



**Registration of a Charge**

Company Name: **FEDERAL-MOGUL LIMITED**

Company Number: **00163992**



Received for filing in Electronic Format on the: **22/08/2023**

XCAGOR2H

**Details of Charge**

Date of creation: **18/08/2023**

Charge code: **0016 3992 0017**

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

Brief description:

**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: **NORTON ROSE FULBRIGHT LLP**



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

Company number: 163992

Charge code: 0016 3992 0017

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th August 2023 and created by FEDERAL-MOGUL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd August 2023 .

Given at Companies House, Cardiff on 23rd August 2023

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**

# WHITE & CASE

**Dated 18 August 2023**

## **Debenture**

between

**The Companies listed in Part 1 of Schedule 1**  
as Chargors

**The Company listed in Part 2 of Schedule 1**  
as Shareholder Chargor

and

**Citibank, N.A.**  
as Collateral Agent

*I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the electronic copy of the original instrument.*

*Norton Rose Fulbright LLP*

**Date:** 18 August 2023

White & Case LLP  
5 Old Broad Street  
London EC2N 1DW

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This **Debenture** is dated 18 August 2023 (the “**Deed**”) and made between:

- (1) **THE PERSONS** listed in Part 1 of Schedule 1 (*The Chargors*) (each a “**Chargor**” and together the “**Chargors**”);
- (2) **THE PERSON** listed in Part 2 of Schedule 1 (*The Shareholder Chargor*) (the “**Shareholder Chargor**”); and
- (3) **CITIBANK, N.A.**, as collateral agent and as security trustee for the Secured Parties (the “**Collateral Agent**”).

**Background:**

- (A) By an asset based credit agreement dated 6 April 2023 and made between, amongst others, Pegasus Holdings III, LLC as Holdings, Tenneco Inc. as the U.S. Borrower, the Lenders (as defined therein), the Issuing Banks (as defined therein) and Citibank, N.A. as Administrative Agent and Collateral Agent, as may be amended, amended and restated, supplemented, restructured or otherwise modified, renewed or replaced from time to time, (the “**ABL Credit Agreement**”), the Lenders (as defined therein) have agreed to provide revolving credit and term facilities to the Borrowers (as defined therein) on the terms of the ABL Credit Agreement.
- (B) By a first lien credit agreement originally dated 17 November 2022 (as amended on 28 February 2023 and 6 April 2023) and originally made between, amongst others, Pegasus Holdings III, LLC as Holdings, Tenneco Inc. as Borrower and Citibank, N.A. as Administrative Agent and Collateral Agent, as may be amended, amended and restated, supplemented, restructured or otherwise modified, renewed or replaced from time to time, (the “**First Lien Credit Agreement**”), the Lenders (as defined therein) have agreed to provide facilities to the Borrower (as defined therein) on the terms of the First Lien Credit Agreement.
- (C) By an indenture dated on or around the date hereof and made between, amongst others, the Chargors, the Shareholder Chargor, Tenneco Inc. (the “**Issuer**”) and Wilmington Trust, National Association as Trustee (the “**Indenture**”), the Issuer issued 8.00% senior secured notes due 2028 on or around the date hereof (the “**Notes**”), which are guaranteed by the Chargors and the Shareholder Chargor, in each case, pursuant to the Indenture. In connection with the issuance of the Notes, the Issuer, the Chargors, the Shareholder Chargor and BofA Securities, Inc. (as representative of the Purchasers (as defined therein)) entered into a purchase agreement dated 15 August 2023 (the “**Purchase Agreement**”).
- (D) A first lien/first lien intercreditor agreement was entered into on 17 November 2022 and amended on 6 April 2023 between, amongst others, the Collateral Agent, Citibank, N.A., as the Authorized Representative and Bank of America, N.A., as the Initial Other Authorized Representative, as amended, restated, supplemented, replaced or otherwise modified from time to time, including by an other first lien secured party consent dated on or around the date hereof between, amongst others, the Issuer, Wilmington Trust, National Association as Trustee under the New Agreement (as defined therein), and the Collateral Agent (the “**First Lien/First Lien Intercreditor Agreement**”).
- (E) A debenture was entered into on 25 April 2023, between the Chargors, the Shareholder Chargor and the Collateral Agent, pursuant to which the Chargors and the Shareholder Chargor secured, amongst others, their “Obligations” as defined in the First Lien Credit Agreement (the “**Existing Debenture**”).
- (F) Pursuant to the Indenture and the Purchase Agreement, the Chargors are required to deliver this Deed. This is a “**U.K. Security Document**” as defined in the Indenture.
- (G) Pursuant to the First Lien/First Lien Intercreditor Agreement, each of the Secured Parties appointed the Collateral Agent to act on its behalf as collateral agent hereunder.

- (H) The Collateral Agent holds the benefit of the Security Trust Property on trust for the Secured Parties on the terms set out in the First Lien/First Lien Intercreditor Agreement and on the terms set out in this Deed.
- (I) The Parties hereto intend that this document shall take effect as a deed notwithstanding that a Party may only execute this document under hand.

**This Deed Witnesses that:**

## **1. Definitions and Interpretation**

### **1.1 Terms Defined**

Terms defined in the Indenture but not in this Deed shall have the same meanings in this Deed (including the Recitals) as in the Indenture.

