.

## **19.2 Costs of redemption**

All principal monies, Metal, interest, costs, expenses and other amounts incurred in and incidental to any redemption or transfer under Clause 21.1 shall be paid by the Chargor to the Lender on demand, in each case together with interest calculated in the manner referred to in Clause 21.1 (*Costs and expenses*).

## **SECTION 6 ADMINISTRATION**

### **20. MASTER PM FACILITY PROVISIONS**

Clauses 8 (*Set-off authorised*), 11 (*Taxes*), 12 (*Lease Fee and Late Interest*), 14 (*Exclusion of liability and indemnity*), 15 (*Saving provisions*), 16 (*General*), of the Master PM Facility shall apply to this Security Deed as if they were set out in full again here, with references to the Lender and with any other changes which are necessary to fit this context.

### **21. COSTS**

#### **21.1 Costs and expenses**

The Chargor shall promptly on demand pay the Lender the amount of all costs and expenses (including legal fees) incurred by it in connection with:

- (a) the negotiation, preparation and execution of this Security Deed (in a sum representing half these costs and expenses, the other half to be borne by the Lender);
- (b) any actual or proposed amendment of or waiver or consent under or in connection with this Security Deed requested by the Chargor;
- (c) any discharge or release of this Security;
- (d) the preservation or exercise (or attempted preservation or exercise) of any rights under or in connection with, and the enforcement (or attempted enforcement) of, this Security Deed and the perfection or enforcement of any other Security Interest for or guarantee in respect of the Secured Liabilities;
- (e) the taking or holding of this Security or any proceedings in relation to it or to all or any of the Secured Assets; and
- (f) any advice obtained in relation to any other matter or question arising out of or in connection with Security Deed,

together with interest from the date it is incurred or becomes payable up to the date of receipt by the Lender (both before and after judgement), accruing on a daily basis under the terms of the Master PM Facility as if that amount were a sum due but unpaid under the Master PM Facility.

## **21.2 Taxes**

The Chargor shall pay all stamp, registration and other taxes to which this Security Deed, this Security or any judgment or order given in connection with this Security Deed may at any time be subject and shall on demand indemnify the Lender against any Losses resulting from any failure to pay or delay in paying the same.

## **22. INDEMNITY**

### **22.1 General indemnity**

The Chargor shall on demand indemnify and keep indemnified the Lender and every Receiver, attorney, manager, agent or other person appointed by the Lender under this Security Deed and their respective employees in respect of all Losses incurred or suffered by any of them in or directly or indirectly as a result of the exercise or purported exercise of any of the rights vested in them under this Security Deed and against all Losses suffered or incurred by any of them in respect of any matter or thing done or omitted relating to the Secured Assets, together with interest from the earlier of the date of demand and the date of payment by that person up to the date of receipt by that person (both before and after judgement), accruing on a daily basis under the terms of the Agreement as an outstanding sum due but unpaid. The Lender and any Receiver may retain and pay all those sums out of any monies or Metal received by it or him under this Security Deed (and in the case of Metal, such payment may in the discretion of the Lender or Receiver as applicable be in the form of Metal or Metal converted into currency at the prevailing market rate selected by the Lender or Receiver acting in a commercially reasonable manner).

### **22.2 Indemnity for breach**

The Chargor shall on demand indemnify and keep indemnified the Lender in respect of all Losses occasioned by any breach of any of its covenants or other obligations under this Security Deed or otherwise relating to all or any part of the Secured Assets, together with interest from the earlier of the date of demand by the Lender and the date of payment up to the date of receipt by the Lender (both before and after judgement), accruing on a daily basis under the terms of the Master PM Facility as if those amounts were an unpaid sum due but unpaid under the Master PM Facility.

## **23. TRANSFERS**

### **23.1 Lender**

The Lender may assign any or all of its rights and transfer any or all of its obligations under this Security Deed without the consent of the Chargor being required.



