



Registration of a Charge

Company name: **RUNCORN EDC LIMITED**

Company number: **09117971**



X46WKBSZ

Received for Electronic Filing: **07/05/2015**

Details of Charge

Date of creation: **01/05/2015**

Charge code: **0911 7971 0001**

Persons entitled: **BARCLAYS BANK PLC**

Brief description: **PURSUANT TO THE CHARGE THE COMPANY CHARGED BY WAY OF FIRST FIXED CHARGE ALL ITS INTELLECTUAL PROPERTY (ALTHOUGH NO FURTHER DETAILS ARE SPECIFIED IN THE CHARGE FOR INTELLECTUAL PROPERTY OWNED BY THIS COMPANY). FOR FURTHER DETAIL, SEE CLAUSE 3.1 AND 3.8 OF THE CHARGE. PURSUANT TO CLAUSE 3.1 OF THE CHARGE, THE COMPANY CHARGED A PROPERTY WITH REGISTERED NUMBER CH513228. FOR FURTHER DETAIL, SEE SCHEDULE 2.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SHEARMAN & STERLING (LONDON) LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9117971

Charge code: 0911 7971 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st May 2015 and created by RUNCORN EDC LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th May 2015 .

Given at Companies House, Cardiff on 8th May 2015

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



Companies House



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

SHEARMAN & STERLING_{LLP}

Dated 1 May 2015

**THE COMPANIES NAMED HEREIN
as the Charging Companies**

- and -

**BARCLAYS BANK PLC
as Security Trustee**

DEBENTURE

**Note: The application of recoveries under this debenture
is regulated by the terms of the Intercreditor Agreement, dated 27th September 2007
(as amended from time to time and as amended and restated
on 28 January 2010, as amended on 26 January 2011
and as amended and restated on 30 June 2011)**

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THIS DEED is dated __1 May__ 2015

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Charging Companies*) as charging companies (the "**Charging Companies**"); and
- (2) **BARCLAYS BANK PLC** as security trustee for itself and the other Secured Parties (the "**Security Trustee**").

RECITALS:

In accordance with clause 31.4 (*Additional Guarantors*) of the Revolving Facility Agreement, the terms of the Senior Secured Documents and the terms of the Additional Senior Secured Documents, the Charging Companies have acceded to the Revolving Facility Agreement, the Senior Secured Documents and the Additional Senior Secured Documents as guarantors and are entering into this Deed to provide Transaction Security over their assets in respect of the Secured Obligations (as defined below) in accordance with this Deed.

THE PARTIES TO THIS DEED AGREE as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Account Bank" means any bank or financial institution with which a Charging Company maintains a bank account;

"Additional Senior Secured Creditor" means the Additional Senior Secured Notes Arranger, the Additional Senior Secured Trustee, each Additional Senior Secured Note Purchaser and the Security Trustee;

"Additional Senior Secured Documents" has the meaning given to the term "Finance Documents" in the Senior Subscription Agreement;

"Additional Senior Secured Liabilities" means the Liabilities owed by any member of the Group or any other grantor of Transaction Security to the Additional Senior Secured Creditors or any of them under or in connection with the Additional Senior Secured Documents;

"Additional Senior Secured Note Purchaser" has the meaning given to the term "Purchaser" in the Senior Subscription Agreement;

"Additional Senior Secured Notes" means the EUR75,000,000 senior secured notes due 2016 issued by Kerling plc pursuant to the Senior Subscription Agreement;

"Additional Senior Secured Notes Arranger" means Banc of America Securities Limited, as arranger in relation to the Additional Senior Secured Notes;

"Additional Senior Secured Trustee" has the meaning given to the term "Agent" in the Senior Subscription Agreement, being The Bank of New York Mellon as at the date of this Deed;

"Administrator" means an administrator appointed under schedule B1 of the Insolvency Act 1986;

"Ancillary Lender" has the meaning given to that term in the Revolving Facility Agreement;

"Assigned Agreements" means the Insurances, the Hedging Agreements and the Assigned Intercompany Loan Agreements;

"Assigned Intercompany Loan Agreements" means any loan entered into by a Charging Company with any other member of the Group from time to time;

"Book Debts" means all book and other debts and monetary claims;

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in London and Norway and:

(a) (in relation to any date for payment or purchase of a currency other than Euro) the principal financial centre of the country of that currency; or

(b) (in relation to any date for payment or purchase of Euro) any TARGET Day;

"Cash Collateral Account" means any bank account of a member of the Group with the Security Trustee or the Issuing Bank or an Ancillary Lender that is subject to a fixed Transaction Security in favour of any Secured Party (in form and substance satisfactory to the Security Trustee or (as applicable) the Issuing Bank or the Ancillary Lender) and is designated as a Cash Collateral Account by the relevant Charging Company;

"Cash Equivalent Investments" has the meaning given to that term in the Revolving Facility Agreement;

"Cash Limit Account" means any bank account held by any Charging Company that only contains funds forming any part of the Cash Limit referred to in paragraph (b) of clause 27.33 (*Group bank accounts*) of the Revolving Facility Agreement;

"Charged Account" means any Cash Collateral Account maintained with an Account Bank and any other account which any Charging Company has, or has any interest in, with any person and includes any replacement, substitute or additional account from time to time;

"Charged Contract" shall mean any instrument or agreement that is charged under Clause 3.1(b)(xi) (*Fixed charges*);

"Charged Property" means the assets mortgaged, charged or assigned to the Security Trustee by this Deed;

"Debtors" has the meaning given to that term in the Intercreditor Agreement;

"Debt Documents" has the meaning given to that term in the Intercreditor Agreement;

"Declared Default" means an Event of Default which is continuing in respect of which the Security Trustee has given notice of intention to enforce;

"Default Rate" means the rate at which default interest is payable under clause 19.4 (*Interest on demand*) of the Intercreditor Agreement;

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

"Distribution Rights" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, assets, benefits and advantages of all kinds related to, accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"Euro" or "EUR" means the single currency of Participating Member States of the European Union;

"Event of Default" means any event or circumstance specified as such in any of the Revolving Facility Agreement, the Senior Secured Indenture or the Senior Subscription Agreement or any payment default or insolvency default under any Hedging Agreement to the extent that it constitutes an event of default (as defined in the relevant Hedging Agreement) in respect of any Debtor;

"Excluded Property" has the meaning given to that term in clause 27.36 (*Real property*) of the Revolving Facility Agreement and, without limitation, includes, subject to Clause 3.7(b)(ii) (*Excluded Properties*), each of the properties set out in Part 2 of Schedule 2 (*Details of Properties*);

"Excluded Property Limit" has the meaning given to that term in clause 27.36 (*Real property*) of the Revolving Facility Agreement;

"Floating Charge Asset" means an asset charged under Clause 3.2 (*Floating charge*);

"Group" has the meaning given to that term in the Intercreditor Agreement;

"Hedge Counterparty" has the meaning given to that term in the Intercreditor Agreement;

"Hedge Counterparty Obligations" has the meaning given to that term in the Intercreditor Agreement;

"Hedging Agreement" has the meaning given to that term in the Intercreditor Agreement;

"Hedging Liabilities" means the Liabilities owed by any member of the Group or any other grantor of Transaction Security to the Hedge Counterparties or any of them under or in connection with the Hedging Agreements;

"Insurances" means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, a Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance;

"Intercreditor Agreement" means the intercreditor agreement dated 27th September 2007 (as amended from time to time and as amended and restated on 28th January 2010, as amended on 26th January 2011 and as amended and restated on 30th June 2011) between, amongst others, INEOS Group Investments Limited, Kerling plc and the Security Trustee;

"Interest Period" has the meaning given to that term in the Revolving Facility Agreement;

"Intellectual Property" means the Intellectual Property Rights owned or used by any Charging Company throughout the world or the interests of any Charging Company in any of those Intellectual Property Rights, together with the benefit of all agreements entered into or the benefit of which is enjoyed by any Charging Company relating to the use or exploitation of any of those Intellectual Property Rights;

"Intellectual Property Rights" means all patents and patent applications, trade and service marks and trade and service mark applications (and all goodwill associated with any such registrations and applications), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all inventions, all trade secrets, all know-how and all other intellectual property rights throughout the world;

"Investment" means any negotiable instrument, certificate of deposit, debenture, share or other investment (as defined in part II of Schedule 2 to the Financial Services and Markets Act 2000 as at the date of this Deed) owned (now or in the future) at law or in equity by each Charging Company (including, unless the context otherwise requires, the Subsidiary Shares);

"Issuing Bank" has the meaning given to that term in the Revolving Facility Agreement;

"Liabilities" has the meaning given to that term in the Intercreditor Agreement;

"New Charging Company" means any member of the Group who becomes a party to this Deed as contemplated by Clause 22.3 (*New Subsidiaries*);

"Premises" means all freehold and leasehold property from time to time owned by a Charging Company or in which a Charging Company is otherwise interested, including the property, if any, specified in the relevant Security Accession Deed;

"Priority Hedging Liabilities" has the meaning given to that term in the Intercreditor Agreement;

"Receiver" has the meaning given to that term in the Intercreditor Agreement;

"Relevant Account" means a Charged Account which is not a Cash Collateral Account (including without limitation the accounts listed in Schedule 5 (*Details of Relevant Accounts*)), or any account which is designated as such by the Security Trustee and the relevant Charging Company;

"Relevant Secured Documents" means (prior to the Super Senior Discharge Date) the Revolving Facility Agreement and (prior to the Senior Discharge Date) the Senior Secured Indenture and the Senior Subscription Agreement;

"Revolving Agent" has the meaning given to the term "Agent" in the Revolving Facility Agreement, being Barclays Bank PLC as at the date of this Deed;

"Revolving Creditor Liabilities" means the Liabilities owed by any member of the Group or any other grantor of Transaction Security to the Revolving Facility Finance Parties or any of them under or in connection with the Revolving Facility Documents;

"Revolving Facility Agreement" means the senior multicurrency term and revolving facilities agreement dated 27th September 2007 (as amended and restated by a supplemental agreement dated 27th January 2010 and as further amended by an amendment and restatement agreement dated 17 May 2012) and made between, amongst others, Kerling plc, INEOS Norway SPV Limited, the Security Trustee and the Original Lenders referred to therein (as amended from time to time);

"Revolving Facility Documents" has the meaning given to the term "Finance Documents" in the Revolving Facility Agreement;

"Revolving Facility Finance Parties" has the meaning given to the term "Finance Parties" in the Revolving Facility Agreement;

"Revolving Lenders" means each Lender (as defined in the Revolving Facility Agreement), Issuing Bank and Ancillary Lender and any other lenders from time to time under the Revolving Facility Documents;

"Secured Documents" means, together, the Revolving Facility Documents, the Hedging Agreements, the Senior Secured Documents and the Additional Senior Secured Documents;