### **1.2 Definitions**

In addition, in this Deed:

**“ABL Credit Agreement”** has the meaning given to it in Recital (A).

**“ABL Discharge Date”** means the date on which the Discharge of the ABL Obligations (as defined in the ABL Intercreditor Agreement) has occurred.

**“ABL Intercreditor Agreement”** means the ABL intercreditor agreement dated 6 April 2023 originally between, amongst others, Pegasus Holdings III, LLC as Holdings, Tenneco Inc. as U.S. Borrower, Citibank, N.A. as ABL Facility Agent, Term Facility Agent, Intercreditor Agent and First-Priority Collateral Agent, and Bank of America, N.A. as Bridge Facility Agent, as such document may be amended, restated, supplemented or otherwise modified from time to time, including by a joinder agreement dated on or around the date hereof between, amongst others, the Issuer, Wilmington Trust, National Association as Trustee, and Citibank, N.A., as ABL Facility Agent, First-Priority Collateral Agent, Intercreditor Agent and Term Facility Agent.

**“Acceleration Event”** means an Event of Default (as defined in the Indenture) has occurred and is continuing, and in respect of which payment of the Notes under the Indenture have been accelerated in accordance with the provisions of the Indenture.

**“Account Debtor”** means any person who is obligated in relation to an Account.

**“Accounts”** shall mean, with respect to any Chargor, its now owned and hereafter acquired or arising accounts receivable, including any rights to payment for the sale or lease of merchandise or goods or rendition of services, whether or not they have been earned by performance. In relation to a Chargor, **“its Accounts”** means all Accounts in which it has any rights.

**“Administrator”** means any administrator appointed under this Deed to manage the affairs, business and assets of any Chargor.

**“Assigned Document”** means any document any rights under which are from time to time assigned under this Deed including any agreement designated as an Assigned Document by a Chargor and the Collateral Agent in writing.

**“Authorisation”** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

**“Authorized Representative”** has the meaning given in the First Lien/First Lien Intercreditor Agreement.

**“Bank Accounts”** means the bank accounts located in England and Wales, including the accounts which are set out in Part 1 (*Bank Accounts*) of Schedule 2 (*Specified Assets*) and any other account opened and maintained by any Chargor after the date of this Deed, other than any Exempted Accounts.

**“Collateral”** means all the assets, rights, title, interests, and benefits of each Chargor and the Shareholder Chargor the subject of, or expressed to be subject to, this Deed.

**“Delegate”** means any delegate, agent, attorney or co-trustee appointed by the Collateral Agent or a Receiver.

**“Discharge Date”** has the meaning given to it in Clause 21.1 (*Release of Security*).

**“Exempted Accounts”** has the meaning given to that term in the ABL Credit Agreement.

**“Existing Debenture”** has the meaning given to it in Recital (E).

**“First Lien Credit Agreement”** has the meaning given to it in Recital (B).

**“First Lien Discharge Date”** means the date on which the Discharge of the Credit Agreement Obligations (as defined in the First Lien/First Lien Intercreditor Agreement) has occurred.

**“First Lien/First Lien Intercreditor Agreement”** has the meaning given to it in Recital (D).

**“IA”** means the Insolvency Act 1986.

**“Indenture”** has the meaning given to it in Recital (C).

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

**“Insurance Policies”** means any material policy or contract of insurance governed by the laws of England and Wales (excluding any third party liability or public liability insurance and any directors and officers insurance). In relation to a Chargor, **“its Insurance Policies”** means all Insurance Policies in which it has any rights (including as loss payee or additional insured).

**“Inventory”** means with respect to any Chargor, all of such person’s now owned and hereafter acquired inventory, goods and merchandise, located in England & Wales, in each case to be furnished under any contract of service or held for sale or lease, all returned goods, raw materials, stock-in-trade, work-in-progress, finished goods, (including embedded software), other materials, and supplies of any kind, nature, or description which are or might be used or consumed in such person’s business or used in connection with the manufacture, packing, shipping, advertising, selling, or finishing of such goods, merchandise, and other property, and all documents of title or other documents representing them. In relation to a Chargor, **“its Inventory”** means all Inventory in which it has any rights.

**“Issuer”** has the meaning given to it in Recital (C).

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

**“LPA”** means the Law of Property Act 1925.

**“Notes”** has the meaning given to it in Recital (C).



**“Notes Documents”** has the meaning given to it in the Indenture and includes the Indenture and this Deed.

**“Notice of Assignment”** means a notice of assignment substantially in the form set out in Schedule 3 (*Forms of Notices of Assignment*), Part 1 (*Notice of Security over Accounts and Receivables*), Part 2 (*Notice of Assignment of Assigned Document*) or Part 3 (*Notice of Assignment of Insurance*) or in such other form as may be specified by the Collateral Agent.

**“Notice of Charge of Bank Account”** means a notice of charge substantially in the form set out in Schedule 4 (*Form of Notice of Charge of Bank Account*) or in such other form as may be specified by the Collateral Agent or any account bank acting reasonably.

**“Party”** means a party to this Deed.

**“Permitted Lien”** means Liens not prohibited by the Indenture.

**“Purchase Agreement”** has the meaning given to it in Recital (C).

**“Quasi-Lien”** means a transaction in which a Chargor and/or the Shareholder Chargor (as applicable):

- (a) sells, transfers or otherwise disposes of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor and/or the Shareholder Chargor (as applicable) or any other member of the group;
- (b) sells, transfers or otherwise disposes of any of its receivables on recourse terms;
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Indebtedness or of financing the acquisition of an asset.