### **23.2 Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Security Deed.

### **23.3 Disclosure of information**

The Lender may disclose any information about the Chargor which it shall consider appropriate to any Affiliate, any of its professional advisers, any person to whom it is proposing to assign or transfer, or has assigned or transferred, any of its rights and obligations under this Security Deed or to any person to whom information may be required to be disclosed by any applicable law and regulation.

## **24. SET-OFF**

The Lender may set-off any matured obligation due from the Chargor under this Security Deed (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to the Chargor, regardless of the circumstances, the place of payment, booking branch or currency of either obligation (and in relation to a money obligation, whether in sovereign currency or Metal, Allocated or Unallocated). If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of exercising its rights of set-off.

## **25. COMMUNICATIONS**

### **25.1 Communications in writing**

Any communication to be made or provided under or in connection with this Security Deed (including any notices, waivers, consents or other documents) shall be made or provided in English and in writing and, unless otherwise stated, may be delivered by email, fax, post or personal delivery.

### **25.2 Addresses**

The address, email address, and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication to be made or delivered under or in connection with this Security Deed is:

- (a) (subject to Clause 16.3)(b) of the Master PM Facility or any substitute address, email address, fax number or department or officer as the relevant Party may notify to the other party by not less than 15 Business Days' notice; or
- (b) may in the alternative in the case of any claim form, judgment or other notice of process on the Chargor be delivered or sent to its registered office from time to time.

### **25.3 Delivery of Communications**

- (a) Any communication made or provided by one Party to another under or in connection with this Security Deed will only be effectively made or provided:
  - (i) if delivered by email or fax, when received in legible form; or
  - (ii) if delivered by post or personal delivery, when it has been left at the relevant address or (subject to Clause 25.3(b)) five Business Days after being deposited in the post postage prepaid in an envelope addressed to the recipient at that address.
- (b) Any communication to be made or provided to the Lender will be effectively made or provided only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer specified as part of its address details provided under Clause 25.2.

## **26. CALCULATIONS AND CERTIFICATES**

### **26.1 Accounts**

In any litigation or other proceedings arising out of or in connection with this Security Deed, the entries made in the accounts maintained by the Lender are prima facie evidence of the matters to which they relate.

### **26.2 Certificates or determinations**

Any certificate or determination of the Lender as to any matter provided for in this Security Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **27. PARTIAL INVALIDITY**

If, at any time, any provision of this Security Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision under the law of any other jurisdiction will in any way be affected or impaired.

## **28. REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Lender, any remedy or other right under this Security Deed shall operate as a waiver, nor shall any single or partial exercise of any remedy or other right prevent any further or other exercise or the exercise of any other right. The remedies and other rights provided in this Security Deed are cumulative and not exclusive of any remedies and other rights provided by law.

**29. AMENDMENTS AND WAIVERS**

Any term of this Security Deed may be amended or waived only with the written consent of the Lender and the Chargor and any such amendment or waiver will be binding on all Parties.

**30. COUNTERPARTS**

This Security Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and if applicable, seals) on the counterparts were on a single copy of this Security Deed.

**SECTION 7**  
**GOVERNING LAW AND ENFORCEMENT**

**31. GOVERNING LAW**

This Security Deed is governed by, and shall be construed in accordance with, English law.

**32. ENFORCEMENT**

**32.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Deed (including a dispute regarding the existence, validity or termination of this Security Deed) (a "Dispute").
- (b) The Parties 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.
- (c) This Clause 32.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

**EXECUTION:**

The parties have shown their acceptance of the terms of this Security Deed by executing it, in the case of the Chargor as a deed, at the end of the Schedules.

**SCHEDULE 1**  
**NOTICE OF ASSIGNMENT OF ASSIGNED DOCUMENT**

***[On Chargor's notepaper]***

To: ***[Name and address of other party]***

***[Date]***

Dear Sirs

***[Name and date of Assigned Document]***

We refer to an agreement dated [●] 20[●] between us and you (as amended or novated from time to time, the "Assigned Agreement").

