



Registration of a Charge

Company name: **LIBERTY STEEL DALZELL LTD**

Company number: **10071517**



X5Y0XJT6

Received for Electronic Filing: **13/01/2017**

Details of Charge

Date of creation: **03/01/2017**

Charge code: **1007 1517 0001**

Persons entitled: **ANCILE SECURITIES COMPANY LIMITED**

Brief description:

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **RICARDO MATTEO, SOLICITOR, HARPER MACLEOD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10071517

Charge code: 1007 1517 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd January 2017 and created by LIBERTY STEEL DALZELL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th January 2017 .

Given at Companies House, Cardiff on 16th January 2017

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

Bond and Floating Charge

by

Liberty Steel Dalzell Ltd

in favour of

Ancile Securities Company Limited

Ref: 452144

**HARPER MACLEOD LLP IS ONLY ADVISING ANCILE INVESTMENT COMPANY LIMITED
AND NO OTHER PARTY IN RESPECT OF THIS DOCUMENT. EACH OTHER PARTY
TO THIS DOCUMENT SHOULD TAKE THEIR OWN INDEPENDENT LEGAL ADVICE
BEFORE ENTERING INTO THIS DOCUMENT AS THE EXECUTION OF THIS DOCUMENT
WILL HAVE LEGAL EFFECT AND IMPLICATIONS**

HARPER MACLEOD LLP IS ONLY ADVISING ANCILE INVESTMENT COMPANY LIMITED AND NO OTHER PARTY IN RESPECT OF THIS DOCUMENT. EACH OTHER PARTY TO THIS DOCUMENT SHOULD TAKE THEIR OWN INDEPENDENT LEGAL ADVICE BEFORE ENTERING INTO THIS DOCUMENT AS THE EXECUTION OF THIS DOCUMENT WILL HAVE LEGAL EFFECT AND IMPLICATIONS

Bond and Floating Charge

by

Liberty Steel Dalzell Ltd, a company incorporated and registered in England (Registered Number: 10071517) and having its registered office at 7 Hertford Street, London, United Kingdom, W1J 7RH (the "**Company**"),

in favour of

Ancile Securities Company Limited, a company incorporated and registered in the Cayman Islands and having its registered office at c/o Genesis Trust & Corporate Services Limited, Elgin Avenue, George Town, Grand Cayman, Cayman Islands KY1-1106 (the "**Chargee**").

Background:

- (a) The Company has entered into an ISTISNA Agreement Concerning the Purchase of Converted Steel Products (Ref LTGP1 – SYIST/2015/029) with the Chargee, AICL and Liberty Trading Group Pte Limited as guarantor dated 3 September 2015, as amended on 29 February 2016 and 9 June 2016 (the "**Facility**").
- (b) The Company, has entered into an agreement concerning the purchase of converted steel products (Ref. LSDL1-SYMUR/2016/033) with the Chargee, AICL and Liberty Commodities Group PTE Limited as guarantor dated 7 December 2016 (the "**Purchase Agreement**").
- (c) The Chargee and the Company have also entered into a collateral management agreement with Drum Risk Limited in relation to goods in stock at the storage facility of the Company (the "**CMA Agreement**").
- (d) One of the conditions precedent to the entry of the Facility is the granting by the Company of Scottish law governed security over, inter alia, stock in the storage facility governed by the CMA Agreement, as set out in this Instrument.

It is agreed as follows:

1 Definitions And Interpretation

- 1.1 In this Instrument, and the foregoing recitals hereto, unless the context otherwise requires or permits, the following shall have the following meanings:

"**Act**" means the Companies Act 1985;

"**Administrator**" means any administrator appointed in respect of the Company (whether pursuant to this Instrument, pursuant to any statute, by a court or otherwise);

"**AICL**" means Ancile Investment Company Limited, a company incorporated and registered in the Cayman Islands and having its registered office at c/o Genesis Trust & Corporate Services Limited, Elgin Avenue, George Town, Grand Cayman, Cayman Islands KY1-1106;

"**Business Day**" means a day on which banks are generally open in the European Union and/or Geneva;

"Chargee Group" means the Chargee, any subsidiary, any holding company and any subsidiary of any such holding company within the meaning given to those terms in s1159 of the Companies Act 2006;

"Due Date" means, in respect of any Unpaid Sums, the date upon which Unpaid Sums first fell due;

"Enforcement Event" means any of the following events:

- (a) the Company has failed to pay all or any of the Secured Liabilities in accordance with Clause 2.1;
- (b) any breach of the terms of this Instrument by the Company;
- (c) the occurrence of any event, howsoever described, which entitles the Company to accelerate, or demand repayment of, the Secured Liabilities (or any part thereof) and/or declare any Security granted in respect of the Secured Liabilities (or any part thereof) enforceable;
- (d) any Event of Default; and/or
- (e) the occurrence of an Insolvency Event;

"Event of Default" has the meaning given to it in the Purchase Agreement;

"Financial Collateral" shall have the meaning given to that expression in the Financial Collateral Regulations;