**“Receivables”** means all present and future (i) Accounts and book and other debts arising in the ordinary course of trading owing to a Chargor, and (ii) all loan receivables and other receivables (including intercompany receivables) owed to a Chargor and all related rights and claims against other members of the group and against any security in respect of such Receivables.

**“Receiver”** means any receiver, receiver and manager or administrative receiver appointed under this Deed by the Collateral Agent over all or any of the Collateral whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time.

**“Secured Obligations”** means the Obligations (as defined in the Indenture) in respect of the Notes, the Indenture, the Subsidiary Guarantees in respect of the Notes and the Security Documents in respect of the Notes:

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

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

**“Secured Parties”** means the Collateral Agent, the Trustee and the holders of the Notes.

**“Security Enforcement Party”** means the Collateral Agent, any Receiver or any Delegate.

**“Security Trust Property”** means the Transaction Security, the proceeds of the Transaction Security, any rights or other assets expressed in this Deed, in each case, to be granted to or held by the Collateral Agent as security trustee and any rights granted in this Deed to any Secured Parties that are not party to this Deed.

**“Specified Investment”** means all Equity Interests held by the Shareholder Chargor in a Chargor, including those Equity Interests listed or referred to in Part 2 (*Specified Investments*) of Schedule 2 (*Specified Assets*).

**“Transaction Security”** means this Security and the Liens constituted by or pursuant to this Deed.

**“Warrants”** means all warrants or other documents of title (wheresoever located) relating to Inventory held in depositaries, warehouses or other storage locations and constituting Collateral.

### 1.3 Construction

(a) In this Deed, any reference to:

- (i) **“assets”** includes present and future properties, revenues, rights and other assets of every description. Any reference to **“an asset”** includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a **“particular type”** or **“category of assets”** includes any present or future assets of that type or category;
- (ii) the **“Chargors”** includes a reference to any one or more of them as well as a reference to all of them;
- (i) the **“Shareholder Chargor”** shall also be deemed to include any Chargor that holds Equity Interests in another Chargor from time to time;
- (ii) **“this Deed”** includes the Recitals and Schedules which form part of this Deed for all purposes;
- (iii) a **“disposal”** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
- (iv) the masculine, feminine or neuter **“gender”** respectively includes the other genders and the **“singular”** includes the plural (and vice versa);
- (v) a **“guarantee”** means:
  - (A) any guarantee, letter of credit, bond, indemnity, third party security or other legally binding assurance against loss; or
  - (B) any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person, to make an investment in or loan to any person or to purchase assets from any person where, in each case, that obligation is assumed in order to maintain or assist the ability of that person to meet its indebtedness;

- (vi) **“including”** means “including without limitation” (with related words being construed accordingly), **“in particular”** means “in particular but without limitation” and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
- (vii) **“indebtedness”** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (viii) any **“Notes Document”** or other **“document”** is to that Notes Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional and/or replacement facilities or an increase in any other amount or rate);
- (ix) a **“person”** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them and any reference to a **“Party”** or other **“particular person”** includes its successors in title (including in the case of the Collateral Agent, any successor Collateral Agent), permitted assignees and permitted transferees in accordance with their respective interests;
- (x) a **“provision of law”** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinate legislation in force under it from time to time;
- (xi) a **“Recital”** is to a statement made under the heading “Background” above and any reference to a **“Clause”** or to a **“Schedule”** is to a clause of or a schedule to this Deed (as the case may be);
- (xii) **“regulation”** includes any regulation, rule, official directive, notice, request, code of practice, guideline, demand or decision (in each case whether or not having the force of law, but, if not having the force of law, compliance with which is customary) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (xiii) a **“right”** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future (and any reference to the Shareholder Chargor’s or a Chargor’s rights in any document or a particular asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset within that type or in that category);
- (xiv) **“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);
- (xv) **“this Security”** means the Liens constituted by or pursuant to this Deed; and
- (xvi) **“Equity Interests”** includes:
  - (A) any associated dividends and interest and any other payments and distributions;

- (B) any right, money or assets accruing or offered at any time in respect of such Equity Interest by way of redemption, exchange, bonus or otherwise; and
- (C) any right against any nominee or other trustee, fiduciary, custodian or clearing system with respect to such Equity Interest.
- (b) The index and Clause and Schedule headings are for ease of reference only.
- (c) This Deed is subject to the terms of the Indenture. If there is any inconsistency between the terms of this Deed and those of the Indenture, the terms of the Indenture shall prevail.
- (d) The exercise of any right or remedy by the Collateral Agent hereunder and the application of proceeds of the Transaction Security are subject to the limitations and provisions of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement. In the event of any conflict between the terms of the ABL Intercreditor Agreement or the First Lien/First Lien Intercreditor Agreement and the terms of this Deed, the terms of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement shall prevail.

#### **1.4 Third Party Rights**

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

#### **1.5 Notes Documents**

The Parties acknowledge that the Shareholder Chargor and the Chargors are each fully aware of the terms and conditions of the Notes Documents.

#### **1.6 Joint and Several**

Each representation, warranty, covenant and other obligation given or entered into by the Chargors in or pursuant to this Deed is given or entered into by them jointly and severally. The Chargors shall each be bound by this Deed even if any person who was intended to execute it or be bound by it as a Chargor has not duly executed or become bound by it.