We give you notice that by a Security Deed (the "Security Deed") dated [●] 2021 and entered into by us in favour of **Cookson Precious Metals Limited** (as Lender, as defined in the Security Deed), we have assigned all our rights under the Assigned Agreement including the right to receive any payments due under the Assigned Agreement.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Assigned Agreement;
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies or other assets payable by you to us under the Assigned Agreement to such bank account as the Lender may from time to time specify in writing<sup>1</sup>;
- (c) all of the powers, discretions, remedies and other rights which would, but for the Security Deed, be vested in us under and in respect of the Assigned Agreement are exercisable by the Lender;
- (d) we have agreed not to waive any rights under nor amend, novate, rescind or otherwise terminate the Assigned Agreement without the prior written consent of the Lender;
- (e) we agree that:
  - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
  - (ii) you are authorised to disclose any information in relation to the Assigned Agreement to the Lender at the Lender's request.

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<sup>1</sup> You can include here details of the account into which sums are to be paid.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....  
**[Name of Chargor]**

**By: [Name of signatory]**

[On copy letter only:]

To: **[Lender]**

We acknowledge receipt of a notice dated [●] 2021 addressed to us by **[Name of Chargor]** (the "Chargor") regarding an agreement dated [●] 20[●] between us and the Chargor (as amended or novated from time to time, the "Assigned Agreement").

We confirm that:

- (a) we consent to the assignment of the Assigned Agreement and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Assigned Agreement;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Agreement or if any event occurs which would permit us to terminate, cancel or surrender the Assigned Agreement we will:
  - (i) immediately on becoming aware of it, give you written notice of that breach; and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that no waiver of any of the Chargor's rights under and no amendment, novation, rescission or other termination by the Chargor of, the Assigned Agreement shall be effective without the prior written consent of the Lender; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....  
**[Name of other party]**

**By: [Name of signatory]**

Dated:

**SCHEDULE 2**  
**NOTICE OF ASSIGNMENT OF INSURANCE**

***[On Chargor's notepaper]***

To: ***[Name and address of insurer]***

***[Date]***

Dear Sirs

**Policy number [●]**

We give you notice that by a Security Deed (the "Security Deed") dated [●] 2021 and entered into by us in favour of **Cookson Precious Metals Limited** (as Lender, as defined in the Security Deed), we have assigned all our rights in the insurance policy, brief details of which are set out below (the "Policy") and all monies which may be payable to or received by us under it.

Please note the following:

- (a) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims, to such bank account as the Lender may from time to time specify in writing<sup>2</sup>;
- (b) all of the powers, discretions, remedies and other rights which would, but for the Security Deed, be vested in us under and in respect of the Policy are exercisable by the Lender; and
- (c) we agree that:
  - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
  - (ii) you are authorised to disclose any information in relation to the Policy to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

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<sup>2</sup> You can include here details of the account into which sums are to be paid.



Yours faithfully

.....  
**[Name of Chargor]**

**By: [Name of signatory]**

**Details of Policy**

Name of insured: ☐

Nature of policy: ☐

Policy number: ☐

Expiry date: ☐

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[On copy letter only:]

To: **[Lender]**

We acknowledge receipt of a notice dated [●] 2021 addressed to us by **[Name of Chargor]** (the "Chargor") regarding the Policy (as defined in that notice).

We confirm that:

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Policy;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will:
  - (i) immediately on becoming aware of it, give you written notice of that breach; and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that no waiver of any of the Chargor's rights under and no amendment, novation, rescission or other termination by the Chargor of, the Policy shall be effective without the prior written consent of the Lender; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....  
**[Name of insurer]**

**By: [Name of signatory]**

Dated:

**SCHEDULE 3  
NOTICE OF CHARGE**

***[On Chargor's notepaper]***

To: ***[Name and address of bank] (for clarity, this will not be sent to Barclays Bank PLC)***

***[Date]***

Dear Sirs

**Account number: [●]**

We refer to Account number: [●] (the "Account").