"Secured Obligations" means all money or liabilities due, owing or incurred to any Secured Party and/or any Receiver by a Charging Company, any other member of the Group or any other grantor of Transaction Security under any Secured Document (including, without limitation, under any amendments, supplements or restatements of any Secured Documents however fundamental (to the extent permitted under the Secured Documents) or in relation to any new or increased advances or utilisations) at present or in the future, in any manner whether actual or contingent, matured or unmatured, liquidated or unliquidated, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon and including all liabilities in

connection with any notes, bills or other instruments accepted by any Secured Party for or at the request of a member of the Group, and all losses incurred by any Secured Party in connection with any Secured Document (including, without limitation, under any amendments, supplements or restatements of any Secured Documents however fundamental (to the extent permitted under the Secured Documents) or in relation to any new or increased advances or utilisations);

"Secured Parties" means each Revolving Facility Finance Party, any Receiver or Delegate, each Hedge Counterparty, each Senior Secured Creditor and each Additional Senior Secured Creditor;

"Security" has the meaning given to that term in the Intercreditor Agreement;

"Security Accession Deed" means a deed of accession to this Deed executed by a member of the Group in such form as the Security Trustee and the Charging Companies may agree;

"Senior Creditors" has the meaning given to that term in the Intercreditor Agreement;

"Senior Discharge Date" means the first date on which all Senior Liabilities have been fully and finally discharged to the satisfaction of the Revolving Agent (in the case of the Revolving Creditor Liabilities), each Hedge Counterparty (in the case of its Priority Hedging Liabilities), the Senior Secured Trustee (in the case of the Senior Secured Liabilities) and the Additional Senior Secured Trustee (in the case of the Additional Senior Secured Liabilities), whether or not as the result of an enforcement, and no Hedge Counterparty (in respect of its Priority Hedging Liabilities only) is under any further obligation to assume any Hedge Counterparty Obligations to any Debtor under the Debt Documents and, as applicable, no Senior Creditor is under any further obligations to any Debtors under the Debt Documents;

"Senior Liabilities" means the Super Senior Liabilities, the Senior Secured Liabilities and the Additional Senior Secured Liabilities;

"Senior Secured Creditor" means the holders of the Senior Secured Notes, the Security Trustee and the Senior Secured Trustee;

"Senior Secured Documents" means the Senior Secured Indenture, the Senior Secured Notes, the Senior Secured Note Guarantees, the Senior Secured Security and the Intercreditor Agreement;

"Senior Secured Indenture" means the indenture dated 28th January 2010 pursuant to which the Senior Secured Notes were issued (as amended from time to time);

"Senior Secured Liabilities" means the Liabilities owed by any member of the Group or any other grantor of Transaction Security to the Senior Secured Creditors or any of them under or in connection with the Senior Secured Documents;

"Senior Secured Note Guarantees" means the guarantees in respect of the Senior Secured Notes granted under the Senior Secured Indenture;

"Senior Secured Notes" means the EUR785,000,000 10.625% senior secured notes due 2017 issued by Kerling plc pursuant to the Senior Secured Indenture;

"Senior Secured Security" means the Transaction Security granted in accordance with clause 5.2 (*Security: Senior Secured Creditors*) of the Intercreditor Agreement in relation to the Senior Secured Liabilities;

"Senior Secured Trustee" has the meaning given to the term "Trustee" in the Senior Secured Indenture, being The Bank of New York Mellon as at the date of this Deed;

"Senior Subscription Agreement" means the senior subscription agreement dated 16 June 2011 between, inter alios, Kerling plc, Banc of America Securities Limited as arranger, The Bank of New York Mellon as agent and Barclays Bank PLC as security trustee;

"Subsidiary" has the meaning given to that term in the Revolving Facility Agreement;

"Subsidiary Shares" means all shares owned (now or in the future) by a Charging Company in those of its Subsidiaries that are Guarantors (as defined in the Revolving Facility Agreement) and/or the Issuer or Guarantors (each as defined in the Senior Secured Indenture), including those specified in Schedule 3 (*Subsidiary Shares*);

"Super Senior Creditors" means (a) the Revolving Lenders and (b) the Hedge Counterparties to the extent that they are owed Priority Hedging Liabilities;

"Super Senior Discharge Date" means the first date on which all the Super Senior Liabilities have been fully and finally discharged to the satisfaction of the Revolving Agent (in the case of the Revolving Creditor Liabilities) and each relevant Hedge Counterparty (in the case of its Priority Hedging Liabilities) whether or not as a result of enforcement, and the Super Senior Creditors are under no further obligation to provide financial accommodation to any Debtors under Revolving Facility Documents or (as applicable) no further obligation to assume any Hedge Counterparty Obligations to any of the Debtors under the Debt Documents;

"Super Senior Liabilities" means the Revolving Creditor Liabilities and the Priority Hedging Liabilities;

"TARGET2" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19th November 2007;

"TARGET Day" means any day on which TARGET2 is open for the settlement of payments in Euro;

"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);

"Transaction Security" has the meaning given to that term in the Intercreditor Agreement;

"Transaction Security Documents" has the meaning given to that term in the Intercreditor Agreement;

"Utilisation Date" has the meaning given to that term in the Revolving Facility Agreement;

"Utilisation Request" has the meaning given to that term in the Revolving Facility Agreement; and

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other Tax of a similar nature.

1.2 Construction

In this Deed, unless a contrary intention appears, a reference to:

- (a) an **"agreement"** includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an **"amendment"** includes any amendment, supplement, variation, novation, modification, replacement or restatement and **"amend"**, **"amending"** and **"amended"** shall be construed accordingly;

- (c) "**assets**" includes property, business, undertaking and rights of every kind, present, future and contingent (including uncalled share capital) and every kind of interest in an asset;
- (d) a "**consent**" includes an authorisation, approval, exemption, licence, order, permission or waiver;
- (e) "**including**" means including without limitation and "**includes**" and "**included**" shall be construed accordingly;
- (f) "**losses**" includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and "loss" shall be construed accordingly;
- (g) a "**person**" includes any person, individual, firm, company, corporation, government, state or agency of a state or any undertaking (within the meaning of section 1161(1) of the Companies Act 2006) or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (h) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law compliance with which is customary by a relevant class or category of persons) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (i) the "**winding-up**" of any person includes its dissolution and/or termination and/or any equivalent or analogous proceedings under the law of any jurisdiction in which that person is incorporated;
- (j) the terms of the documents under which the Secured Obligations arise and of any side letters between any Charging Company and any Secured Party relating to the Secured Obligations are incorporated in this Deed to the extent required for any purported disposition of the Charged Property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989; and
- (k) the parties intend that this document shall take effect as a deed.

1.3 Other references

In this Deed, unless a contrary intention appears:

- (a) a reference to any person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors and permitted assignees or transferees;
- (b) references to Clauses and Schedules are references to, respectively, clauses of and schedules to this Deed and references to this Deed include its Schedules;
- (c) a reference to (or to any specified provision of) any agreement or document is to be construed as a reference to that agreement or document (or that provision) as it may be amended from time to time, but excluding for this purpose any amendment which is contrary to any provision of any Secured Document;
- (d) a reference to a statute, statutory instrument or accounting standard or any provision thereof is to be construed as a reference to that statute, statutory instrument or accounting standard or such provision thereof, as it may be amended or re-enacted from time to time;
- (e) the index to and the headings in this Deed are inserted for convenience only and are to be ignored in construing this Deed; and
- (f) words importing the plural shall include the singular and vice versa.

1.4 **Intercreditor Agreement**

The rights and obligations of all parties to this Deed are subject to the terms of the Intercreditor Agreement.

2. **COVENANT TO PAY**

Each Charging Company as primary obligor covenants with the Security Trustee (for the benefit of the Security Trustee and the other Secured Parties) that it will on demand pay or discharge the Secured Obligations when they fall due for payment.

3. **CHARGING CLAUSE**

3.1 **Fixed charges**

Each Charging Company, as security for the payment of the Secured Obligations, charges in favour of the Security Trustee (for the benefit of the Security Trustee and the other Secured Parties) with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest:

- (a) by way of legal mortgage, all freehold and leasehold property (including the property specified in Schedule 2 (*Details of Properties*)) together with all buildings and fixtures (including trade fixtures) on that property;
- (b) by way of fixed charge:
 - (i) all the Subsidiary Shares and Investments and all corresponding Distribution Rights;
 - (ii) all other interests (not charged under Clause 3.1(a) (*Fixed charges*)) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
 - (iii) all plant, machinery, vehicles, computers, office, goods, personal chattels and all other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - (iv) all Book Debts and all rights and claims against third parties and against any security in respect of Book Debts;
 - (v) all monies standing to the credit of its accounts (including the Cash Collateral Accounts) with any bank, financial institution or other person;
 - (vi) all its Intellectual Property Rights;
 - (vii) the benefit of all consents and agreements held by it in connection with the use of any of its assets;
 - (viii) its goodwill and uncalled capital;
 - (ix) if not effectively assigned by Clause 3.3 (*Security assignment*), all its rights and interests in (and claims under) the Assigned Agreements;
 - (x) any interest, claim or right in each case in respect of a return of surplus assets which it has now or subsequently in respect of any pension fund or plan; and

- (xi) all the rights (including, without limitation, the right to receive compensation) now or subsequently of such Charging Company (not charged under Clause 3.1(b)(i) to 3.1(b)(x) (*Fixed charges*) inclusive or effectively assigned by Clause 3.3 (*Security assignment*)) in respect of (a) joint venture, partnership, distributorship, building or development or similar agreements to which it is a party, (b) any warranty, bond, guarantee, indemnity, Security or letter of credit issued in its favour, and (c) any bill of exchange or any other negotiable instrument held by it.

3.2 Floating charge

As further security for the payment of the Secured Obligations, each Charging Company charges with full title guarantee in favour of the Security Trustee (for the benefit of the Security Trustee and the other Secured Parties) by way of floating charge all its present and future assets not otherwise effectively mortgaged by way of legal mortgage under Clause 3.1(a) (*Fixed charges*), charged by way of fixed charge under Clause 3.1(b) (*Fixed charges*) or assigned under Clause 3.3 (*Security assignment*) including heritable property and all other assets in Scotland.

The floating charge created by each Charging Company shall:

- (a) except as otherwise agreed in writing by the Security Trustee, rank in priority to any other Security created by a Receiver appointed under this Deed; and
- (b) be a qualifying floating charge for the purposes of paragraph 14 of schedule B1 to the Insolvency Act 1986.