#### **1.7 Declaration of Trust**

- (a) The Collateral Agent hereby accepts its appointment as collateral agent and security trustee by the Secured Parties and declares (and the Shareholder Chargor and each of the Chargors hereby acknowledge) that the Security Trust Property is held by the Collateral Agent as a security trustee for and on behalf of the Secured Parties on the basis of the duties, obligations and responsibilities set out in the First Lien/First Lien Intercreditor Agreement and this Deed.
- (b) Section 1 of the Trustee Act 2000 shall not apply to the duties of the Collateral Agent in relation to the trusts created by this Deed or any other Notes Document. In performing its duties, obligations and responsibilities, the Collateral Agent shall be considered to be acting only in a mechanical and administrative capacity or as expressly provided in this Deed and the other Notes Documents.
- (c) In acting as security trustee for the Secured Parties under this Deed, the Collateral Agent shall be regarded as acting through its trustee division which shall be treated as

a separate entity from any other of its divisions or departments. Any information received by some other division or department of the Collateral Agent may be treated as confidential and shall not be regarded as having been given to the Collateral Agent's trustee division.

## **2. Payment of the Secured Obligations**

### **2.1 Covenant to Pay**

The Shareholder Chargor and the Chargors, each as a primary obligor, covenants with the Collateral Agent (for the benefit of itself and the other Secured Parties) to pay and discharge, or procure the payment or discharge of, each of the Secured Obligations at the time and in the manner provided in the relevant Notes Document for their payment or discharge when they fall due.

### **2.2 Interest**

If the Shareholder Chargor and/or the Chargors (as applicable) fail to pay or procure the payment of any amount payable by them under Clause 2.1 on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment), at the rate and on the terms from time to time applicable under the relevant Notes Document (or, in the absence of an applicable rate and applicable terms, to be calculated and paid under the terms of the Indenture at the rate referred to in the second paragraph of Section 4.01 (*Payment of Notes*) of the Indenture) and shall be payable on demand.

## **3. Security**

### **3.1 General Provisions Regarding Liens**

- (a) Each of the charges created under this Deed:
  - (i) is granted to the Collateral Agent as security trustee for the Secured Parties;
  - (ii) secures the payment and discharge of the Secured Obligations; and
  - (iii) is made with full title guarantee.
- (b) Each assignment under this Security Agreement is subject to a proviso for re-assignment on redemption in accordance with Clause 21 (*Release of Security*).
- (c) The Shareholder Chargor and the Chargors each undertake that to the extent that any right, title, interest or benefit in or in respect of any asset described in this Clause 3 cannot be or is not effectively charged or assigned (as applicable) for whatever reason, it shall:
  - (i) promptly notify the Collateral Agent of the same and the reasons therefor; and
  - (ii) hold the benefit of the same on trust for the Collateral Agent as security for the payment, discharge and performance when due of the Secured Obligations.

### **3.2 Specific Security**

- (a) Each Chargor charges by way of first fixed charge the following assets, both present and future, from time to time owned by it or in which it has an interest:
  - (i) all monies from time to time standing to the credit of the Bank Accounts (including any interest and other sums accruing thereon), together with all of

- its rights, title and interest in, and benefits and proceeds deriving from or arising in connection with, the Bank Accounts;
  - (ii) all Inventory constituting Collateral and all rights and claims against third parties;
  - (iii) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
  - (iv) all licences, consents and other Authorisations held in connection with the use of any Collateral and all of its rights in connection with them;
  - (v) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Collateral;
  - (vi) if not effectively assigned by Clause 3.3 (*Security Assignment*), all Accounts and Receivables and all rights and claims against third parties and against any security in respect of those Accounts and/or Receivables (as applicable); and
  - (vii) if not effectively assigned by Clause 3.3 (*Security Assignment*), all its rights, title and interest in (and proceeds and claims under) the Insurance Policies and the Assigned Documents.
- (b) The Shareholder Chargor charges by way of first fixed charge, both present and future, from time to time owned by it or in which it has an interest, all of its rights in the Specified Investments.

### **3.3 Security Assignment**

- (a) Subject to Clause 3.1(b), each Chargor assigns absolutely all of its rights, title and interest, both present and future, from time to time in:
- (i) all Accounts and Receivables and any proceeds thereunder;
  - (ii) the Insurance Policies and the proceeds and claims under the Insurance Policies; and
  - (iii) any document from time to time designated as an Assigned Document, by the relevant Chargor and the Collateral Agent.
- (b) For the avoidance of doubt, each Chargor will remain at all times liable in respect of all of its obligations under each Assigned Document and no Secured Party will be under any obligation or liability under or in respect of those Assigned Documents.

### **3.4 Floating Charge**

- (a) Each Chargor charges by way of first floating charge the whole of its undertaking and assets (including Inventory) not otherwise effectively charged or assigned by Clause 3.2 (*Specific Security*) or Clause 3.3 (*Security Assignment*).
- (b) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by the Chargors in this Deed.

## **4. Crystallisation of Floating Charge**

### **4.1 Crystallisation by Notice**

The Collateral Agent may at any time by notice in writing to the Chargors convert the floating charge created by the Chargors in Clause 3.4 (*Floating Charge*) into a fixed charge with immediate effect as regards any Transaction Security specified in the notice if:

- (a) an Acceleration Event has occurred;
- (b) the Collateral Agent reasonably considers that any Collateral may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy; or
- (c) the Collateral Agent reasonably considers that it is necessary or desirable to protect the priority of the security created by this Deed.