We give you notice that by a Security Deed (the "Security Deed ") dated [●] 2021 and entered into by us in our capacity as chargor (Chargor) in favour of Cookson Precious Metals Limited (as Lender, as defined in the Security Deed) we have charged all our rights in any credit balances on the Account including the right to obtain physical delivery of any metal credited to such Account (the "Balances") and the indebtedness represented by the Account.

This notice is without prejudice to the absolute ownership rights that the Lender has in relation to any metals leased to us as Chargor and credited to the Account. We irrevocably undertake and agree that the Lender has absolute right title and interest to those metals and takes security over those metals pursuant to the Security Deed only as a precaution in the event any person were to assert or court were to hold that the Chargor or another person has a superior right title or interest in the metal in conflict with the Lender's absolute legal title, which we would wish to avoid.

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account which the Lender may, at any time and from time to time, request;
- (b) at any time and from time to time on receipt by you of any written instruction from the Lender, to release any amount of the Balances including delivery of any physical metal to the Lender and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same); and
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account, the Balances including the associated physical metal or the indebtedness represented by it or them which you may receive at any time and from time to time from the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it).

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....  
**[Name of Chargor]**

**By: [Name of signatory]**

[On copy letter only:]

To: **[Lender]**

We acknowledge receipt of a notice dated [●] 2021 addressed to us by **[Name of Chargor]** (the "Chargor") regarding Account number: [●] (the "Account").

We confirm that:

- (a) we consent to the charge of the Account and will comply with the terms of that notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Account and/or the Balances including any associated physical metal credited to such Account (as defined in that notice);
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Account or the Balances including any associated physical metal credited to such Account;
- (d) we undertake that, on our becoming aware at any time that any person other than the Lender has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account or the Balances (or the associated physical metal credited to such Account), we will immediately give written notice of that to the Lender; and
- (e) we shall irrevocably undertake and agree not to challenge (or seek to challenge) the absolute ownership rights that you as Lender have in relation to any metals credited to the Account. We acknowledge that the security created by the Security Deed is granted without prejudice to the Lender's ownership interest in the metal and as a precaution in the event any person were to assert or court were to hold that the Chargor or another person has a superior right title or interest in the metal in conflict with the Lender's absolute legal title.

.....  
for and on behalf of

**[Name of bank]**

**By: [Name of signatory]**

Dated:

**SCHEDULE 4**  
**Form of Priority Deed**

~~(to be attached)~~

157



THIS DEED OF PRIORITY is made on

January 2022

BETWEEN

- (A) BARCLAYS BANK PLC whose registered office is at 1 Churchill Place London E14 5HP and whose address for service is Lending Operations, P O Box 299, Birmingham, B1 3PF (the "Barclays");
- (B) COOKSON PRECIOUS METALS LIMITED (Company Number 02775187) whose registered office and address for service is at 59-83 Vittoria Street, Birmingham, B1 3NZ (the "Lender"); and
- (C) JEWELLERY QUARTER BULLION LIMITED (Company Number 06758398 ) whose registered office and address for service is at Centre City Tower Floor 16, 7 Hill Street, Birmingham B5 4UA (the "Borrower")