3.3 Security assignment

- (a) Each Charging Company hereby, as security for the payment of the Secured Obligations, charges in favour of the Security Trustee (for the benefit of the Security Trustee and the other Secured Parties) with full title guarantee by way of fixed charge all of its rights and interests present and future in respect of the Assigned Agreements, together with the benefit of all its rights, claims and remedies in respect of such Assigned Agreements.
- (b) As further security for the payment of the Secured Obligations each Charging Company assigns absolutely (subject to the right to reassignment on redemption pursuant to Clause 24.7 (*Covenant to Release*)) to the Security Trustee all its rights, title and interest in the Assigned Agreements, together with the benefit of all its rights, claims and remedies in respect of such Assigned Agreements.
- (c) Until the occurrence of a Declared Default, but subject to Clause 8.8 (*Assigned agreements*), the relevant Charging Company may continue to deal with the counterparties to the relevant Assigned Agreements.

3.4 Conversion of floating charge

If:

- (a) a Declared Default has occurred; or
- (b) the Security Trustee is, acting reasonably, of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy,

the Security Trustee may, by notice to any Charging Company, (**provided that**, in respect of any conversion of the Floating Charge under paragraph (b) above, the Security Trustee may only specify the Floating Charge Asset in question or the group of assets into which that Floating Charge Asset falls) convert the floating charge created under this Deed into a fixed charge as regards those assets

which it specifies in the notice. Each relevant Charging Company shall promptly execute a fixed charge or legal assignment over those assets in the form which the Security Trustee requires.

3.5 Automatic conversion of floating charge

- (a) Notwithstanding any other provision of this Deed (and without prejudice to the circumstances in which the floating charge created under Clause 3.2 (*Floating charge*) will crystallise under general law but subject to Clause 3.5(b) below):
- (i) if any Charging Company creates (or purports to create) any Security (except as permitted by the Relevant Secured Documents) on or over any Floating Charge Asset without the prior consent in writing of the Security Trustee;
 - (ii) if any third party levies or attempts to levy any distress, attachment, expropriation, sequestration, execution or other legal process against any Floating Charge Asset;
 - (iii) a resolution is passed or a petition is presented for the winding-up or administration in relation to any Charging Company which is not discharged within 14 days (in the case of a winding-up petition) or 5 days (in the case of a petition for an administration order) or in any event before such petition is heard or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced, or
 - (iv) an Administrator or Receiver is appointed in respect of any Charging Company or the Security Trustee receives notice of an intention to appoint an Administrator pursuant to paragraphs 15 or 26 of schedule B1 of the Insolvency Act 1986 in respect of any Charging Company,

the floating charge created under this Deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset.

- (b) No floating charge created by Clause 3.2 (*Floating charge*) may be converted into a fixed charge or otherwise crystallise solely by reason of:
- (i) the obtaining of a moratorium by any Charging Company;
 - (ii) anything done with a view to obtaining a moratorium,
- under section 1A and schedule A1 of the Insolvency Act 1986 as inserted by the Insolvency Act 2000 section 1, schedule 1, paragraphs 1 and 2.
- (c) Any charge which has crystallised under Clause 3.4 (*Conversion of floating charge*) or Clause 3.5(a) above may be reconverted into a floating charge by notice given at any time by the Security Trustee to the relevant Charging Company in relation to the assets specified in such notice.

3.6 Fixed and floating security

If for any reason any Security in respect of any asset created or purported to be created pursuant to this Clause 3 (*Charging clause*) as a fixed charge or assignment, does not, or ceases to, take effect as a fixed charge or assignment, then it shall take effect as a floating charge in respect of such asset. However it is the intent of the parties that the Security over other Charged Property shall remain unaffected.

3.7 Excluded Properties

- (a) Leasehold interests containing prohibition on charging

- (i) Until the relevant consent has been obtained, there shall be excluded from the mortgages and charge created by Clause 3.1 (*Fixed charges*) (and from the operation of the further assurance provisions set out in Clause 5 (*Further assurance*)) any leasehold property held by any Charging Company under a lease the terms of which either preclude absolutely such Charging Company from creating any charge over its leasehold interest in such property or require the consent of any third party prior to the creation of such charge and such consent shall not have been previously obtained (each an "**Excluded Leasehold Property**").
 - (ii) With regard to each Excluded Leasehold Property, the relevant Charging Company undertakes to make application for the consent of the relevant third party to the creation of the charge contained in Clause 3.1 (*Fixed charges*) (or to be created pursuant to Clause 5 (*Further assurance*)) within twenty Business Days of the date of this Deed or, if later, the date of entry into such lease, and to use all reasonable endeavours to obtain such consent as soon as possible and to keep the Security Trustee or its solicitors regularly informed of the progress of its negotiations with such third parties.
 - (iii) Forthwith, upon receipt of the relevant third party's consent as aforesaid, the relevant Excluded Leasehold Property shall thereupon stand charged to the Security Trustee pursuant to the terms of Clause 3.1 (*Fixed charges*). If required by the Security Trustee at any time following receipt of such consent the relevant Charging Company will execute a valid legal mortgage in such form as the Security Trustee shall reasonably require and comply with the registration requirements set out in Clause 5.2 (*H.M. Land Registry*) and the requirements as to title deeds set out in Clause 8.6 (*Title documents*).
- (b) Excluded Property
- (i) There shall be excluded from the mortgage and charge created by Clause 3.1 (*Fixed charges*) (and from the operation of the provisions set out in Clause 5 (*Further assurance*), Clause 8.3 (*Property undertakings*) and Clause 8.6 (*Title documents*)) any freehold or leasehold property owned by any Charging Company that is an Excluded Property forming part of the Excluded Property Limit.
 - (ii) Forthwith, upon any freehold or leasehold property ceasing to be an Excluded Property forming part of the Excluded Property Limit, such property (together with all buildings and fixtures (including trade fixtures) on that property), shall thereupon stand mortgaged and charged to the Security Trustee pursuant to the terms of Clause 3.1 (*Fixed charges*). If required by the Security Trustee at any time following such real property ceasing to be an Excluded Property forming part of the Excluded Property Limit, the relevant Charging Company will, as soon as reasonably practicable and in any event within 30 days of becoming aware of such property ceasing to be an Excluded Property forming part of the Excluded Property Limit, execute a valid legal mortgage in such form as the Security Trustee shall reasonably require and comply with the registration requirements set out in Clause 5.2 (*H.M. Land Registry*), the requirements set out in Clause 8.3 (*Property undertakings*) and the requirements as to title documents set out in Clause 8.6 (*Title documents*).

3.8 Intellectual Property Rights restricting charging

- (a) There shall be excluded from the charge created by Clause 3.1 (*Fixed charges*) and from the operation of Clause 5 (*Further assurance*) any Intellectual Property Right in which any Charging Company has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) such Charging Company from creating any charge over its interest in that Intellectual Property

(each an "**Excluded Intellectual Property Right**") until the relevant condition or waiver has been satisfied or obtained.

- (b) For each Excluded Intellectual Property Right, the relevant Charging Company undertakes to apply for the relevant consent or waiver of prohibition or condition within fourteen days of the date of this Deed or, if later, the date of acquisition of such Excluded Intellectual Property Right and, in respect of any licence or agreement which provides that the relevant third party will not unreasonably withhold its consent to charging (for this purpose a "**Relevant Intellectual Property Right**"), to use its reasonable endeavours to obtain such consent as soon as possible and to keep the Security Trustee informed of the progress of its negotiations or, in any other case, to use all reasonable endeavours to obtain such consent as soon as possible.
- (c) Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Intellectual Property Right shall stand charged to the Security Trustee under Clause 3.1 (*Fixed charges*). At any time following receipt of that waiver or consent or, in respect of any Relevant Intellectual Property Right, if earlier, the date falling sixty days after the date of this Deed, the relevant Charging Company will, if required by the Security Trustee, forthwith execute a valid fixed charge or legal assignment in such form as the Security Trustee shall require.

3.9 **Contracts Containing Prohibition on Charging**

- (a) There shall be excluded from the charge created by Clause 3.1 (*Fixed charges*) and from the operation of Clause 5 (*Further Assurance*), any Charged Contract in which any Charging Company has an interest under any such agreement or other instrument which either precludes absolutely or unconditionally (including requiring the consent of any third party) such Charging Company from creating any charge over its interest charging in that Charged Contract (each an "**Excluded Contract**") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Contract, the relevant Charging Company undertakes to use reasonable endeavours to promptly obtain the relevant consent of the relevant third party for such rights to be charged under this Deed as soon as possible and to keep the Security Trustee informed of the progress of its negotiations.
- (c) Forthwith, upon receipt of the relevant third party's consent as aforesaid, the relevant Excluded Contract shall thereupon be charged to the Security Trustee pursuant to the terms of Clause 3.1(b)(xi) (*Fixed charges*) above. If required by the Security Trustee at any time following receipt of such consent the relevant Charging Company will execute a valid fixed charge or legal assignment in such form as the Security Trustee shall reasonably require.

3.10 **Exceptions to the Security**

The security created pursuant to this Clause 3 (*Charging clause*) shall not extend to any asset situated outside England and Wales to the extent that, and for so long as, any such security would be unlawful under the laws of the jurisdiction in which such asset is situated.

4. **CONTINUING SECURITY**

4.1 **Continuing security**

This security is to be a continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Obligations or any other matter or thing.

4.2 **Other security**

This security is to be in addition and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security, guarantee, or indemnity or other right which the Security Trustee and/or any other Secured Party or any other person may now or after the date of this Deed hold for any of the Secured Obligations, and this security may be enforced against such Charging Company without first having recourse to any other rights of the Security Trustee or any other Secured Party.

5. **FURTHER ASSURANCE**

5.1 **General**

(a) Each Charging Company will, at its own expense, promptly following request by the Security Trustee, execute such deeds and other agreements and otherwise take whatever action the Security Trustee may reasonably require:

- (i) to perfect and/or protect the security created (or intended to be created) by this Deed;
- (ii) to facilitate the realisation or enforcement of such security;
- (iii) to facilitate the exercise of any of the Security Trustee's rights, powers or discretions under this Deed;
- (iv) to confer on the Security Trustee security over any assets of that Charging Company (in whatever jurisdiction situated) equivalent or similar to the security intended to be conferred by this Deed; and/or
- (v) at any time after the occurrence of a Declared Default that is continuing or if the security created by this Deed has become enforceable, to confer on the Security Trustee a legal fixed charge over Book Debts,

including the conversion of charges to assignments, equitable security to legal security, the execution of any transfer, conveyance, assignment or assurance whatsoever and the giving of all notices, orders, instructions and directions whatsoever.

(b) Any security document required to be executed by any Charging Company under this Clause 5.1 (*General*) will contain clauses corresponding to the provisions set out in this Deed.

5.2 **H.M. Land Registry**

(a) In relation to real property which is registered at H.M. Land Registry or which is subject to a first registration application at H.M. Land Registry and which is charged by way of legal mortgage under this Deed situated in England and Wales, each Charging Company hereby covenants to a restriction being entered on the Register of Title of all that real property under the Land Registration Act 2002 and agrees to apply for such a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Charge dated [•] in favour of [•] referred to in the Charges Register or their conveyancer."