### **4.2 Automatic Crystallisation**

- (a) The floating charge created by each Chargor in Clause 3.4 (*Floating Charge*) shall automatically (without notice to that Chargor) be converted into a fixed charge with immediate effect as regards all assets of that Chargor subject to the floating charge if:
  - (i) that Chargor breaches Clause 7 (*Negative Pledge and Disposals*) or attempts to do so;
  - (ii) any person levies or attempts to levy any distress, execution, sequestration or other process against any Collateral of that Chargor; or
  - (iii) the Collateral Agent receives notice of a proposal or intention to wind up, or appoint an administrator of, that Chargor or if that Chargor is wound up or has an administrator appointed.
- (b) Subject to paragraph (c) below, the floating charge created under this Deed may not be converted into a fixed charge solely by reason of anything done with a view to obtaining a moratorium under Part A1 of the Insolvency Act 1986.
- (c) Paragraph (b) above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

## **5. Perfection of Security and Further Assurance**

### **5.1 Notice of Assignment**

Following the later of the ABL Discharge Date and the First Lien Discharge Date, each Chargor shall, in respect of the Receivables (including Accounts), Insurance Policies or Assigned Documents, at the request of the Collateral Agent in its sole discretion, following an Acceleration Event which is continuing, deliver a Notice of Assignment, duly completed, to the relevant Account Debtor (if such Account Debtor has not previously received such notice) and each relevant counterparty to the Receivables (including Accounts), Insurance Policies or Assigned Documents (as applicable).

### **5.2 Notice of Charge of Bank Account**

- (a) Following the later of the ABL Discharge Date and the First Lien Discharge Date, and with respect to its bank accounts located in England and Wales, the Chargors shall:
  - (i) promptly and, in any event, within 10 Business Days of the later of the ABL Discharge Date and the First Lien Discharge Date (or such later date as the Collateral Agent may agree) or, with respect to any Bank Accounts opened,

acquired or that cease to constitute Exempted Accounts after the later of the ABL Discharge Date and the First Lien Discharge Date, promptly (and, in any event, within 10 Business Days or such later date as the Collateral Agent may agree) upon the creation (or acquisition or cessation) of such Bank Account deliver (with a copy to the Collateral Agent) a Notice of Charge of Bank Account, duly completed, to the relevant bank with which such Bank Account is opened or maintained; and

- (ii) use all commercial reasonable efforts to procure that each addressee of a Notice of Charge of Bank Account acknowledges that Notice of Charge of Bank Account substantially in the form attached to that Notice of Charge of Bank Account (or in such other form as the Collateral Agent (acting reasonably) may approve) within 20 Business Days of service of such Notice of Charge of Bank Account on the relevant bank, *provided that* such Chargor's obligation under this sub-clause 5.2(a)(ii) shall cease upon the expiration of such period.
- (b) Following the occurrence of an Acceleration Event, subject to the terms of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement, promptly following a request from the Collateral Agent, each Chargor shall deliver (with a copy to the Collateral Agent) a notice of charge (in form and substance satisfactory to the Collateral Agent acting reasonably), duly completed, to any depositary owner, warehouse owner or other person who owns or controls a location in England and Wales at which any of a Chargor's Inventory is stored or located.

### 5.3 Further Assurance

The Shareholder Chargor and the Chargors shall, at the reasonable request of the Collateral Agent or any Receiver (as applicable), and at its own expense, promptly execute (in such form as the Collateral Agent or any Receiver may reasonably require) any documents and otherwise do any acts and things which the Collateral Agent may reasonably require in accordance with Section 4.10 (*Further Instruments and Acts*) of the Indenture.

## 6. Representations

- (a) Each Chargor represents and warrants to the Collateral Agent, on the date of this Deed and on each date representations are made under the Existing Debenture, that:
  - (i) save for Permitted Liens, it is the sole legal and beneficial owner of the assets over which it purports to grant security;
  - (ii) it has good and valid rights in, or the power to secure or transfer, the assets over which it purports to grant security and title to the assets over which it purports to grant security under this Deed, free and clear of all Liens except for Permitted Liens, and has full power and authority to grant to the Collateral Agent the security under this Deed;
  - (iii) with respect to all of its Inventory in England and Wales over which it purports to grant security under this Deed:
    - (A) the relevant Chargor has good and merchantable title to all of such Inventory, and such Inventory is not subject to any Lien except for Permitted Liens; and
    - (B) the completion of manufacture, sale or other disposition of such Inventory by the Collateral Agent following the occurrence of an Acceleration Event shall not require the consent of any person and shall not constitute a breach or default under any contract or agreement



to which the relevant Chargor is a party or to which such property is subject.

- (b) The Shareholder Chargor represents and warrants to the Collateral Agent, on the date of this Deed and on each date representations are made under the Existing Debenture, that:
- (i) it is the legal and beneficial owner of the Specified Investments identified against its name in Part 2 (*Specified Investments*) of Schedule 2 (*Specified Assets*), which represent the entire issued share capital of the relevant Chargor and all of those shares are fully paid;
  - (ii) it has not issued and does not intend to issue any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Equity Interests which constitute Collateral;
  - (iii) it has not received any warning notice or restrictions notice under Schedule 1B of the Companies Act 2006 in respect of any Equity Interests which constitute Collateral; and
  - (iv) it has good and valid rights in, or the power to secure or transfer, the Specified Investments and title to the Specified Investments, free and clear of all Liens except for Permitted Liens, and has full power and authority to grant to the Collateral Agent the security constituted by this Deed.