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I. 2003 No. 3226);

"Insolvency Act" means the Insolvency Act 1986;

"Insolvency Event" means:

- (a) any application, notice, resolution or order being made, passed or given for or in connection with the winding up, liquidation, dissolution, administration or reorganisation of the Company;
- (b) the Company becoming subject to any insolvency, reorganisation, receivership (whether relating to all or only some of its assets), administration, liquidation, dissolution or other similar proceedings, whether voluntary or involuntary and whether or not involving insolvency;
- (c) the appointment of an Insolvency Representative in respect of the Company and/or any of its assets;
- (d) the Company assigning all or any of its assets for the benefit of its creditors generally (or any class thereof) or entering into any composition or arrangement with its creditors generally or any arrangement being ordered or declared by a court of competent jurisdiction whereby all or any of its affairs and/or assets are submitted to the control of, or are protected from, its creditors;
- (e) the Company becoming subject to any distribution of its assets in consequence of insolvency, reorganisation, liquidation, dissolution or administration; or
- (f) any event analogous to any of the foregoing occurring in relation to the Company or any of its assets in any jurisdiction;

"Insolvency Representative" means any liquidator, administrator, receiver and manager, administrative receiver, custodian, trustee or any similar officer in any jurisdiction;

"Instrument" means this bond and floating charge;

"Insurances" means the Company's interest in all contracts and policies of insurance which are from time to time taken out or effected by or on behalf of the Company in connection with the Secured Assets;

"Inventory" means the goods now or from time to time in storage at the storage facility which is a site of the Company located at Park Street, Motherwell, ML1 1PU, Scotland, United Kingdom which have been financed with the funds available from the Facility;

"Late Delivery Charge" means, in respect of an Unpaid Sum, a sum equal to

(a) such Unpaid Sum;

multiplied by

(b) 0.084;

multiplied by

(c) the number of days that have elapsed since the Due Date in respect of the Unpaid Sum divided by 360;

"Receiver" means any receiver or administrative receiver appointed in respect of the Secured Assets (whether pursuant to this Instrument, pursuant to any statute, by a court or otherwise) and includes (without limitation) joint receivers and joint administrative receivers;

"Secured Assets" means the Inventory;

"Secured Liabilities" means all present and future obligations and liabilities whatsoever (whether actual or contingent, whether owed jointly or severally and whether as principal or surety or in any other capacity whatsoever) of the Company to the Chargee (and whether originally owing to the Chargee or purchased or acquired by the Chargee) together with any of the following matters relating to, or arising in respect of, those liabilities and obligations:

(a) any refinancing, novation, deferral or extension;

(b) any claim for damages or restitution; and

(c) any claim as a result of any recovery by the Borrower of a payment or discharge on the grounds of preference,

and any amounts which would be included in any of the above but for any discharge, non-provability or unenforceability of those amounts in any insolvency or other proceedings;

"Secured Liabilities Discharge Date" means the date on which the Secured Liabilities have been unconditionally and irrevocably and fully and completely paid and/or discharged to the satisfaction of the Chargee and no further Secured Liabilities are capable of becoming outstanding;

"Security" means a mortgage, charge (fixed or floating), standard security, assignation in security, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Financial Collateral Arrangements" shall have the meaning given to that expression in the Financial Collateral Regulations; and

"Unpaid Sum" has the meaning given to it in clause 2.2;

- 1.2 References in this Instrument to a "fixed security" shall be construed as a reference to a fixed security as defined by Section 486 of the Act as in force at the date of this Instrument.
 - 1.3 Reference to any statute or statutory provision shall include a reference to any statute or statutory provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute or statutory provision.
 - 1.4 References to **"including"** shall not be construed as limiting the generality of the words preceding it.
 - 1.5 Any reference in this Instrument to a document of any kind whatsoever (including, without limitation, this Instrument) is to that document as amended, varied, supplemented, novated or substituted from time to time.
 - 1.6 Words importing persons shall include individuals, firms, partnerships, corporations, governments, governmental bodies and departments, authorities, agencies, unincorporated bodies of persons or associations and any other organisations having legal capacity.
 - 1.7 The singular includes the plural and vice versa and any gender includes all genders.
 - 1.8 The clause headings are inserted for convenience and shall not affect the construction of this Instrument.
 - 1.9 References to Clauses are references to the relevant clause in this Instrument.
 - 1.10 References to persons shall include their respective successors and permitted assignees and permitted transferees.
 - 1.11 Reference to the **"winding-up"** of a person also includes the amalgamation, reconstruction, reorganisation, insolvency, bankruptcy, sequestration, administration, dissolution, provisional liquidation, liquidation, receivership, merger or consolidation of that person, the entering into of a scheme of arrangement of affairs, voluntary arrangement or trust deed for creditors (or other composition in satisfaction of debts) in respect of that person, the appointment of an administrator, receiver, trustee in sequestration, judicial factor or any other equivalent officer in any jurisdiction in respect of that person, and any other analogous procedure under the law of any jurisdiction which has a similar effect to the foregoing.
 - 1.12 Unless the context otherwise requires, a reference to a Secured Asset includes:
 - 1.12.1 any part of that Secured Asset; and
 - 1.12.2 the proceeds of that Secured Asset.
- 2 Bond**
- 2.1 The Company undertakes to the Chargee that it will pay and discharge to the Chargee (or to such other person as the Chargee may direct) all of the Secured Liabilities on demand in writing when the same are due.
 - 2.2 The Company agrees that if it shall fail to pay and discharge any part of the Secured Liabilities when due (an **"Unpaid Sum"**) then the Late Delivery Charge in respect of the Unpaid Sum will apply, and be added to, the Unpaid Sum (after as well as before decree and payable on demand).