(b) Subject to the terms of the Revolving Facility Agreement, the Lenders are under an obligation to make further advances to Borrowers (as such terms are defined in the Revolving Facility Agreement) and this security has been made for securing those further advances. In relation to real property which is registered at H.M. Land Registry and which is charged by way of a legal mortgage under this Deed which is situated in England or Wales, each Charging

Company agrees to apply for such obligation to make further advances to be noted on the Register of Title of each such property.

- (c) In respect of any part of the Charged Property title to which is registered at H.M. Land Registry or which is in the process of first registration at H.M. Land Registry, it is certified that the security created by this Deed does not contravene any of the provisions of the memorandum or articles of association of any Charging Company.
- (d) In relation to all real property acquired by any Charging Company at any time following the date of this Deed and which shall be charged by way of legal mortgage under this Deed situated in England and Wales, that Charging Company shall, as soon as reasonably practicable following the completion of the acquisition, apply to H.M. Land Registry for a restriction to be entered on the Register of Title to that property in the same form as the restriction set out in Clause 5.2(a) above, together with an application to H.M. Land Registry in the form set out in Clause 5.2(b) above.

5.3 Register of trade marks

Each Charging Company as registered proprietor appoints the Security Trustee as its agent to apply for the particulars of this Deed and of the Secured Parties' interest in its existing trade marks and trade mark applications and any future trade marks or trade mark applications registered or to be registered in the United Kingdom in the name of that Charging Company, to be entered on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994, and each Charging Company agrees to execute all documents and forms required to enable those particulars to be entered on the Register of Trade Marks.

6. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

No Charging Company may:

- (a) create or agree to create or allow to exist any Security over any part of the Charged Property;
- (b) sell, lease, transfer or otherwise dispose of all or any part of the Charged Property or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or
- (c) dispose of the equity of redemption in respect of all or any part of the Charged Property,

except as permitted by the Relevant Secured Documents or with the prior written consent of the Security Trustee.

7. REPRESENTATIONS AND WARRANTIES

7.1 Matters represented

Each Charging Company represents and warrants to the Security Trustee (for the benefit of the Security Trustee and each other Secured Party) as set out in Clauses 7.2 (*Property*) and 7.3 (*Subsidiary Shares*) on the date of this Deed, which representations shall be repeated on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period by reference to the facts and circumstances existing on such date.

7.2 Property

Schedule 2 (*Details of Properties*) identifies all freehold and leasehold property owned by it as at the date of this Deed. There are no proceedings, actions or circumstances relating to any of that property which materially and adversely affect that property's value or its ability to use that property for the purposes for which it is currently used.

7.3 **Subsidiary Shares**

It is the legal and beneficial owner of the Subsidiary Shares identified against its name in Schedule 3 (*Subsidiary Shares*) (save in relation to those Subsidiary Shares which are held by a nominee for it in which case it is the beneficial owner only of those Subsidiary Shares). All of those Subsidiary Shares are fully paid.

8. **UNDERTAKINGS**

8.1 **Duration of undertakings**

Each Charging Company undertakes to the Security Trustee (for the benefit of the Security Trustee and each other Secured Party) in the terms of this Clause 8 (*Undertakings*) from the date of this Deed and for so long as any security constituted by this Deed remains in force.

8.2 **General undertakings**

- (a) **Charged Property:** It will, save as provided by the Relevant Secured Documents, observe and perform all covenants and stipulations from time to time affecting the Charged Property, make all payments, carry out all registrations or renewals and generally take all reasonable steps which are necessary to preserve, maintain and renew when necessary or desirable all the Charged Property.
- (b) **Maintenance:** It will take all reasonable steps to keep all Premises, plant, machinery, fixtures, fittings, vehicles, computers and other equipment comprised in the Charged Property in repair to ensure the continuance of the effective operation of such Charging Company's business at the Premises comprised in the Charged Property.

8.3 **Property undertakings**

- (a) **Acquisitions:** It will notify the Security Trustee if it intends to acquire any estate or interest in freehold, leasehold or heritable property (other than easements) and will in any event notify the Security Trustee promptly in writing of the actual acquisition by it of any such freehold, leasehold or heritable property and will comply with its obligations in Clauses 5.2 (*H.M. Land Registry*) and 8.6 (*Title documents*) in respect thereto.
- (b) **Inspection:** It will permit the Security Trustee and any person nominated by the Security Trustee and notified to that Charging Company in writing to enter into and upon any Premises comprised in the Charged Property at all reasonable times during business hours and on not less than 24 hours' notice subject always to the reasonable security requirements of such Charging Company to view the state and condition of the Premises comprised in the Charged Property and will remedy any material defect or want of repair as soon as possible and in any event no later than four weeks after service by the Security Trustee of notice of the defect or want of repair.
- (c) **Leases:** It will not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of the Premises comprised in the Charged Property or otherwise part with possession of the whole or any part of the Premises comprised in the Charged Property except as permitted by the Relevant Secured Documents or with the prior written consent of the Security Trustee.
- (d) **Forfeiture Notices:** It will give immediate notice to the Security Trustee if it receives any notice under section 146 of the Law of Property Act 1925 or it has been notified that any proceedings are commenced against it for the forfeiture of any lease comprised in any Premises comprised in the Charged Property.

8.4 **Collection of Book Debts**

- (a) Each Charging Company will:
 - (i) as agent for the Security Trustee, collect all Book Debts and all Cash Equivalent Investments or other securities held by way of temporary investment when the same mature, pay the proceeds into a Charged Account forthwith on receipt and, pending that payment, hold those proceeds on trust for the Security Trustee;
 - (ii) not charge, factor, discount or assign any of the Book Debts in favour of any other person, or purport to do so unless permitted by the Relevant Secured Documents or with the prior consent of the Security Trustee;
 - (iii) upon a Declared Default, give notice to the debtors of any of its Book Debts or other Charged Property referred to in Clause 8.4(a)(i) above of the Transaction Security created by this Deed in such form as the Security Trustee may require;
 - (iv) promptly deliver to the Account Bank on the date of this Deed or, if such Relevant Account is opened after the date of this Deed, as soon as reasonably practicable and in any event within five Business Days of the date on which such Relevant Account is opened, a duly completed notice in respect of each such account in the form set out in Part 1 of Schedule 6 (*Form of Notice to Account Bank*) as applicable **provided that**, prior to a Declared Default, there shall be no requirement to deliver a notice in respect of any Cash Limit Account; and
 - (v) use all reasonable endeavours to procure that the bank with whom the Relevant Account is maintained promptly signs and delivers to the Security Trustee an acknowledgement of notice substantially in the form set out in Schedule 6 (*Form of Notice to Account Bank*) **provided that**, prior to a Declared Default, there shall be no such requirement in relation to any Cash Limit Account.
- (b) Each Charging Company which maintains an account in respect of which there is a reasonable endeavours obligation to obtain an acknowledgement referred to in Clause 8.4(a)(v) above shall, where such acknowledgement has not been obtained, transfer the account to an Account Bank which has returned such an acknowledgement or has agreed, in a manner satisfactory to the Security Trustee, to the matters referred to in the acknowledgement.
- (c) Following a Declared Default, the Security Trustee (or its Receiver) may (subject to the provisions of the Intercreditor Agreement and to the payment of any claims with priority to the charges constituted by this Deed) withdraw amounts standing to the credit of the Relevant Accounts to meet any amount due and payable in respect of the Secured Obligations to the Secured Parties when it is due and payable but unpaid or when the relevant Secured Parties are entitled to exercise set off rights against the relevant amounts under the terms of the relevant Secured Document.

8.5 Cash Collateral Accounts

- (a) Each Charging Company will:
 - (i) promptly deliver to the Account Bank on the date of this Deed or, if the relevant Cash Collateral Account is opened after the date of this Deed, the date on which such Cash Collateral Account is opened, a duly completed notice in respect of each such account in the form set out in Schedule 6 (*Form of Notice to Account Bank*) as applicable; and
 - (ii) procure that the bank with which that Cash Collateral Account is maintained promptly signs and delivers to the Security Trustee an acknowledgement of notice

substantially in the form set out in Schedule 6 (*Form of Notice to Account Bank*) as applicable.

- (b) No Charging Company may withdraw all or any monies from time to time standing to the credit of any Cash Collateral Account prior to the Super Senior Discharge Date unless expressly permitted to do so by the Revolving Facility Agreement.
- (c) Following a Declared Default, the Security Trustee (or its Receiver) may (subject to the provisions of the Intercreditor Agreement and to the payment of any claims with priority to the charges constituted by this Deed) withdraw amounts standing to the credit of the Cash Collateral Accounts to meet any amount due and payable in respect of the Secured Obligations to any of the Secured Parties when it is due and payable but unpaid or (in the case of the Revolving Facility Finance Parties) when the Revolving Facility Finance Parties are entitled to exercise set off rights against the relevant amounts under the terms of the Revolving Facility Agreement.

Until a Declared Default has occurred, each Charging Company may, subject to the provisions of the Relevant Secured Documents, operate and continue to deal with the Relevant Account.

8.6 **Title documents**

Each Charging Company will promptly deposit with the Security Trustee (or as it shall direct), unless such documents are already deposited with the Security Trustee or held to its order in connection with other Transaction Security Documents:

- (a) all deeds and documents of title relating to all Charged Property and if those deeds and documents are with H.M. Land Registry, will promptly deposit them with the Security Trustee (or as it shall direct) upon their release;
- (b) all stocks and share certificates and other documents of title relating to the Subsidiary Shares/Investments together with stock transfer forms duly stamped, completed and executed in blank (except for the number and class of share and the transferor) and shall execute all other documents and take all further action which the Security Trustee requires for the purpose of vesting title to the Subsidiary Shares/Investments in the name of the Security Trustee or its nominees or any purchaser;
- (c) all policies of insurance for the time being charged under this Deed; and
- (d) all other documents relating to the Charged Property which the Security Trustee from time to time requires.

8.7 **Voting rights**

- (a) Until a Declared Default occurs:
 - (i) all dividends, distributions and other monies paid on or derived from the Subsidiary Shares/Investments will be held for the account of the relevant Charging Company and will be promptly paid over to that Charging Company in accordance with its directions; and
 - (ii) all voting and other rights and powers attaching to the Subsidiary Shares/Investments will be exercised as the relevant Charging Company or as such Charging Company may from time to time reasonably direct, provided that each Charging Company shall be entitled to exercise such rights or direct that the voting and other rights attaching to the Subsidiary Shares/Investments be exercised in a manner which the Security Trustee reasonably considers to be prejudicial to the interests of the Secured Parties under this Deed.