## **7. Negative Pledge and Disposals**

### **7.1 Negative Pledge**

Each Chargor and the Shareholder Chargor undertakes that it will not, at any time prior to the Discharge Date, create, incur, assume, or permit to exist any Lien or Quasi-Lien on Collateral at the time owned by it, or on any income or revenues or rights in respect of any thereof, except for Permitted Liens or as otherwise permitted under the Notes Documents.

### **7.2 No Disposals**

Each Chargor and the Shareholder Chargor undertakes that it will not, at any time prior to the Discharge Date, sell, transfer, lease or otherwise, dispose of (in one transaction or in a series of transactions) all or any part of its Collateral except as not prohibited under the Notes Documents.

## **8. Other Covenants of General Application**

### **8.1 Management of Collateral**

Each Chargor shall manage its Collateral in a proper and efficient manner and in particular shall keep its Collateral in good and substantial repair and working order.

### **8.2 Covenants for Title**

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

## **9. Assigned Documents and Insurance Policies**

Each Chargor shall remain liable to perform all its obligations under the Insurance Policies or Assigned Documents to which it is a party. Neither the Collateral Agent, any Receiver nor any Delegate shall be under any obligation or liability to a Chargor or any other person under or in respect of any Insurance Policies or Assigned Documents.

## **10. Accounts and Receivables**

Prior to the occurrence of an Acceleration Event, no Chargor shall be restricted from dealing with, amending, waiving or terminating its Accounts or Receivables in the ordinary course of business.

## **11. Inventory**

### **11.1 Dealing with Inventory**

Prior to the occurrence of an Acceleration Event, each Chargor may deal with, and dispose of any interest in, its Inventory, in each case to the extent that it is not prohibited to do so under the terms of the Indenture.

### **11.2 Documents of Title**

Each Chargor shall, if required by the Collateral Agent at any time following the ABL Discharge Date, the First Lien Discharge Date, and the occurrence of an Acceleration Event, deliver (or procure that there are delivered) to the Collateral Agent (or a nominee specified by the Collateral Agent acting on its behalf) all Warrants and other documents of title (to the extent that such documentation exists) relating to or representing its Inventory together with any document or thing which the Collateral Agent may reasonably specify to perfect or improve the security over the relevant Chargor's Inventory.

## **12. Shares**

### **12.1 Delivery of Documents and Information**

(a) The Shareholder Chargor and the Chargors shall, as soon as reasonably practicable following the later of the ABL Discharge Date and the First Lien Discharge Date, and in any event, within 30 days of the later of the ABL Discharge Date and the First Lien Discharge Date (or such longer period as the Collateral Agent may agree in its reasonable discretion), and from time to time, deliver to the Collateral Agent (or its nominee) in respect of each of (x) the Specified Investments owned by the Shareholder Chargor and (y) any other Equity Interests owned by a Chargor in a subsidiary other than Tenneco Automotive (UK) Pension Scheme Trustee Ltd and Federal-Mogul Employee Trust Administration Limited (on the basis that the Collateral Agent shall be able to hold the below specified documents until the Secured Obligations have been irrevocably and unconditionally discharged in full (or unless otherwise required to be returned earlier pursuant to the Indenture)):

- (i) all stock and share certificate or other document of title to or representing it;
- (ii) an instrument of transfer or assignment of it in a form specified by the Collateral Agent, duly executed by each person in whose name it is registered or held (with the name of the transferee or assignee, the consideration and the date left blank), on the basis that the Collateral Agent shall be entitled, at any time following the occurrence of an Acceleration Event, to complete, under its

power of attorney granted in this Deed, the instruments of transfer on behalf of the Shareholder Chargor or the relevant Chargor in favour of itself or such other person as it shall elect;

- (iii) any other documents (including duly executed waivers of pre-emption and other rights) which the Collateral Agent may request to enable it (or its nominee) to:

- (A) obtain legal title to (or otherwise be registered as the owner of) a Specified Investment owned by the Shareholder Chargor or any other Equity Interest owned by a Chargor in a subsidiary other than Tenneco Automotive (UK) Pension Scheme Trustee Ltd and Federal-Mogul Employee Trust Administration Limited; or

- (B) be in a position to exercise any rights under this Deed in respect of it.

- (b) The Shareholder Chargor shall promptly send to the Collateral Agent:

- (i) a copy of any notice or other document received by it; and

- (ii) any information that the Collateral Agent may reasonably request,

relating to any of the Specified Investments owned by the Shareholder Chargor.

- (c) Prior to the ABL Discharge Date, the requirements to make the deliveries required by this Clause 12.1 shall be deemed satisfied, if such deliveries have been made to the ABL Facility Agent (as defined in the ABL Intercreditor Agreement) on behalf of the Collateral Agent in accordance with the ABL Intercreditor Agreement.
- (d) Prior to the First Lien Discharge Date, the requirements to make the deliveries required by this Clause 12.1 shall be deemed satisfied, if such deliveries have been made to the Collateral Agent in accordance with the First Lien/First Lien Intercreditor Agreement.