- 2.3 A certificate signed by or on behalf of the Chargee as to the amount, calculation or nature of the Secured Liabilities or any part of it will, in the absence of manifest error, be conclusive and binding on the Company.

3 Floating Charge

- 3.1 The Company, as security for the payment and discharge of all the Secured Liabilities, hereby grants in favour of the Chargee a floating charge over the Secured Assets.
- 3.2 Paragraph 14(2)(a) of Schedule B1 to the Insolvency Act shall apply to the floating charge created by this Instrument which is a "qualifying floating charge" for the purpose of paragraph 14(1) of Schedule B1 of the Insolvency Act.

4 Ranking

- 4.1 The Company agrees that, except with the prior written consent of the Chargee, it shall be prohibited from granting or creating subsequent to the date of this Instrument, any fixed security or any other floating charge having priority over or ranking pari passu with the floating charge created by this Instrument, otherwise than in favour of the Chargee.
- 4.2 The floating charge created by this Instrument shall, if the Company grants another charge in breach of Clause 4.1, subject to section 464(2) of the Act, rank in priority to any other fixed security which shall be created by the Company after its execution of this Instrument (other than a fixed security in favour of the Chargee) and to any other floating charge which shall be created by the Company after its execution of this Instrument and (subject as aforesaid) no such fixed security or other floating charge shall rank in priority to or equally with the floating charge hereby created by it.

5 Undertakings

- 5.1 The Company hereby represents and warrants to the Chargee as follows:-
- 5.1.1 the documents which contain or establish the Company's constitution include provisions which give power, and all necessary corporate authority has been obtained and action taken, for the Company to grant the floating charge hereby created and to execute, deliver and perform the undertakings and obligations contained in this Instrument;
- 5.1.2 this Instrument constitutes legal, valid and binding obligations of the Company enforceable in accordance with their terms; and
- 5.1.3 the Company's execution and delivery of this Instrument and the Company's performance of any of the undertakings or obligations contained in this Instrument do not, and will not, conflict with:
- 5.1.3.1 any law or regulation applicable to it;
- 5.1.3.2 its constitutional documents; and/or
- 5.1.3.3 any agreement, deed, certificate, instrument or other document whatsoever binding upon it or any of its assets or constitute a default or termination event (howsoever described) thereunder.
- 5.2 Except as the Chargee may otherwise agree in writing, the Company hereby undertakes that it shall:
- 5.2.1 carry on and conduct its business and affairs in a proper and efficient manner;

- 5.2.2 not make any substantial alteration in the nature of, or mode of conduct of, its business;
- 5.2.3 not sell, transfer, assign, lease, hire out, lend, discount, factor, charge or otherwise dispose of, deal in or remove all or any of the Secured Assets save for in the ordinary course of business;
- 5.2.4 keep, or cause to be kept, proper books of account relating to its business;
- 5.2.5 permit the Chargee or any person authorised by the Chargee to have access to and inspect free of charge its company books;
- 5.2.6 not pull down or remove the whole or any part of any buildings forming part of the Secured Assets or sever or unfix or remove any of the fixtures attaching to them nor (except for the purposes of effecting necessary repairs or of replacing any of them with new or improved models or substitutes) remove any of the plant and machinery belonging to or used by the Company;
- 5.2.7 keep all of the Secured Assets in good and sufficient repair and all plant and machinery and other moveable property in good working order and condition and, as and when requisite (whether by reason of an original or inherent defect, obsolescence, destruction or otherwise), rebuild, renew and replace the same;
- 5.2.8 not grant or agree to grant any tenancy or licence affecting all or any of the Secured Assets or grant or agree to grant a lease of, or accept a surrender of a lease or tenancy of, all or any part of them;
- 5.2.9 not become cautioner, guarantor or surety for any person, firm or company;
- 5.2.10 not undertake any obligation to any third party whereby its rights to recover or take payment of any monies due or which may become due to it from any debtor of it are postponed or subordinated to the claims of such third party;
- 5.2.11 pay (and indemnify the Chargee, any Receiver and any Administrator against) all rents, rates, taxes, levies, assessments, impositions and outgoings whatsoever (whether imposed by agreement, statute or otherwise, whether in the nature of capital or revenue and even if wholly novel and whether governmental, municipal or otherwise) which may be imposed upon or payable in respect of the Secured Assets as and when the same shall become payable, taking into account agreed periods of grace (if any), and also punctually pay and discharge all debts and obligations which by law may have priority over the floating charge created by this Instrument;
- 5.2.12 maintain its centre of main interests (COMI) for the purposes of the Council Regulation (EC) No 1346/2000 on Insolvency Proceedings, in the United Kingdom;
- 5.2.13 not transfer, factor, discount, sell, assign, release, compound, subordinate, defer, or vary the terms of any book or other debts or moneys for the time being due, owing or payable to the Company, or otherwise deal with the same except in the usual course of business;
- 5.2.14 subject always to Clause 5.2.13, promptly get in and realise in the ordinary course of its trade or business all its book debts apart from balances standing to the credit of any account with any bank or financial institution;
- 5.2.15 observe and perform, in all respects, all restrictive and other covenants, stipulations and burdens for the time being affecting its heritable, freehold and leasehold property and the mode of use and the enjoyment of the same and affecting its moveable and personal property and its ancillary and connected rights and will not, without the prior consent in writing of the Chargee, enter into any