- (b) After a Declared Default occurs the Security Trustee shall be entitled to:
 - (i) complete all instruments of transfer in relation to the Subsidiary Shares/Investments of each Charging Company on behalf of such Charging Company in favour of itself or such other person as it shall select and otherwise have any Investments registered in its name or the name of its nominee;
 - (ii) receive and retain all dividends, distributions and other monies paid on the Subsidiary Shares/Investments; and
 - (iii) exercise or direct the exercise in the name of the relevant Charging Company of the voting rights and any other rights and powers attached to any Subsidiary Shares/Investments in such manner as it considers fit (including all powers given to trustees under Part II of the Trustee Act 2000.)
- (c) After a Declared Default occurs each Charging Company shall:
 - (i) comply, or procure the compliance, with any directions of the Security Trustee in respect of the exercise of any rights and powers exercisable in relation to such Subsidiary Shares/Investments; and
 - (ii) if the Security Trustee so requests, promptly deliver to the Security Trustee a form of proxy or other authority (in each case, in such form as the Security Trustee shall reasonably require) appointing such person as the Security Trustee shall select to be the proxy of such Charging Company or otherwise enabling such person as the Security Trustee shall select to exercise such voting rights and other rights and powers as shall be specified (whether generally or specifically) in the relevant notice.
- (d) At any time when any Subsidiary Shares/Investments are registered in the name of the Security Trustee or its nominee, the Security Trustee will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Subsidiary Shares/Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Subsidiary Shares/Investments.
- (e) Each Charging Company will promptly pay all calls or other payments which may at any time become due in respect of the Subsidiary Shares/Investments.
- (f) Each Charging Company will forward copies of all notices, documents and other communications received by it or its nominee in connection with the Subsidiary Shares/Investments to the Security Trustee promptly following receipt.

8.8 **Assigned Agreements**

Each Charging Company will:

- (a) not make or agree to make any amendments to the Assigned Agreements, waive any of its rights under the Assigned Agreements or exercise any right to terminate or any of the Assigned Agreements except: (i) as permitted by the Relevant Secured Documents and (in respect of the Hedging Agreements) the Intercreditor Agreement, (ii) with the prior consent of the Security Trustee or (iii) (in the case of the Insurances only) make or agree to make any amendments to such Insurances of a minor or technical nature or which could not reasonably be expected to prejudice the interests of the Secured Parties;

- (b) promptly after the execution of this Deed (or, if later, the date on which the Assigned Agreements are entered into), give notice to the other parties to the Assigned Agreements (or in the case of Assigned Intercompany Loan Agreements, parties that are not Debtors) that it has assigned its rights under the Assigned Agreements to the Security Trustee under this Deed. Such notice will be given in substantially the form set out in Part 1 of Schedule 4 (*Forms of notice to counterparties (other than insurers) of Assigned Agreements*), except in the case of the Insurances, where the notice will be substantially in the form set out in Part 2 of Schedule 4 (*Form of Notice of Assignment to Insurers*) **provided that** there shall be no requirement to deliver a notice in respect of Insurances other than Insurances in respect of property damage, business interruption, marine cargo, contractor's all risk and any other Insurances Kerling plc considers to be material prior to a Declared Default. Each Charging Company will use all reasonable endeavours to procure that each party served with any such notice countersigns and returns the notice to the Security Trustee within 14 days of the date of the relevant notice.

8.9 Retention of documents

The Security Trustee may retain any document delivered to it under Clause 8.6 (*Title documents*) or otherwise until the security created by this Deed is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Charging Company require that the relevant document be redelivered to it and the relevant Charging Company shall promptly comply (or procure compliance) with that notice.

8.10 Power to remedy

If a Charging Company fails to comply with any covenant set out in Clauses 8.1 (*Duration of undertakings*) to Clause 8.9 (*Retention of documents*) (inclusive) and that failure is not remedied to the satisfaction of the Security Trustee within 14 days, it will allow (and irrevocably authorises) the Security Trustee or any person which the Security Trustee nominates to take any action on behalf of such Charging Company which is necessary to ensure that those covenants are complied with.

8.11 Indemnity

Each Charging Company will indemnify the Security Trustee against all losses incurred by the Security Trustee as a result of a breach by any Charging Company of its obligations under Clauses 8.1 (*Duration of undertakings*) to Clause 8.9 (*Retention of documents*) (inclusive) and in connection with the exercise by the Security Trustee of its rights contained in Clause 8.10 (*Power to remedy*) above. All sums the subject of this indemnity will be payable by the relevant Charging Company to the Security Trustee on demand and if not so paid will bear interest at the Default Rate. Any unpaid interest will be compounded in accordance with clause 19.4 (*Interest on demand*) of the Intercreditor Agreement (*mutatis mutandis*).

9. ATTORNEY

Each Charging Company, by way of security, irrevocably and severally appoints the Security Trustee, each Receiver and any person nominated for the purpose by the Security Trustee or any Receiver (in writing and signed by an officer of the Security Trustee or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Trustee or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Charging Company covenants with the Security Trustee and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney. Such power of attorney shall only be exercisable following the occurrence of an Event of Default which is continuing or if the relevant

Charging Company has failed to comply with its further assurance obligations pursuant to Clause 5 (*Further assurance*) or a perfection obligation pursuant to this Deed.

10. **ENFORCEMENT AND POWERS OF THE SECURITY TRUSTEE**

10.1 **Statutory restrictions**

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this Deed.

10.2 **Enforcement powers**

- (a) Notwithstanding the provisions of this Deed,
 - (i) the Secured Obligations are deemed for the purposes of section 101 of the Law of Property Act 1925 to have become due within the meaning of section 101 of the Law of Property Act 1925, and
 - (ii) the power of sale and other powers conferred on mortgagees by the Law of Property Act 1925 as varied or extended by this Deed including the power to appoint a receiver or an administrative receiver shall arise, in each case immediately on execution of this Deed. The Security Trustee may take possession of any Charged Property at any time after the Transaction Security constituted by this Deed has become enforceable.
- (b) Save as provided in paragraph (c) below, the Transaction Security constituted by this Deed given by each Charging Company shall become enforceable upon:
 - (i) a Declared Default; or
 - (ii) the making of an application or the presentation of a petition for an administration order in relation to any Charging Company or the giving or filing by any person of a notice in relation to the appointment of an Administrator, liquidator or provisional liquidator of any Charging Company; or
 - (iii) any Charging Company requesting the Security Trustee to appoint a Receiver or Administrator or the Security Trustee appoints a Receiver or Administrator.
- (c) The Transaction Security constituted by this Deed will not become enforceable solely as a result of:
 - (i) the obtaining of a moratorium by any Charging Company; or
 - (ii) anything done with a view to obtaining a moratorium,
 - under Section 1A and schedule A1 of the Insolvency Act 1986, as inserted by the Insolvency Act 2000, section 1, schedule 1, paragraphs 1 and 2.

10.3 **Statutory powers**

The powers conferred on mortgagees, receivers, administrators or administrative receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) shall apply to the security created by this Deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this Deed, those contained in this Deed shall prevail. Such powers shall be extended so as to authorise mortgagees, receivers, administrators or administrative receivers to lease, make arrangements for leases, accept surrenders of leases and grant options as they think fit and without the need to comply with any of the provisions of

sections 99 and 100 of the Law of Property Act 1925 and any lease granted will bind any holder of subsequent Security deriving title under the mortgagees, receivers or administrative receivers.

10.4 **Fixtures**

After the occurrence of a Declared Default, the Security Trustee may sever any fixtures from the property to which they are attached and sell them separately from that property.

10.5 **Appointment of Receivers and Administrators**

(a) If:

- (i) so requested by any Charging Company; or
- (ii) at any time after a Declared Default has occurred,

the Security Trustee may, subject to paragraph (e) below, by deed under seal or in writing under the hand of any officer of the Security Trustee appoint any one or more persons to be Receiver of any Charged Property of such Charging Company or, when permitted by law, may appoint an Administrator of such Charging Company pursuant to paragraph 14 of schedule B1 of the Insolvency Act 1986.

- (b) The Security Trustee may by writing under hand (except subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) similarly remove any Receiver.
- (c) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document appointing him states otherwise.
- (d) Section 109(1) of the Law of Property Act 1925 shall not apply to this Deed.
- (e) The Security Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000, except with the leave of the court.
- (f) The Security Trustee is not entitled to appoint an administrative receiver if prohibited from doing so under section 72A of the Insolvency Act 1986.

10.6 **Powers of leasing**

The Security Trustee may at any time on or after the Transaction Security constituted by this Deed has become enforceable lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

10.7 **Exercise of powers**

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Deed, and all or any of the rights and powers conferred by this Deed on a Receiver (whether expressly or impliedly), may be exercised by the Security Trustee without further notice to any Charging Company at any time after the Transaction Security constituted by this Deed has become enforceable, irrespective of whether the Security Trustee has taken possession or appointed a Receiver of the Charged Property.

10.8 Appropriations

Until all Secured Obligations have been irrevocably and unconditionally paid and discharged in full, each Secured Party (or any trustee or agent on its behalf) may, subject to the terms of the Intercreditor Agreement and without affecting the liability of any Charging Company under this Deed:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Charging Company shall be entitled to the benefit of the same;
- (b) to the extent that any of the Charged Property constitute "financial collateral" and this Deed and the obligations of any Charging Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2 Regulations 2003 (SI 2003 NO. 3226) (the "**Regulations**")) the Security Trustee shall have the right once the security constituted by this Deed becomes enforceable to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (i) in the case of cash, the amount standing to the credit of each of the Charged Accounts, together with any accrued but un-posted interest, at the time the right of appropriation is exercised; and (ii) in the case of Investments, the market price of such Investments determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in the Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations; and
- (c) hold in an interest-bearing suspense account any moneys received from any Charging Company or on account of any Charging Company's liability under this Deed.

10.9 Security Trustee's Duties

The Security Trustee shall, following the occurrence of a Declared Default exercise all its rights, powers and discretions under this Deed in accordance with the Intercreditor Agreement.

11. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER

11.1 Receiver as agent

Each Receiver shall be the agent of the relevant Charging Company which shall be solely responsible for his acts or defaults, and for his remuneration, and be liable on any agreements or engagements made or entered into by him. The Security Trustee will not be responsible for any misconduct, negligence or default of a Receiver.