## **12.2 Income on Specified Investments**

- (a) All dividends, interest and other income received by the Shareholder Chargor in relation to the Specified Investments prior to the occurrence of an Acceleration Event may be retained by the Shareholder Chargor and any such income received by the Collateral Agent (or its nominee) will be paid to the Shareholder Chargor to be applied in accordance with this Clause 12.2(a).
- (b) Subject to the terms of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement, following the occurrence of an Acceleration Event, all income received or payable to the Shareholder Chargor or received by the Collateral Agent (or its nominee) in relation to the Specified Investments shall be paid to (or, as applicable, retained by) the Collateral Agent and until that payment is made shall be held on trust for the Collateral Agent.

## **12.3 Voting and Other Rights**

- (a) Subject to Clause 12.2 and the remainder of this Clause 12.3:
  - (i) the Shareholder Chargor may exercise all voting and other rights attached to any Specified Investment; and
  - (ii) if any of those rights are exercisable by the Collateral Agent or its nominee, the Shareholder Chargor may direct in writing how they are to be exercised.
- (b) The Shareholder Chargor shall not exercise, or direct the exercise of, any rights attached to any Specified Investment owned by the Shareholder Chargor in any manner

which is prejudicial to the validity, enforceability, existence or realisation of the Collateral.

- (c) The Shareholder Chargor shall not permit or agree to any variation of the rights attached to any Specified Investment owned by the Shareholder Chargor which would be materially adverse to the interests of the Secured Parties except as not prohibited by the terms of the Indenture.
- (d) Except pursuant to this Deed, the Shareholder Chargor shall not make any nomination, or permit to continue in effect any nomination it may have made, to permit another person to enjoy or exercise any of its rights in relation to any Specified Investment owned by the Shareholder Chargor.
- (e) If at any time following the occurrence of an Acceleration Event, subject to the terms of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement, the Collateral Agent gives notice to the Shareholder Chargor that this Clause 12.3(e) applies, then from the date of that notice and to the extent specified in it:
  - (i) the Collateral Agent (or its nominee) may at the Collateral Agent's discretion (and in the name of the Shareholder Chargor or otherwise) exercise, or refrain from exercising, any voting or other rights attached to the Specified Investments owned by the Shareholder Chargor; and
  - (ii) the Shareholder Chargor shall not exercise any of those rights.

#### **12.4 New Acquisitions and Issues**

Subject to Clause 12.1, if the Shareholder Chargor acquires any Equity Interests in a Chargor (whether by issue, transfer or otherwise) (other than any Excluded Securities (as defined in the U.S. Collateral Agreement)), then the Shareholder Chargor shall promptly notify the Collateral Agent and comply with Clause 12.1 (*Delivery of Documents and Information*).

#### **12.5 Issue of Shares**

The Shareholder Chargor shall ensure that no shares or other securities in or of the Chargors will be issued or allotted and no agreement, option or arrangement to make or call for such issue or allotment will be made or granted except to the extent not prohibited by the Indenture.

#### **12.6 Other Negative Covenants**

The Shareholder Chargor shall ensure that the Chargors in which the Shareholder Chargor owns Equity Interests shall not, except to the extent not prohibited by the terms of the Indenture or in a manner which would not be materially adverse to the interests of the Secured Parties:

- (a) in any way modify the rights attached to any of its Equity Interests or convert them into uncertificated form;
- (b) increase, consolidate, sub-divide or reduce its share capital;
- (c) alter its memorandum or articles of association;
- (d) purchase its own shares or reduce its share capital; or
- (e) take any step to place itself in liquidation or pass any resolution to wind itself up.

#### **12.7 Waivers of Pre-Emption Rights**

The Shareholder Chargor shall ensure that all shareholders of the Chargors in which the Shareholder Chargor owns Equity Interests from time to time enter into waivers of, or make

any necessary amendments to (in each case in a form and on terms satisfactory to the Collateral Agent), all pre-emption rights and restrictions in the articles of association of the Chargors in which the Shareholder Chargor owns Equity Interests from time to time or otherwise which may in any respect vary, restrict or affect the exercise of any rights which may arise in connection with the enforcement of this security or the transfer of the shares in the Chargors in which the Shareholder Chargor owns Equity Interests to the Collateral Agent or such other person as the Collateral Agent may so direct.

## **12.8 Persons with Significant Control Regime**

The Shareholder Chargor must:

- (a) comply on time with any notice it receives or has received under Section 790D or 790E of the Companies Act 2006; and
- (b) promptly notify the Collateral Agent if it receives a warning notice or restrictions notice under schedule 1B of the Companies Act 2006,

in each case, in relation to Equity Interests (as applicable) owned by the Shareholder Chargor and that are subject to the fixed charge under this Deed.

## **13. Enforcement - General Provisions**

### **13.1 Enforcement**

On or at any time after the occurrence of an Acceleration Event, this Security shall become immediately enforceable and, subject to the terms of the ABL Intercreditor Agreement and the First Lien/First Lien Intercreditor Agreement, the Collateral Agent may enforce all or any of its rights under this Deed as it thinks fit. In particular, it may without further notice exercise in relation to the Collateral:

- (a) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law or on an administrative receiver by the IA, in each case as extended or otherwise amended by this Deed;
- (b) to the extent that Clause 14 (*Right of Appropriation*) applies, the power to appropriate the Collateral in or towards the payment and discharge of the Secured Obligations in accordance with Clause 14.2 (*Exercise of Right of Appropriation*); and
- (c) (without first appointing a Receiver) any or all of the rights which are conferred by this Deed (whether expressly or by implication) on a Receiver.