onerous or restrictive obligations with regard thereto, make any structural or material alteration thereto, suffer to be done on any such property anything which is a "development" as defined in Section 55 of the Town and Country Planning Act 1990 or Section 26 of the Town and Country Planning (Scotland) Act 1997 as from time to time amended and/or do, suffer and/or omit to be done any act, matter and/or thing whereby any provisions of any Act of Parliament, order or regulation whatsoever from time to time in force affecting such property and/or rights shall be infringed;

5.2.16 not negotiate, compromise, abandon or settle any claim for compensation (whether payable under any enactment or otherwise) or any claim under any Insurances in respect of any land or buildings for the time being (or an interest in which for the time being is) comprised in the Secured Assets or any other material compensation, insurance or other claim; and

5.2.17 not do or cause or permit to be done, nor omit to do, or allow the omission of, anything which may in any way materially and adversely depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Secured Assets or the Security hereby constituted.

5.3 The Company undertakes to comply to the satisfaction of the Chargee with the following obligations in respect of insurance:

5.3.1 the Company hereby undertakes, at its own expense, to insure and keep insured in its own name and in such manner as to protect the interests of the Chargee as the Chargee may require all of the Secured Assets whatsoever of an insurable nature with reputable underwriters or insurers against loss or damage by fire, civil commotion, explosion, earthquake, landslip heave, aircraft and articles dropped therefrom, flood, storm, lightning, burst pipes, theft, malicious damage, impact and such other risks and contingencies as the Chargee shall from time to time request to the full replacement value thereof from time to time, including, without limitation, architects', surveyors' and engineers' fees and all other professional fees and demolition charges and to maintain such other insurance policies containing like provisions for the protection of the Chargee as are required by law or are normally maintained by prudent companies carrying on similar businesses;

5.3.2 the Company undertakes, if the Chargee in any case so requires, to use its best endeavours to obtain the agreement of the insurers not to cancel any such policy without first giving fourteen days' notice in writing to the Chargee and to obtain confirmation in writing from the insurer that a breach by the Company will not vitiate the policy in respect of the Chargee's interest or affect the Chargee's right to claim under the policy;

5.3.3 the Company undertakes to punctually pay all premiums and other sums payable in respect of all insurances effected by the Company, to comply with all warranties or other requirements relating thereto, and to produce to (or, if required, deposit with) the Chargee on demand all or any of the relevant policies and the receipts for the last premiums payable thereunder; and

5.3.4 the Company undertakes to hold any moneys payable to or received by the Company in respect of any Insurance (whether maintained under any statutory provision, this Instrument or otherwise) upon trust to apply them in replacing or repairing the property or assets in respect of which the moneys are received in accordance with the Chargee's instructions.

5.4 The Company hereby undertakes to notify the Chargee immediately in writing:

5.4.1 of its acquisition of any heritable, freehold or leasehold property and if required to do so by the Chargee, deposit with the Chargee during the continuance of this Instrument all charges and documents of title relating to that property;

5.4.2 in the event of any creditor executing diligence against the Company and/or the Secured Assets (whether effectual or not) or any distress or execution being levied or enforced against the Company or any third party debt order or freezing order being made and served on the Company; and

5.4.3 if any steps (including, without limitation, the making of an application or the giving of any notice) are taken by any person (including, without limitation, the Company) in respect of an Insolvency Event in relation to the administration, receivership, winding-up or dissolution of the Company,

immediately upon the occurrence thereof.

5.5 If the Company for any reason fails to observe or punctually to perform any of its obligations to the Chargee hereunder, the Chargee shall have power but shall not be obliged, on behalf of or in the name of the Company or otherwise and at the Company's expense, to perform the relevant obligation and to take any steps which the Chargee may, in its absolute discretion, consider appropriate with a view to remedying or mitigating the consequences of the failure, but so that the exercise of this power, or the failure to exercise it, shall in no circumstances prejudice the Chargee's rights under this Instrument.