11.2 Powers of Receiver

Each Receiver appointed under this Deed shall, in relation to the Charged Property, have all the powers conferred from time to time on receivers or administrative receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this Deed), and any other applicable law so that the powers set out in schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any liquidation of the relevant Charging Company, each Receiver shall have power to:

- (a) take possession of, collect and get in any of the Charged Property and, for that purpose, take any proceedings in the name of the relevant Charging Company or otherwise;

- (b) generally manage the Charged Property and manage or carry on, develop, reconstruct, amalgamate, diversify or concur in carrying on all or any part of the business of the relevant Charging Company;
- (c) make any arrangement or compromise or enter into or cancel any contracts;
- (d) raise or borrow money or incur any other liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (e) sell, let or lease or concur in selling, letting or leasing, and vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over, or otherwise dispose of or deal with, all or any of the Charged Property, without being responsible for loss or damage. Any such sale, lease or disposition may be made for cash payable by instalments, loan stock, other debt obligations, shares or securities of another company, or other valuable consideration;
- (f) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions, whether or not including payment by instalments, secured or unsecured;
- (g) make and effect all repairs, renewals and improvements to any of the Charged Property and maintain, renew, take out or increase insurances;
- (h) exercise all voting and other rights attaching to the Investments and stocks, shares and other securities owned by the relevant Charging Company and comprised in the Charged Property;
- (i) redeem any prior Security on or relating to the Charged Property and settle and pass the accounts of the person entitled to that prior Security, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Charging Company and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (j) appoint and discharge employees, officers, managers, agents, professionals and others for any of the purposes of this Deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (k) settle, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Charging Company or relating to any of the Charged Property;
- (l) bring, prosecute, enforce, defend and discontinue all actions and proceedings or submit to arbitration in relation to all or any of the Charged Property;
- (m) sever and sell plant, machinery or other fixtures sold separately from the property to which they may be annexed;
- (n) implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any real property comprised in the Charged Property;
- (o) purchase or acquire any land or any interest in or right over land;
- (p) make calls conditionally or unconditionally on the members of the relevant Charging Company in respect of uncalled capital;
- (q) exercise on behalf of the relevant Charging Company, and without the consent of or notice to the relevant Charging Company, all the powers conferred on a landlord or a tenant by any

legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Premises comprised in the Charged Property; and

- (r) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 11.2, or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property,

and in each case may use the name of any Charging Company and exercise the relevant power in any manner which he may think fit.

11.3 Removal of Receiver

The Security Trustee may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

11.4 Remuneration of Receiver

The Security Trustee may from time to time fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Law of Property Act 1925 will not apply.

11.5 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

12. APPLICATION OF MONEYS AND INTERCREDITOR AGREEMENT

12.1 Order of application

All moneys received by the Security Trustee or any Receiver appointed under this Deed shall be held on trust for the Secured Parties and applied in the following order:

- (a) in payment of the costs and losses incurred, and payments made, by the Security Trustee and/or any Receiver (including the payment of preferential debts);
- (b) in payment of remuneration to the Receiver at such market rates as may be agreed between him and the Security Trustee (acting reasonably) at or any time after his appointment;
- (c) in or towards satisfaction of the Secured Obligations in accordance with Clause 12.4 (*Intercreditor Agreement*); and
- (d) the surplus (if any) shall be paid to the relevant Charging Company or other person entitled to it.

12.2 Section 109 Law of Property Act 1925

Sections 109(6) and (8) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

12.3 Suspense account

Until the Secured Obligations are paid in full, the Security Trustee may place and keep (for such time as it shall determine) any money received pursuant to this Deed or on account of any Charging Company's liability in respect of the Secured Obligations in an interest bearing separate suspense

account (to the credit of either that Charging Company or the Security Trustee as the Security Trustee shall think fit) and the Receiver may retain the same for the period which he and the Security Trustee consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Secured Obligations.

12.4 Intercreditor Agreement

The order of application of monies arising as a result of enforcement of this Deed as between the Secured Parties is governed by the terms of the Intercreditor Agreement.

13. PROTECTION OF THIRD PARTIES

13.1 No obligation to enquire

No purchaser from, or other person dealing with, the Security Trustee or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Security Trustee or any Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Secured Obligations remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

13.2 Receipt conclusive

The receipt of the Security Trustee or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any moneys paid to or by the direction of the Security Trustee or any Receiver.

13.3 Statutory protection

- (a) All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Trustee, any Receiver or any Delegate.
- (b) Each Revolving Facility Finance Party shall comply with its obligations under the Revolving Facility Documents (including any obligations to make further advances).

14. PROTECTION OF SECURITY TRUSTEE AND RECEIVER

14.1 No liability

Neither the Security Trustee nor any Receiver shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his gross negligence or wilful default.

14.2 Possession of Charged Property

Without prejudice to Clause 14.1 (*No liability*), if the Security Trustee or the Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

14.3 **Liability of Charging Company**

Each Charging Company shall be deemed to be a principal debtor and the sole, original and independent obligor for the Secured Obligations and the Charged Property shall be deemed to be a principal security for the Secured Obligations. The liability of each Charging Company under this Deed and the security contained in this Deed shall not be impaired by any forbearance, neglect, indulgence, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the Security Trustee or any other Secured Party, or by any other act, event or matter whatsoever whereby the liability of any Charging Company (as a surety only) or the security contained in this Deed (as secondary or collateral security only) would, but for this provision, have been discharged.

14.4 **Continuing Security**

This security is a continuing security and will extend to the ultimate balance of sums payable by any member of the Group or any other grantor of Transaction Security under the Secured Documents, regardless of any intermediate payment or discharge in whole or in part.

14.5 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any member of the Group, any other grantor of Transaction Security or other person or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Charging Company under this Clause 14 (*Protection of Security Trustee and Receiver*) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

14.6 **Waiver of defences**

- (a) The obligations of each Charging Company under this Clause 14 (*Protection of Security Trustee and Receiver*) will not be affected by an act, omission, matter or thing which, but for this Clause 14 (*Protection of Security Trustee and Receiver*), would reduce, release or prejudice any of its obligations under this Clause 14 (*Protection of Security Trustee and Receiver*) (without limitation and whether or not known to it or any Secured Party) including:
- (i) any time, waiver or consent granted to, or composition with, a member of the Group or any other grantor of Transaction Security or other person;
 - (ii) the release of any other member of the Group or any other grantor of Transaction Security or any other person under the terms of any composition or arrangement with any creditor of any member of the Group or any other grantor of Transaction Security or any other person;
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any member of the Group, any other grantor of Transaction Security or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any member of the Group, any other grantor of Transaction Security or any other person;
 - (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Secured Document or any other document or security including, without limitation, any change in the purpose

- of, any extension of or increase in any facility or the addition of any new facility under any Secured Document or other document or security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Document or any other document or security; or
 - (vii) any insolvency or similar proceedings.
- (b) Each Charging Company irrevocably and unconditionally waives and abandons any and all rights or entitlement which it has or may have under the existing or future laws of the Island of Jersey whether by virtue of the customary law rights of:
- (i) *droit de discussion* or otherwise, to require that recourse be had to the assets of any other person before any claim is enforced against it in respect of its obligations under this Deed or any other Secured Document, and irrevocably and unconditionally undertakes that if at any time proceedings are brought against it in respect of its obligations under this Deed or any other Secured Document and any other person is not also joined in any such proceedings, it will not require that any other person be joined in or otherwise made a party to such proceedings, whether the formalities required by any law of the Island of Jersey whether existing or future in regard to the rights or obligations of sureties shall or shall not have been complied with or observed; and
 - (ii) *droit de division* or otherwise, to require that any liability under this Deed or any other Secured Document be divided or apportioned with any other person or reduced in any manner.

14.7 **Charging Company Intent**

Without prejudice to the generality of Clause 14.6 (*Waiver of defences*), each Charging Company expressly confirms that it intends that this security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Secured Documents and/or any facility or amount made available under any of the Secured Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

14.8 **Immediate recourse**

Each Charging Company waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Charging Company under this Clause 14 (*Protection of Security Trustee and Receiver*). This waiver applies irrespective of any law or any provision of a Secured Document to the contrary.

14.9 **Deferral of Charging Company's rights**

Until all amounts which may be or become payable by any member of the Group under or in connection with the Secured Documents have been irrevocably paid in full and unless the Security Trustee otherwise directs, no Charging Company will exercise any rights which it may have by reason of performance by it of its obligations under the Secured Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified by any member of the Group or any other grantor of Transaction Security;

- (b) to claim any contribution from any other guarantor of any member of the Group or any other grantor of Transaction Security's obligations under the Secured Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Secured Documents or of any other guarantee or security taken pursuant to, or in connection with, the Secured Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any member of the Group or any other grantor of Transaction Security to make any payment, or perform any obligation, in respect of which any member of the Group or any other grantor of Transaction Security has given a guarantee, undertaking or indemnity under any Secured Document;
- (e) to exercise any right of set-off against any member of the Group or any other grantor of Transaction Security ; and/or
- (f) to claim or prove as a creditor of any member of the Group or any other grantor of Transaction Security in competition with any Secured Party.

If a Charging Company receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by any member of the Group or any other grantor of Transaction Security under or in connection with the Secured Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with clause 14 (*Application of Proceeds*) of the Intercreditor Agreement.

14.10 Security Trustee

The provisions set out in clause 16 (*The Security Trustee*) of the Intercreditor Agreement shall govern the rights, duties and obligations of the Security Trustee under this Deed.

15. COSTS, EXPENSES, TAXES AND STAMP DUTY

15.1 Transaction Expenses

Each Charging Company shall promptly within three Business Days of written demand pay the Security Trustee the amount of all costs and expenses reasonably incurred by the Security Trustee, any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of this Deed.

15.2 Enforcement and preservation costs

Each Charging Company shall, within three Business Days of written demand, pay to the Security Trustee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of its rights under this Deed and any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the security created under this Deed or enforcing these rights.

15.3 Stamp duties, etc.

Each Charging Company shall, within three Business Days of demand, indemnify each of the Security Trustee and the other Secured Parties from and against any cost, loss or liability for any stamp, stamp duty land tax, documentary, filing and other similar duties and Tax (if any) which is or may become payable in connection with this Deed other than in connection with any assignment or transfer by the Security Trustee.

15.4 **Interest Calculation**

All fees under this Deed which accrue and are payable in arrear will accrue on a daily basis and will be calculated by reference to a 360 day year and the actual number of days elapsed (or on any other basis required by market practice).

15.5 **Security Trustee's ongoing costs**

- (a) In the event an Event of Default is continuing, each Charging Company shall pay to the Security Trustee any reasonable costs in respect of the investigation of such Event of Default that may be agreed between them.
- (b) If the Security Trustee and any Charging Company fail to agree upon such amount, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the relevant Charging Company or, failing approval, nominated (on the application of the Security Trustee) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by such Charging Company) and the determination of any investment bank shall be final and binding upon the parties to this Deed.