WHEREAS

- 1) The Lender, in its capacity as lessor, has on or around the date of this Deed, entered into a Precious Metals Lease Facility (the "PML Facility") with the Borrower, in its capacity as lessee, pursuant to which the Lender intends to lease 3,215.07 Troy ounces of gold bullion (as more particularly defined in the PML Facility, and such additional quantities of gold bullion as may be leased by the Lender from time to time, "Metal") to the Borrower which will be held to the account of the Lender with Brink's Global Services Ltd ("Brinks") as custodian/collateral manager under a tri-partite agreement ("the Tri-Partite Agreement") between the Lender, the Borrower and Brinks.
- 2) Without prejudice to the absolute ownership rights of the Lender to the Metal leased to the Borrower, by a security deed creating a first ranking legal charge and assignment dated ~~6~~ <sup>Am</sup> ~~January~~ <sup>June</sup> 2022 (the "Lender's Charge") the Borrower charged and, where applicable, assigned absolutely its rights in the Metal and other property described in Schedule 1 below (the "Property") as "all monies" security for the payment to the Lender of the moneys and liabilities referred to in the Lender's Charge. Am
- 3) By a debenture dated 15 August 2012 together with all additional and substituted security as replaced or amended from time to time (the "Barclays' Debenture") the Borrower charged all its undertaking and assets present and future including the Property as security for the payment to Barclays Bank PLC of all moneys and liabilities referred to in the Barclays' Debenture.
- 4) Barclays and the Lender have agreed to regulate their respective priorities as follows and the Borrower has joined in these presents as set out below.

NOW THIS DEED WITNESSES as follows:-

1. In this Deed:

Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London E14 5HP.

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Redacted External

- (a) "Barclays Group" means Barclays PLC and any of its subsidiary undertakings as defined in the Companies Act 2006;
- (b) "Lender's Group" means the Lender and any of its subsidiary undertakings as defined in the Companies Act 2006;
- (c) references to statutory provisions are to the provisions of English statutes and include references to amended, extended or re-enacted versions; and
- (d) references to Barclays, the Lender and the Borrower shall include references to their respective successors and permitted assigns.
2. Barclays agrees and acknowledges that the Lender, as lessor, has absolute right title and interest to the Property and that the Lender only purports to take security over such Property pursuant to the Lender's Charge as a precaution in the event any person were to assert, or court were to hold, that the Borrower or another person has a superior right title or interest in the Property in conflict with the Lender's absolute legal title.
3. Without prejudice to the understanding and agreement in clause 2, Barclays agrees and declares that to the maximum extent possible under applicable law, that the charges created by the Barclays' Debenture shall insofar as it affects the Property but not further or otherwise be postponed to and rank after and take effect in all respects subject to the Lender's Charge up to the Maximum Aggregate Liability (as defined in Schedule 1 below).
4. Barclays undertakes and agrees not to challenge (or seek to challenge) the absolute ownership rights that the Lender has in relation to the Property and Barclays shall not create, exercise or claim any security in respect of the Property which may undermine the Lender's interests in such Property.
5. In the event of Barclays enforcing the Barclays' Debenture it shall immediately notify the Lender, and Barclays irrevocably agrees and undertakes to hold on trust for, and turnover any Property to, the Lender in the event that Barclays obtains possession or control of such Property up to the Maximum Aggregate Liability.
6. The priority arrangements in this Deed shall not be affected by any fluctuations in the amounts secured by the Barclays' Debenture or the Lender's Charge or by the existence at any time of a nil or credit balance on any current or other account.
7. Nothing in this Deed shall as between (a) the Borrower and the Lender or (b) the Borrower and Barclays affect or prejudice any of the rights or remedies of the Lender under the Lender's Charge or Barclays under the Barclays' Debenture each of which will remain in full force as continuing securities for all money and liabilities without limit.
8. Barclays and the Lender consent to the creation and registration of the Barclays' Debenture and the Lender's Charge respectively insofar as such consent is required.
9. If the Lender has registered a restriction or notice at H M Land Registry the Lender irrevocably consents to the registration of the Barclays' Debenture and any sale of the Property by Barclays pursuant to the Barclays' Debenture and the registration of the purchaser's title free of the Lender's Charge and any restriction or notice the Lender may have registered at H M Land Registry.
10. Barclays and the Lender hereby apply to each of the registrar of companies and H M Land Registry or any other appropriate registry to note on the register in the appropriate manner the postponement set out in this Deed.
11. Each of the parties hereto confirms that it has had the opportunity to take independent legal advice before executing this Deed.
12. The Borrower agrees that it will pay the costs of each of the other parties in relation to the drafting, preparation, negotiation and execution of this Deed on an indemnity basis.

Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 422702). Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London E14 5HP.

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Restricted - External



13. The Lender acknowledges the right of Barclays to the production and delivery of copies of the Lender's Charge (~~a copy of which is annexed to this Deed~~ in Schedule 2). *described AM*
14. Barclays acknowledges the right of the Lender to the production and delivery of copies of the Barclays' Debenture (~~a copy of which is annexed to this Deed~~ in Schedule 3). *described AM*
15. The Borrower agrees that Barclays and the Lender may, without further authorisation by the Borrower, share any information, obtained at any time, from whatever source relating to the Borrower, its subsidiaries, any underlying facilities and any guarantees and securities to:
- (a) the Borrower or any of its subsidiaries including any information in relation to the Borrower's assets and any bank accounts and proceeds thereto (including physical metal) that may comprise or relate to the Property;
  - (b) the Barclays Group and any of its or their officers, directors, employees, professional advisers, auditors and any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;
  - (c) the Lender's Group and any of its or their officers, directors, employees, professional advisers, auditors and any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian;
  - (d) any credit reference or rating agency;
  - (e) anyone Barclays considers to be or likely to be involved in an assignment or transfer or possible assignment or transfer of all or any of its rights and/or obligations in respect of the Deed, in whole or in part, including any person or persons (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Barclays Group in connection with the Deed;
  - (f) anyone the Lender considers to be or likely to be involved in an assignment or transfer or possible assignment or transfer of all or any of its rights and/or obligations in respect of the Deed, in whole or in part, including any person or persons (i) in connection with a securitisation of all or any part of the loan assets of any member of the Lender's Group from time to time or (ii) who may otherwise enter into contractual relations with any member of the Lender's Group in connection with the Deed;
  - (g) anyone to whom information is required or requested to be disclosed by any court of competent jurisdiction or governmental, banking, taxation or other regulatory authority or similar body; and
  - (h) anyone to whom information is required or requested to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes.
16. The Borrower may not assign or transfer all or any of its rights and/or obligations in respect of this Deed. Barclays or the Lender may assign or transfer all or any of its rights and/or obligations in respect of this Deed, in whole or in part, to any person or persons including any actual or prospective assignee or transferee or to any other person (i) in connection with a securitisation of all or any part of the loan assets of any member of the Barclays Group or the Lender's Group (as applicable) from time to time or (ii) who may otherwise enter into contractual relations with any member of the Barclays Group or the Lender's Group (as the case may be) in relation to the Deed subject to the assignee or transferee assuming the obligations of the assignor/transferor under this Deed.

Barclays Bank PLC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register No. 122702). Registered in England. Registered No. 1026167. Registered office: 1 Churchill Place, London E14 5HP.

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17. The Borrower joins in this Deed for the purpose of acknowledging the arrangements effected by this Deed and undertakes with each of Barclays and the Lender to observe the provisions of this Deed at all times and not in any way to prejudice or affect the enforcement of those provisions.
18. This Deed forms the entire agreement between the parties relating to the priority of their respective securities and the application of the proceeds of realisation of the securities and supersedes all earlier discussions, correspondence, emails, facsimile transmissions, letters and communications, and arrangements of any kind dealing with the priorities of the securities.
19. A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefits of this Deed.
20. This Deed shall be governed by and construed and interpreted in accordance with the laws of England and the parties submit for the benefit of Barclays to the non-exclusive jurisdiction of the courts of England.
21. This Deed may be executed in any number of counterparts each of which shall be an original but such counterparts shall together constitute one and the same Deed.