6 Payments

6.1 All sums payable by the Company hereunder shall be paid in full to the Chargee (or to such other person as the Chargee may direct) without any set off or counterclaim whatsoever and, except to the extent compelled by law, without any withholding or deduction. Where the Company is required by law to make any withholding or deduction, it shall pay to the Chargee such additional sums to the extent necessary to ensure that the Chargee receives on the due date a sum equal to the sum which it would have received had there been no such withholding or deducting. If the Chargee subsequently receives a credit which is referable to the increased payment and which enhances its position, then it will reimburse the Company sufficient to redress the position up to the lower of (a) the increased payment and (b) the amount received, so long as doing so does not prejudice receipt or retention of such credit.

6.2 The Chargee may:-

6.2.1 refrain from applying or enforcing any other moneys, Security or rights held or received by it in respect of the Secured Liabilities or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same; and/or

6.2.2 hold in an interest bearing account any money received from the Company or on account of the Company's liability under this Instrument without any immediate obligation to apply such monies or any part thereof in or towards discharge of any of the Secured Liabilities.

6.3 All payments to be made under this Instrument shall be made in the currency or currencies in which the relevant Secured Liabilities are expressed to be payable by the Company.

7 Enforcement

7.1 In addition to the Chargee's statutory rights, at any time following the occurrence of an Enforcement Event, the floating charge created pursuant to this Instrument shall be immediately enforceable and the power to appoint an Administrator or (subject, if applicable, to Section 72A of the Insolvency Act) a Receiver of the Secured Assets shall be immediately enforceable and exercisable in relation to the Security created by the Company by or pursuant to this Instrument, and the Chargee may then by instrument in writing appoint any person or persons (if more than one with power to act both jointly and severally) to be an Administrator or a Receiver of the Secured Assets. In addition, and without prejudice to the foregoing provisions of this Clause 7.1, in the event that any person appointed to be an

Administrator or a Receiver as aforesaid shall be removed by a Court or shall otherwise cease to act as such, then the Chargee shall be entitled so to appoint another person as an Administrator or Receiver in his place.

7.2 An Administrator appointed hereunder shall have and be permitted to exercise, in addition to and without limiting all of the powers of an administrator under the Insolvency Act, all the powers of a receiver under Schedule 2 of the Insolvency Act and a Receiver appointed in terms of this Instrument shall have and be entitled to exercise, in addition to and without limiting all the powers of a receiver and an administrative receiver under the Insolvency Act, all the powers of an administrator and an administrative receiver set out in Schedule 1 of the Insolvency Act, together with (in either case) the power to exercise any powers or rights incidental to ownership of the Secured Assets, including, without limitation, (as regards shares and other securities) any voting rights or rights of enforcing the same together with power to:

- 7.2.1 implement and exercise all and any of the Company's powers and rights and obligations under any contract or other agreement forming part of the Secured Assets;
- 7.2.2 make any arrangement or compromise which he shall think expedient of, or in respect of, any claim by or against the Company;
- 7.2.3 promote or procure the formation of any new company or corporation;
- 7.2.4 subscribe for or acquire for cash or otherwise any share capital of such new company or corporation in the name of the Company and on its behalf and/or in the name(s) of a nominee(s) or trustee(s) for it;
- 7.2.5 sell, feu, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise the Secured Assets or any part thereof to any such new company or corporation and accept as consideration or part of the consideration therefor in the name of the Company and on its behalf and/or in the name(s) of any nominee(s) or trustee(s) for it any shares or further shares in any such company or corporation or allow the payment of the whole or any part of such consideration to remain deferred or outstanding by way of loan or debt or credit;
- 7.2.6 sell, feu, assign, transfer, exchange, hire out, grant leases of or otherwise dispose of or realise on behalf of the Company any such shares or deferred consideration or part thereof or any rights or benefits attaching thereto;
- 7.2.7 convene a meeting of the members of the Company;
- 7.2.8 acquire any property on behalf of the Company; and
- 7.2.9 do all such other acts and things as he may consider necessary or desirable for protecting or realising the Secured Assets, or any part thereof, or incidental or conducive to any of the matters, powers or authorities conferred on an Administrator or a Receiver under or by virtue of or pursuant to this Instrument and exercise in relation to the Secured Assets, or any part thereof, all such powers and authorities and do all such things as he would be capable of exercising or doing if he were the absolute beneficial owner of the same and use the name of the Company for all and any of the purposes aforesaid.

7.3 To the extent that any Secured Assets constitute Financial Collateral and are subject to a Security Financial Collateral Arrangement created by or pursuant to this Instrument, the Chargee shall have the right, at any time after this Instrument becomes enforceable, to appropriate all or any part of those Secured Assets in or towards the payment or discharge of the Secured Liabilities. The value of any Secured Assets appropriated in accordance with this Clause 7.3 shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such

other method as the Chargee may select (including, without limitation, independent valuation). the Company agrees that the methods of valuation provided for in this Clause 7.3 are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations. To the extent that any Secured Assets constitute Financial Collateral, the Company agrees that such Secured Assets shall be held or designated so as to be under the control of the Chargee for all purposes of the Financial Collateral Regulations.