15.6 **Amendment costs**

If any Charging Company requests an amendment, waiver or consent in relation to this Deed, such Charging Company shall, within three Business Days of written demand, reimburse each of the Revolving Agent, the Senior Secured Trustee and the Security Trustee for the amount of all reasonable costs and expenses (including reasonable legal fees) incurred by the Security Trustee, any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

15.7 **Taxes**

- (a) All sums payable by each Charging Company under this Deed shall be paid free and clear of all deductions or withholdings (including for or on account of Tax) unless the deduction or withholding is required by law, in which event the relevant Charging Company shall pay such additional amounts as shall be required to ensure that the net amount received and retained (after deduction or withholding) by the person receiving the payment will equal the full amount which would have been received and retained by it had no such deduction or withholding been required to be made.
- (b) All sums payable by each Charging Company under this Deed are exclusive of any applicable VAT and the relevant Charging Company shall pay an amount equal to any such VAT in addition to and at the same time as the sum otherwise payable under this Deed.

16. **CUMULATIVE POWERS AND AVOIDANCE OF PAYMENTS**

16.1 **Cumulative powers**

The powers which this Deed confers on the Security Trustee and the other Secured Parties are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Trustee or the other Secured Parties may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Trustee and the other Secured Parties will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

16.2 **Amounts avoided**

If any amount paid by any Charging Company in respect of the Secured Obligations is capable of being avoided or set aside on the liquidation or administration of such Charging Company or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

16.3 Discharge conditional

Any settlement or discharge between any Charging Company and any Secured Party shall be conditional upon no security or payment to the Secured Party by such Charging Company or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Secured Party under this Deed) the Secured Party shall be entitled to recover from such Charging Company the value which that Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

17. RULING OFF ACCOUNTS

If the Security Trustee or any other Secured Party receives notice of any subsequent Security or other interest affecting any of the Charged Property (except as permitted by the Relevant Secured Documents) it may open a new account for the relevant Charging Company in its books. If it does not do so then (unless it gives express notice to the contrary to such Charging Company), as from the time it receives that notice, all payments made by such Charging Company to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of such Charging Company and not as having been applied in reduction of the Secured Obligations.

18. DELEGATION

The Security Trustee may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Deed to any person or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Trustee will not be liable or responsible to any Charging Company or any other person for any losses arising from any act, default, omission or misconduct on the part of any delegate.

19. REDEMPTION OF PRIOR CHARGES

The Security Trustee may, at any time after a Declared Default has occurred, redeem any prior Security on or relating to any of the Charged Property or procure the transfer of that Security to itself, and may settle and pass the accounts of any person entitled to that prior Security. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Charging Company. Each Charging Company will on demand pay to the Security Trustee all principal monies and interest and all losses incidental to any such redemption or transfer.

20. SET-OFF

A Secured Party may at any time whilst an Event of Default is continuing set off any matured obligation due from any Charging Company in respect of the Secured Obligations (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to such Charging Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

21. NOTICES

Any communication to be made under or in connection with this Deed shall be made in accordance with clause 22 (*Notices*) of the Intercreditor Agreement.

22. CHANGES TO PARTIES

22.1 Assignment by the Security Trustee

The Security Trustee may at any time assign or otherwise transfer all or any part of its rights under this Deed in accordance with and subject to clause 17 (*Change of Security Trustee and Delegation*) of the Intercreditor Agreement.

22.2 Changes to parties

Each Charging Company authorises and agrees to changes to parties under clause 29 (*Changes to the Lenders*) of the Revolving Facility Agreement and clause 18 (*Changes to the Parties*) of the Intercreditor Agreement and authorises the Security Trustee to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

22.3 New Subsidiaries

Each Charging Company will procure that any new Subsidiary of it which is required to do so in accordance with the terms of any Secured Document executes a Security Accession Deed (subject to such amendments as may be required to ensure that no breach of law or regulation occurs as a result).

22.4 Consent of Charging Company

Each Charging Company consents to new Subsidiaries becoming New Charging Companies as contemplated by Clause 22.3 (*New Subsidiaries*).

23. CURRENCY CLAUSES

23.1 Conversion

All monies received or held by the Security Trustee or any Receiver under this Deed may be converted into any other currency which the Security Trustee considers necessary to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Security Trustee's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

23.2 No discharge

No payment to the Security Trustee (whether under any judgement or court order or otherwise) shall discharge the obligation or liability of a Charging Company in respect of which it was made unless and until the Security Trustee has received payment in full in the currency in which the obligation or liability was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Trustee shall have a further separate cause of action against the relevant Charging Company and shall be entitled to enforce the security constituted by this Deed to recover the amount of the shortfall.

24. MISCELLANEOUS

24.1 Certificates conclusive

A certificate, determination, notification or opinion of the Security Trustee stipulated for in this Deed or as to any rate of interest or any other amount payable under this Deed will be conclusive and binding on each Charging Company, except in the case of manifest error.

24.2 Invalidity of any provision

If any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

24.3 Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.

24.4 Failure to execute

Failure by one or more parties ("**Non-Signatories**") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other parties who do execute this Deed. Such Non-Signatories may execute this Deed (or a counterpart thereof) on a subsequent date and will thereupon become bound by its provisions.

24.5 Perpetuity period

The perpetuity period applicable to the trusts created by this Deed is 80 years.

24.6 Third party rights

Unless expressly provided to the contrary in this Deed a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

24.7 Covenant to Release

Once the Security Trustee is satisfied, acting reasonably, that all the Secured Obligations have been paid in full and none of the Secured Trustee nor any other Secured Party has, under any Secured Document, any contingent liability to advance further monies to, or incur liability on behalf of, any Charging Company, the Security Trustee and each other Secured Party shall, at the request and cost of each Charging Company, take any action which may be necessary to release the Charged Property from the security constituted by this Deed and procure the reassignment of the assets assigned to the Security Trustee pursuant to this Deed.

25. GOVERNING LAW

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

IN WITNESS whereof this Deed has been duly executed on the above date first above written.

SCHEDULE 1

THE CHARGING COMPANIES

Name	Jurisdiction of incorporation	Registered Number
Runcorn EDC Limited	England and Wales	09117971
Runcorn MCP Limited	England and Wales	09117961

SCHEDULE 2

DETAILS OF PROPERTIES

Part 1: Freehold/Leasehold Property

	Charging Company	Property Description	Freehold/ Leasehold
1.	Runcorn EDC Limited	Lease to be entered into on or about the date hereof between INEOS Chlorvinyls Limited as lessor and Runcorn EDC Limited as lessee out of title number CH513228 in respect of the EDC Plant at Runcorn Site, South Parade, Runcorn	Leasehold
2.	Runcorn MCP Limited	Lease to be entered into on or about the date hereof between INEOS Chlorvinyls Limited as lessor and Runcorn MCP Limited as lessee out of title number CH513228 in respect of the MCP Site at Runcorn Site, South Parade, Runcorn	Leasehold
3.	Runcorn MCP Limited	Lease to be entered into on or about the date hereof between INEOS Chlorvinyls Limited as lessor and Runcorn MCP Limited as lessee out of title number CH513228 in respect of the J-Unit at Runcorn Site, South Parade, Runcorn	Leasehold

Part 2 – Excluded Property

None

SCHEDULE 3

SUBSIDIARY SHARES

Charging Company	Subsidiary	Number and class of shares	Details of nominees (if any) holding legal title to shares
Runcorn EDC Limited	Runcorn MCP Limited	100 Ordinary Shares of £1.00 each	N/A
Runcorn MCP Limited			N/A

SCHEDULE 4

PART 1

FORMS OF NOTICE TO COUNTERPARTIES (OTHER THAN INSURERS) OF ASSIGNED AGREEMENTS

To: [insert name and address of counterparty]

Dated: [•]

Dear Sirs,

Re: [here identify the relevant Assigned Agreement] (the "**Agreement**")

We notify you that [•] (the "**Charging Company**") has assigned to [insert name of Security Trustee] (the "**Security Trustee**") for the benefit of itself and certain other banks and financial institutions and other creditors (the "**Secured Parties**") all its right, title and interest in the Agreement as security for certain obligations owed by the Charging Company to the Secured Parties.

We further notify you that:

1. save as permitted under the Relevant Secured Documents and (in respect of the Hedging Agreements) the Intercreditor Agreement, the Charging Company may not agree to amend, vary, novate, supplement, supersede, waive or terminate any term of the Agreement without the prior written consent of the Security Trustee;
2. you may continue to deal with the Charging Company in relation to the Agreement until you receive written notice to the contrary from the Security Trustee. Thereafter the Charging Company will cease to have any right to deal with you in relation to the Agreement and therefore from that time you should deal only with the Security Trustee;
3. you are authorised to disclose information in relation to the Agreement to the Security Trustee on request;
4. after receipt of written notice in accordance with paragraph 2 above, you must pay all monies to which the Charging Company is entitled under the Agreement direct to the Security Trustee (and not to the Charging Company) unless the Security Trustee otherwise agrees in writing; and
5. the provisions of this notice may only be revoked with the written consent of the Security Trustee.

Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to the Charging Company) by way of confirmation that:

- (a) you agree to the terms set out in this notice and to act in accordance with its provisions;
- (b) you have not received notice that the Charging Company has assigned its rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party [other than the notice dated [•] from the Charging Company in respect of the [insert details of relevant Existing Debenture]]; and
- (c) you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Charging Company any right of set-off, counter-claim or other right relating to the Agreement [(other than any rights arising under Sections 2(c) or 6 of the same Agreement)].¹

¹ Include if Agreement is a hedging agreement.

The provisions of this notice and any non contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

for and on behalf of
[*name of Charging Company*]

[*On acknowledgement copy*]

To: [*insert name and address of Security Trustee*]

Copy to: [*name of Charging Company*]
[*insert address of Charging Company*]

We acknowledge receipt of the above notice and confirm the matters set out in sub-paragraphs (a) to (c) of paragraph 5 above.