IN WITNESS, the parties have executed and delivered this Deed on the date shown at the beginning of this Deed

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Restricted - External

SCHEDULE 1  
(the "Property")

The "Property" comprises:

- (a) **Metals:** all of the Borrower's rights in and to all physical Metal (as defined in the PML Facility) leased by the Lender to the Borrower in the physical custody and control of the Borrower and/or Brinks, at any given time, calculated by the sum of the weight, in ounces, of such Metal multiplied by, the LBMA AM/PM price fixed in GBP published by ICE, as determined by the Lender on the relevant pricing day, THEN multiplying such figure by 110% ("Maximum Aggregate Liability");
- (b) **Other:** all "Debts", "Specified Debts", "Intellectual Property", "Authorisations" and all of its rights in any agreements, reports and other documents from time to time relating to the Metal (as such terms are described in the Lender's Charge);
- (c) **Insurance:** all of the Borrower's rights in its Insurances and in any Insurance Proceeds (as each term is defined in the Lender's Charge) relating to the Metal;
- (d) **Assigned Documents:** all of the Borrower's rights in any Assigned Documents (as defined in the Lender's Charge) relating to the Metal.

SCHEDULE 2  
(Attach copy of the "Barclays" Debenture")

see attached AM

SCHEDULE 3  
(Attach copy of the "Lender's Charge")

see attached AM

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Confidential - External

**SCHEDULE 2**

**("Barclays' Debenture" means the debenture dated 15 August 2012 granted by the Borrower in favour of Barclays Bank PLC evidenced by the attached Companies House Certificate of Charge)**



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

**Pursuant to section 869(5) & (6) of the Companies Act 2006**

**COMPANY NO. 6758398  
CHARGE NO. 1**

**THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES  
HEREBY CERTIFIES THAT A DEBENTURE DATED 15 AUGUST  
2012 AND CREATED BY JEWELLERY QUARTER BULLION  
LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME  
DUE FROM THE COMPANY TO BARCLAYS BANK PLC ON ANY  
ACCOUNT WHATSOEVER WAS REGISTERED PURSUANT TO  
CHAPTER 1 PART 25 OF THE COMPANIES ACT 2006 ON THE 22  
AUGUST 2012**

**GIVEN AT COMPANIES HOUSE, CARDIFF THE 28 AUGUST 2012**

P



**Companies House**  
— for the record —



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

**SCHEDULE 3**

**("Lender's Charge" means the "Security Deed" dated 6 June 2022 granted by the Borrower in favour of Cookson Precious Metals Limited, which is the subject of this "MRO1 Particulars of a charge" filing with Companies House)**

**EXECUTION of the Security Deed:**

Executed as a deed by **JEWELLERY  
QUARTER BULLION LIMITED** acting  
by ANTHONY SMILEY  
a director, in the presence of:

.....  
[SIGNATURE OF DIRECTOR]  
Director

..... THOMAS FARMER  
[SIGNATURE OF WITNESS] 4 WARBANK CLOSE  
[NAME, ADDRESS (AND ALVECHURCH  
OCCUPATION) OF WITNESS] B48 7PA  
MANAGER DIRECTOR

Executed as a deed by **COOKSON  
PRECIOUS METALS LIMITED** acting  
by STUART WISBECKY  
a director, in the presence of:

.....  
[SIGNATURE OF DIRECTOR]  
Director

..... THOMAS FARMER  
[SIGNATURE OF WITNESS] 4 WARBANK CLOSE  
[NAME, ADDRESS (AND ALVECHURCH  
OCCUPATION) OF WITNESS] B48 7PA  
MANAGING DIRECTOR

PETER EVANS.  
STUART WISBECKY  
OAKLAND HOUSE  
OLD HILL  
FAYFOLD FLAVELL  
WET UDA.

I, Angus Macdonald, Solicitor, certify this to  
be a true copy of the original document.

Date..... ~~12 MAY 2022~~ 6 June 2022

Signature..... Angus Macdonald AM

(SRA No. 327664)



**FILE COPY**

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

Company number: 6758398

Charge code: 0675 839 8 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th June 2022 and created by JEWELLERY QUARTER BULLION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th June 2022 .

Given at Companies House, Cardiff on 10th June 2022



**Companies House**



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