8 Office Of Receiver

8.1 Any Receiver appointed under Clause 7 shall be the agent of the Company for all purposes and (subject to the provisions of the Insolvency Act) the Company alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for Secured Liabilities incurred by him and for his remuneration and his costs, charges and expenses and the Chargee shall not incur any liability therefor (either to the Company or any other person) by reason of the Chargee making his appointment as such Receiver or for any other reason whatsoever.

8.2 Any Receiver appointed under Clause 7 shall be entitled to remuneration for his services and the services of his firm appropriate to the responsibilities involved. Such remuneration shall be payable by the Company alone and the amount of such remuneration shall form part of the Secured Liabilities and accordingly be secured on the Secured Assets under the floating charge constituted by this Instrument.

9 Application of Security Proceeds

9.1 All monies received by the Chargee in terms of this Instrument shall be applied in the following order of priority:

9.1.1 first, in or towards payment of or provision for all costs, charges and expenses properly incurred by the Chargee;

9.1.2 second, towards application of the Secured Liabilities in such order and manner as the Chargee sees fit; and

9.1.3 third, in payment of the surplus (if any) to the Company or other person entitled to it.

9.2 Clause 9.1 is subject to the payment of any claims having priority over this Instrument.

9.3 Clause 9.1 does not prejudice the right of the Chargee to recover any shortfall from the Company.

10 Protection of Third Parties

No person (including, without limitation, a purchaser) dealing with the Chargee or its agents will be concerned to enquire:

10.1 whether the Secured Liabilities have become payable;

10.2 whether any power which the Chargee is purporting to exercise has become exercisable or is being properly exercised;

10.3 whether any money remains due in respect of the Secured Liabilities; or

10.4 how any money paid to the Chargee is to be applied.

11 Further Assurance

The Company shall execute and do all such assurances, acts and things as the Chargee may require for perfecting or protecting the Securities created by or pursuant to this Instrument over the Secured Assets or for facilitating the realisation of such assets and the exercise of all powers, authorities and discretions vested in the Chargee and shall, in particular (but without prejudice to the generality of the foregoing), execute all fixed securities, floating charges, assignments, Securities, transfers, dispositions and assurances of the Secured Assets whether to the Chargee (or its nominee) or otherwise and give all notices, orders and directions which the Chargee may think expedient.

12 Protection of Security

- 12.1 The Security created by this Instrument shall be a continuing security notwithstanding any intermediate payment or satisfaction of the Secured Liabilities and shall remain in full force and effect and may not be revoked until the Secured Liabilities Discharge Date has occurred. As soon as practicable following the Secured Liabilities Discharge Date, the Chargee shall execute and deliver, at the cost of the Company, a release of this Instrument and retrocess to the Company the Secured Assets.
- 12.2 The Security created by this Instrument shall be in addition to and shall not in any way prejudice or be prejudiced by any other Security, right or remedy which the Chargee may now or at any time hereafter hold for all or any part of the Secured Liabilities.
- 12.3 No failure on the part of the Chargee to exercise and no delay on its part in exercising any right, remedy, power or privilege under or pursuant to this Instrument or any other document relating to or securing all or any part of the Secured Liabilities will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies provided in this Instrument and any such other document are cumulative and not exclusive of any right or remedies provided by law.
- 12.4 Each of the provisions in this Instrument shall be severable and distinct from one another and if at any time any one or more of such provisions is or becomes or is declared null and void, invalid, illegal or unenforceable in any respect under any law or otherwise howsoever, the validity, legality and enforceability of the remaining provisions of this Instrument shall not in any way be affected or impaired thereby.
- 12.5 Neither the Security created by this Instrument nor the rights, powers, discretions and remedies conferred upon the Chargee by this Instrument or by law shall be discharged, impaired or otherwise affected by reason of:
 - 12.5.1 any increase in or waiver or discharge of the Secured Liabilities;
 - 12.5.2 any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which the Chargee may have now or in the future from or against the Company or any other person in respect of any of the Secured Liabilities;
 - 12.5.3 any act or omission by the Chargee or any other person in taking up, perfecting or enforcing any Security or guarantee from or against the Company or any other person or the invalidity or unenforceability of any such Security or guarantee;
 - 12.5.4 any amendment, variation, restatement or supplement of or to, or novation, transfer or termination (in whole or in part) of, any document relating to the Secured Liabilities or any exercise by the Chargee (in its absolute discretion) of its rights to refuse, grant, continue, vary, review, determine or increase any credit or facilities to the Company;
 - 12.5.5 any grant of time, indulgence, waiver or concession by the Chargee to the Company or any other person;