.....

for and on behalf of
[*insert name of Counterparty*]

Dated: [•]

Part 2

Form of Notice of Assignment to Insurers

To: [insert name and address of insurance company]

Dated: [●]

Dear Sirs,

Re: [here identify the relevant insurance policy(ies)] (the "**Policies**")

1. We notify you that [●] (the "**Charging Company**") has assigned to [insert name of Security Trustee] (the "**Security Trustee**") for the benefit of itself and certain other banks, financial institutions and other creditors (the "**Secured Parties**") all its right, title and interest in the Policies as security for certain obligations owed by the Charging Company to the Secured Parties.
2. We further notify you that:
 - (a) the Charging Company may not agree to amend (other than amendments of a minor or technical nature or which would not unreasonably be expected to prejudice the interests of the Secured Parties) or terminate the Policies without the prior written consent of the Security Trustee;
 - (b) subject to paragraph (1) above you may continue to deal with the Charging Company in relation to the Policies until you receive written notice to the contrary from the Security Trustee. Thereafter the Charging Company will cease to have any right to deal with you in relation to the Policies and therefore from that time you should deal only with the Security Trustee;
 - (c) you are authorised to disclose information in relation to the Policies to the Security Trustee on request; and
 - (d) the provisions of this notice may only be revoked with the written consent of the Security Trustee.
3. Please sign and return the enclosed copy of this notice to the Security Trustee (with a copy to the Charging Company) by way of confirmation that:
 - (a) you agree to act in accordance with the provisions of this notice;
 - (b) you [will note/have noted] the Security Trustee's interest as chargee on the Policies;
 - (c) after receipt of written notice in accordance with paragraph 2 above, you will pay all monies to which the Charging Company is entitled under the Policies direct to the Security Trustee (and not to the Charging Company) unless the Security Trustee otherwise agrees in writing;
 - (d) you will not cancel or otherwise allow the Policies to lapse without giving the Security Trustee not less than 30 days written notice;
 - (e) you have not received notice that the Charging Company has assigned its rights under the Policies to a third party or created any other interest (whether by way of security or otherwise) in the Policies in favour of a third party [other than the notice dated [●] from the Charging Company in respect of the [insert details of relevant Existing Debenture]];

- (f) you have not claimed or exercised nor do you have any outstanding right to claim or exercise against the Charging Company, any right of set-off, counter-claim or other right relating to the Policies;
- (g) the Security Trustee shall not in any circumstances be liable for the premiums in relation to the Policies; and
- (h) the Policies shall not be rendered void, voidable or unenforceable by reason of any non-disclosure by the Security Trustee.

The provisions of this notice and any non contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....

for and on behalf of
[*name of Charging Company*]

[*On acknowledgement copy*]

To: [*insert name and address of Security Trustee*]

Copy to: [*name of Charging Company*]
[*insert address of Charging Company*]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 3 above.

.....

for and on behalf of
[*insert name of insurance company*]

Dated: [•]

SCHEDULE 5
DETAILS OF RELEVANT ACCOUNTS

Account Holder	Bank	Sort code/account number/IBAN
Runcorn MCP Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]
Runcorn MCP Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]
Runcorn MCP Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]
Runcorn EDC Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]
Runcorn EDC Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]
Runcorn EDC Limited	Barclays Bank PLC	Sort code: [REDACTED] Account number: [REDACTED] IBAN: [REDACTED] [REDACTED]

SCHEDULE 6

PART 1

FORM OF NOTICE FOR A RELEVANT ACCOUNT TO ACCOUNT BANK

To: [name of account bank]

[address]

Dated: [●]

Dear Sirs

[●] (the "**Charging Company**")

[number and description of the Relevant Account] (the "**Specified Accounts**")

1. Pursuant to the debenture dated [●] between, amongst others, the Charging Company and Barclays Bank PLC as Security Trustee (the "**Deed**") the Charging Company has charged by way of fixed charge in favour of the Security Trustee all its rights to, and interest in, the balance standing from time to time to the credit of the Specified Accounts and any other bank account maintained by you and the debts represented by them (the "**Accounts**").
2. The Charging Company hereby irrevocably and unconditionally instructs and authorises you to disclose to the Security Trustee any information relating to the Accounts which the Security Trustee requests you to disclose.
3. The Charging Company hereby authorises you, upon written notice from the Security Trustee:
 - (a) to pay or to release any moneys standing to the credit of the Accounts, in accordance with any instructions which you receive from the Security Trustee;
 - (b) not to permit any withdrawal by the Charging Company of any moneys standing to the credit of the Accounts, without the prior written consent of the Security Trustee and to hold all such moneys to the order of the Security Trustee; and
 - (c) to comply with the terms of any written notices or instructions relating to the Deed and/or the Accounts and the debts represented by them which you receive from the Security Trustee.
4. The Security Trustee hereby confirms that it consents to the following transactions in relation to the Accounts in accordance with the terms of the mandates relating to such Accounts:
 - (a) you may collect and pay to the credit of any Specified Accounts the proceeds of credits for the account of the Charging Company;
 - (b) you may make payments to third parties or to other Accounts in the name of the Charging Company on the instructions of the Charging Company and debit the amounts involved to any Accounts other than the Cash Collateral Accounts; [and]
 - (c) you may debit to any Account amounts due to you from the Charging Company[; and]

- (d) *in order to enable you to make available net overdraft facilities on the Accounts, you may set-off debit balances against credit balances on any of the following Accounts (where not in breach of the Relevant Secured Documents):*²

[Specify accounts and account numbers]

5. The Security Trustee may by notice to you amend or withdraw the consents given in paragraph 4.
6. *[If the consent referred to in paragraph 4(d) above is withdrawn, you may immediately set-off debit balances and credit balances on the Account existing immediately prior to the receipt by you of the notice of such withdrawal.]*³
7. The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Charging Company and the Security Trustee together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Charging Company.
8. Subject to paragraph 5 above, the instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of the Charging Company.
9. This letter and any non contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
10. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Security Trustee at [•] copied to us.

Yours faithfully

[name of Charging Company]

[name of Security Trustee]

By:
Authorised Signatory

By:
Authorised Signatory

² Delete for notices to Account Banks that are not Lenders.

³ Delete for notices to Account Banks that are not Lenders.

Form of Acknowledgement of Notice for a Relevant Account to Account Bank

To: [name of Security Trustee]

Copy: [name of Charging Company]

Dear Sirs

Debenture dated [●] between [●]

For the purposes of this acknowledgement "**Security**" means any mortgage, charge, pledge, lien or other security interests securing any obligations of any person or any other agreement or arrangement having a similar effect.

We hereby acknowledge receipt of the notice (a copy of which is attached hereto) dated [●] and addressed to us by you regarding the Specified Accounts (the "**Accounts**") and confirm that we:

- (a) accept the instructions and authorizations contained in the notice and agree to comply with the terms thereof;
- (b) do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, Security, rights of set-off or rights against the Charging Company in respect of the Accounts and/or the debts represented by them;
- (c) have not received notice of any interest of any third party in any Account and/or the debts represented by them [other than the notice dated [●] from the Charging Company in respect of the [insert details of relevant Existing Debenture]]; and
- (d) following written notice from the Security Trustee, shall not permit any amount to be withdrawn from any Account save as permitted by the notice or with your written prior consent.

We understand that, in the event that we become aware at any time that any person other than yourselves has or will have any right or interest in the Accounts and/or the debts represented by them, we will promptly notify you.

The only account[s] maintained with us [is] [are] the Specified Account[s] referred to in the notice [and [●]].

Yours faithfully

.....

[Name of Bank]

Part 2

Form of Notice for any Cash Collateral Account to Account Bank

To: [name of account bank]

[address]

Dated: [●]

Dear Sirs

[●] (the "**Charging Company**")

[number and description of the relevant cash collateral/ mandatory prepayment account(s)] (the "**Specified Account[s]**"):

1. Pursuant to the debenture dated [●] made between, amongst others, the Charging Company and Barclays Bank PLC (the "**Security Trustee**") (the "**Deed**") the Charging Company has charged by way of fixed charge in favour of the Security Trustee all its rights to, and interest in, the balance standing from time to time to the credit of the Specified Account[s].
2. The Charging Company hereby irrevocably and unconditionally authorises and instructs you:
 - (a) to disclose to the Security Trustee any information relating to the customers and the Specified Accounts which the Security Trustee may from time to time request you to provide;
 - (b) to pay or to release any moneys standing to the credit of the Specified Accounts, in accordance with any instructions which you receive from the Security Trustee;
 - (c) not to permit any withdrawal by the Charging Company of any moneys standing to the credit of the Specified Accounts other than in accordance with the express provisions of the Revolving Facility Agreement insofar as it relates to Cash Collateral Accounts without the prior written consent of the Security Trustee and to hold all such moneys to the order of the Security Trustee; and
 - (d) to comply with the terms of any written notices or instructions relating to the Deed and/or the Specified Accounts and the debts represented by them which you receive from the Security Trustee.
3. The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Charging Company and the Security Trustee together give you notice in writing revoking or amending them. You may comply with the instructions contained in this letter without further authority from the Charging Company.
4. The instructions and authorisations in this letter supersede any instructions and authorisations to the contrary given to you by or on behalf of the Charging Company.
5. This letter and any non contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.
6. Please acknowledge your acceptance of the instructions and authorisations contained in this notice by signing the attached Form of Acknowledgement and returning it to the Security Trustee at [●] copied to us.

Yours faithfully

[*the Charging Company*]

By:
Authorised Signatory

[*name of Security Trustee*]

By:
Authorised Signatory

Form of Acknowledgement of Notice for any Cash Collateral Account to Account Bank

To: [name of Security Trustee]

Copy: [the Charging Company]

Dear Sirs

Debenture dated [●] between [●]

For the purposes of this acknowledgement "**Security**" means any mortgage, charge, pledge, lien or other security interests securing any obligations of any person or any other agreement or arrangement having a similar effect.

We hereby acknowledge receipt of the notice (a copy of which is attached hereto) dated [●] and addressed to us by you regarding the Cash Collateral Accounts held with us ("**Accounts**") and confirm that we:

- (a) accept the instructions and authorisations contained in the notice and agree to comply with the terms thereof;
- (b) do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, Security, rights of set-off or rights against the Charging Company in respect of the Accounts and/or the debts represented by them other than in respect of fees for operating the accounts;
- (c) have not received notice of any interest of any third party in any Account and/or the debts represented by them [other than the notice dated [●] from the Charging Company in respect of the [insert details of relevant Existing Debenture]];
- (d) shall not permit any amount to be withdrawn from any Account save as permitted by the notice or with your prior written consent.

The only account[s] maintained with us [is] [are] the Specified Account[s] referred to in the notice [and [●]].

Yours faithfully

.....

[name of bank]

SIGNATORIES TO DEBENTURE

THE CHARGING COMPANIES

EXECUTED as a DEED by
RUNCORN EDC LIMITED
acting by a director in the presence of:

)
)
)
)
)



Witness's signature:



Name (print):

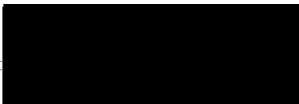
Occupation:

Address:

PAUL F NICHOLS
COMPANY SECRETARY
8, MANLEY ROAD, FRODSHAM
CHESHIRE
WA6 6EP

EXECUTED as a DEED by
RUNCORN MCP LIMITED
acting by a director in the presence of:

)
)
)
)
)



Witness's signature:



Name (print):

Occupation:

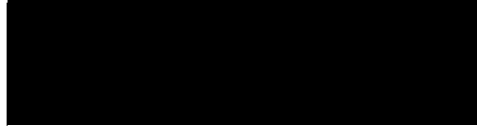
Address:

PAUL F NICHOLS
COMPANY SECRETARY
8, MANLEY ROAD, FRODSHAM
CHESHIRE
WA6 6EP

THE SECURITY TRUSTEE

Signed by
authorised signatory
for and on behalf of
BARCLAYS BANK PLC

)
)
)
)



Juana Huwaidi
Vice President