- 12.5.6 any arrangement or compromise entered into between the Chargee and the Company or any other person;
 - 12.5.7 the winding-up, incapacity, limitation, disability, discharge by operation of law or any change in the constitution, name and/or style of the Company;
 - 12.5.8 the invalidity, illegality, unenforceability, irregularity or frustration of the Secured Liabilities or any other obligations of the Company;
 - 12.5.9 any legal limitation, disability, incapacity or similar circumstances relating to the Company;
 - 12.5.10 any claim or enforcement of payment from the Company;
 - 12.5.11 the existence of any claim, set-off or other right which the Company may have at any time against any person, whether in connection with the Secured Liabilities or otherwise; or
 - 12.5.12 any other act or omission done or omitted by any person which but for this provision might operate to exonerate or discharge or otherwise reduce or extinguish the Company's liability under this Instrument.
- 12.6 The Chargee shall not be obliged, before exercising any of the rights, powers or remedies conferred upon it by or pursuant to this Instrument or by law, to:
- 12.6.1 take any action or obtain judgement or decree in any court against the Company; or
 - 12.6.2 make or file any claim to rank in a winding-up of the Company.

13 Power of Attorney

- 13.1 The Company hereby irrevocably appoints the Chargee to be its mandatory and attorney for it and on its behalf and in its name or otherwise and as such to do all such things as the Company is obliged to do under and in terms of this Instrument but has not done and to create or constitute, or to make any alteration or addition or deletion in or to, any documents which the Chargee (or its nominee) may require for perfecting or protecting the title of the Chargee to the Secured Assets or for vesting any of the Secured Assets in the Chargee (or its nominee) or any purchaser and otherwise generally to sign, seal and deliver and perfect any transfer, disposition, assignation and/or assurance or any writing, document or act which may be required or may be deemed proper by the Chargee on or in connection with any sale, lease, disposition, realisation, getting in or other enforcement by the Chargee of all or any of the Secured Assets.
- 13.2 The Company hereby ratifies and confirms and agrees to ratify and confirm whatever any such mandatory or attorney shall do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Clause 13.

14 Examination of Secured Assets

- 14.1 At any time following the occurrence of an Enforcement Event, the Company shall permit the Chargee and any persons appointed by it, during normal business hours and following receipt of reasonable prior notice in writing, to enter in or upon the property of or premises used or occupied by the Company or any part thereof at all times:
- 14.1.1 to view the state and condition thereof or of any buildings, fixtures, fittings (including, without limitation, trade fixtures and fittings) or any plant and machinery;

- 14.1.2 in the event of the Company failing to comply with any undertaking or obligation hereunder, to execute any works and do anything thereon necessary to ensure such compliance; and
- 14.1.3 in the event of the Company failing so to do, to comply with any order, direction, requisition, permission, notice or other matter and to do all acts and things necessary or proper for complying therewith.
- 14.2 At any time following the occurrence of an Enforcement Event, the Company shall permit the Chargee and any persons appointed by it, during normal business hours and following receipt of reasonable prior notice in writing, full access to the Secured Assets to carry out any survey, inspection, assessment or review of the Secured Assets and shall permit an inspection to be made and copies and extracts to be taken of books, accounts, records and documents relating to the Secured Assets or the undertakings and obligations of the Company under this Instrument and any costs, fees and expenses properly incurred by the Chargee in connection with all such inspection, assessment or review shall be payable by the Company.
- 14.3 At any time following the occurrence of an Enforcement Event, the Company shall at its own cost, if requested by the Chargee, appoint such persons as the Chargee may specify to investigate or review the financial affairs or operations of the Company and report thereon to the Chargee.
- 15 **Costs and expenses**
- 15.1 The Company shall pay, on a full indemnity basis, immediately on demand, all costs, charges, expenses and liabilities incurred by the Chargee or to be incurred by the Chargee or any attorney, manager, agent or other person appointed by the Chargee in connection with the preparation, negotiation, completion, execution, registration, perfection, modification, amendment, issue of waivers and consents under, enforcement and/or attempted enforcement, preservation of rights under, exercise or purported exercise of rights under or decision as to whether to exercise rights under, assignation, release or discharge of this Instrument or actions, proceedings or claims in respect of this Instrument and/or the Secured Assets which costs, charges and expenses shall form part of the Secured Liabilities.
- 16 **Set-Off**
- 16.1 The Company agrees that any monies from time to time standing to its credit on any account (whether current, deposit, loan or of any other nature whatsoever) with the Chargee may be retained as cover for and/or applied by the Chargee at any time and without notice to the Company (whether on or before or after the expiry of any fixed or minimum period for which such monies may have been deposited) in or towards payment or satisfaction of any monies or liabilities due, owing or incurred by the Company to the Chargee in any manner, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety (or guarantor or cautioner) or in any other way whatsoever.
- 16.2 If the Chargee exercises any rights in respect of any monies as referred to in Clause 16.1 (including, without limitation, any rights of set-off, accounting or retention or similar rights) in relation to any liability of the Company and that liability or any part of it is in a different currency from any credit balance against which the Chargee seeks to exercise its rights, the Chargee may use the currency of the credit balance to purchase an amount in the currency of the liability at the then prevailing the Chargee spot rate of exchange and to pay out of the credit balance all costs, charges and expenses incurred by the Chargee in connection with that purchase.
- 16.3 The Chargee shall not be liable for any loss of interest caused by the determination before maturity of any deposits or any loss caused by the fluctuation in any exchange rate at which any currency may be bought or sold by the Chargee.

17 Avoidance of Payments

- 17.1 Any amount which has been paid by the Company to the Chargee and which is, in the opinion of the Chargee, capable of being reduced or restored or otherwise avoided, in whole or in part, by virtue of any applicable law relating to insolvency for the time being in force shall not be regarded as having been irrevocably paid for the purposes of this Instrument.
- 17.2 Any settlement, discharge or release of this Instrument and/or the Secured Liabilities granted by the Chargee to the Company shall be conditional upon no Security or payment to the the Chargee by the Company or any other person or any other transaction with any such person being terminated, avoided or reduced by virtue of any applicable law relating to insolvency for the time being in force. If that happens, the the Chargee shall be entitled to recover the Secured Liabilities from the Company and enforce this Instrument as if the settlement, discharge or release had not been given.

18 Notices

- 18.1 Any demand or notice given to the Company under this Instrument may be by letter addressed to the Company or any officer of the Company sent by first class post, or hand delivered, to the Company's address last known to the Chargee or to the Company's registered office.
- 18.2 If sent by post, the demand or notice will be taken to have been made or given at noon the second day following the day the letter was posted.
- 18.3 Unless otherwise advised by the the Chargee any notices given by the Company to the Chargee under this Instrument will be delivered to the Chargee by hand delivery or by registered post at:

C/o INOKS CAPITAL SA
32, Rue de l'Athénée,
120 Geneva Switzerland

19 Delegation

- 19.1 The Chargee may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Instrument.
- 19.2 Any such delegation may be made upon any terms (including, without limitation, power to sub-delegate) which the Chargee may think fit.
- 19.3 The Chargee will not be in any way liable or responsible to the Company for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate other than to the extent which the same is caused by the wilful default or gross negligence of any such delegate or sub-delegate.

20 Changes to the Parties

- 20.1 The Chargee may assign, transfer or otherwise dispose of all or any part of its right, title and/or interest in and to, and/or any of its obligations or liabilities under, this Instrument to any person at any time.
- 20.2 The Company shall not be entitled to assign, transfer or otherwise dispose of all or any part of its right, title and/or interest in and to, nor any of its obligations or liabilities under, this Instrument.

21 Further Assurance

- 21.1 The Company (at its own cost) will on demand by writing in the Chargee execute and deliver (in such form as the Chargee may reasonably require) such deeds, documents, agreements

and instruments and will otherwise do and concur in all such other acts and things as the Chargee may deem necessary for perfecting, preserving or protecting the security created (or intended to be created) by this Instrument or for facilitating the realisation of the Assets charged by this Instrument or the exercise of any rights of the Chargee hereunder.

22 Miscellaneous

22.1 the Chargee may disclose any information in its possession relating to the Company to its advisers or any applicable regulatory authority.

22.2 The Chargee will be entitled to disclose to any member of the Chargee Group, its auditors, advisors or applicable regulatory authority or any other person that enters or proposes to enter into any trust or contractual arrangements with the Chargee in relation to the Facility confidential information concerning this Instrument or any arrangement made in connection with this Charge

22.3 If any subsequent charge or other interest affects any Secured Asset in breach of the terms of this Instrument, the Chargee may open a new account with the Company. If the Chargee does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest. As from that time all payments made to the Chargee will be credited or be treated as having been credited to the new account and will not operate to reduce the Secured Liabilities.

23 Registration

The Company consents to the registration for preservation and execution in the Books of Council and Session of this Instrument and of any certificate referred to in Clause 2.2 hereof.

24 Governing Law

24.1 This Instrument and any dispute or claim arising out of, or in connection with, it or its subject matter or formation (including, without limitation, non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of Scotland.

24.2 The Company irrevocably agrees that, subject as provided below, the courts of Scotland shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this Instrument or its subject matter or formation (including, without limitation, non-contractual disputes or claims). Nothing in this Clause 24 shall limit the right of the Chargee to take proceedings against the Company in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction.

IN WITNESS WHEREOF these presents consisting of this and the preceding ¹⁵~~10~~ pages are subscribed as follows:

Subscribed for and on behalf of Liberty Steel
Dalzell Ltd

by



Director

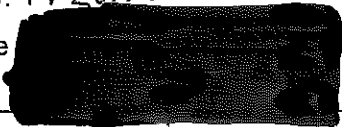
SANJEEV GUPTA

Full Name (Please Print)

at LONDON

on 3.1.2017

before



Witness

JAMES WATERMAN

Full Name (Please Print)

73A HAVERHILL ROAD

Address

LONDON SW12 0HE