### **13.2 LPA Provisions**

- (a) The Secured Obligations shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Deed.
- (b) The Collateral Agent and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.
- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

### 13.3 Protection of Third Parties

- (a) No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall be bound to enquire whether its right to exercise any of its rights has arisen or become exercisable or whether any Secured Obligations remain outstanding, or be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Security Enforcement Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Security Enforcement Party as if the Secured Obligations had become due and the statutory powers of sale and of appointing a Receiver in relation to the Collateral had arisen on the date of this Deed.

### 13.4 Delegation

- (a) The Collateral Agent and (to the extent his or her appointment so permits) a Receiver (the “**Appointor**”) may delegate to any person or persons all or any of the rights which are exercisable by it under this Deed. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 13.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor itself nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither the Collateral Agent nor any Receiver shall be liable or responsible to the Shareholder Chargor or any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

### 13.5 No Liability

- (a) No Security Enforcement Party shall:
  - (i) owe any duty to any Chargor or the Shareholder Chargor to exercise any of its rights under this Deed; or
  - (ii) be liable or responsible to any Chargor or the Shareholder Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Deed.
- (b) No Security Enforcement Party shall be liable as a mortgagee in possession or otherwise liable to account in relation to all or any part of the Collateral for any loss on realisation or for any other action, default or omission for which it, he or she might otherwise be liable as a mortgagee in possession.

### 13.6 Grant of Intellectual Property Licence

For the purpose of enabling the Collateral Agent to exercise the rights and remedies under this Clause 13 at any time that the Collateral Agent is lawfully entitled to exercise such rights and remedies, each Chargor hereby:

- (a) grants to the Collateral Agent, for the benefit of the Collateral Agent and the Secured Parties, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the relevant Chargor) to use, license or sublicense any intellectual property rights now owned or hereafter acquired by the relevant Chargor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof; and

- (b) irrevocably agrees that the Collateral Agent may sell any of the relevant Chargor's Inventory directly to any person including, without limitation, persons who have previously purchased the relevant Chargor's Inventory from that Chargor and in connection with any such sale or other enforcement of the Collateral Agent's rights under this Deed, may sell Inventory which bears any trademark owned by or licensed to the relevant Chargor and any Inventory that is covered by any copyright owned by or licensed to the relevant Chargor and the Collateral Agent may finish any work in process and affix any trademark owned by or licensed to the relevant Chargor and sell such Inventory as provided in this Deed.

## **14. Right of Appropriation**

### **14.1 Application of Right of Appropriation**

This Clause 14 applies to the extent the Collateral constitute "financial collateral" and this Deed constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

### **14.2 Exercise of Right of Appropriation**

If and to the extent that this Clause 14 applies, the Collateral Agent may appropriate the Collateral in or towards discharge of the Secured Obligations in such order as the Collateral Agent may (subject to any specific provisions of any Notes Documents in this regard) determine. If the Collateral Agent exercises its right of appropriation then it shall for these purposes value:

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

## **15. Receivers**

### **15.1 Appointment of Receiver**

- (a) Subject to the remainder of this Clause 15.1, the Collateral Agent may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Collateral if:
  - (i) this Security has become enforceable; or
  - (ii) the relevant Chargor and/or the Shareholder Chargor so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 15.1:
  - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under s1A IA; or
  - (ii) of an administrative receiver if that appointment would contravene s72A IA.

### **15.2 Remuneration**

The Collateral Agent may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

### **15.3 Removal and Replacement**

The Collateral Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the IA 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.

### **15.4 Agent of the Relevant Chargor**

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

### **15.5 Joint Appointment**

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

## **16. Powers of Security Enforcement Parties**

### **16.1 General**

- (a) A Receiver has:
  - (i) all of the rights set out below in this Clause 16;
  - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
  - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,

in each case as such rights are varied and extended by this Deed.
- (b) The Collateral Agent has, after this Security has become enforceable, the rights referred to in Clause 16.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 16.1(a) to the extent provided in its, his or her appointment.
- (d) Any reference in this Clause 16 to any Collateral includes, in the case of a Receiver or Delegate, only that Collateral over or in respect of which it, he or she has been appointed.
- (e) A Security Enforcement Party may exercise its, his or her rights under this Clause 16 in such manner and on such terms as it, he or she thinks fit.

### **16.2 Collection, Leasing and Disposal of Collateral**

- (a) The right to enter into, take possession of, give up possession of, get in and collect any Collateral.



- (b) The right to sell or otherwise dispose of any Collateral on any terms and for any consideration as the Security Enforcement Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (c) The right to sever any plant, machinery or other fixtures from the premises to which they are attached and the right to dispose of them separately in accordance with Clause 16.2(b).
- (d) The right, in connection with or to facilitate any disposal, to release or discharge, whether or not for any consideration, any Accounts comprised in the Collateral.
- (e) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper or desirable to realise any Collateral.

### **16.3 Upkeep of Collateral**

- (a) The right to repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Collateral.
- (b) The right to develop any Collateral and for that purpose to apply for any Authorisations, enter into any documents and carry out any works.
- (c) The right to insure any Collateral.

### **16.4 Carrying on Business**

- (a) The right to carry on any business of any Chargor.
- (b) The right to appoint or dismiss officers, employees, agents, contractors, advisors and others.
- (c) The right to purchase, lease or otherwise acquire any assets.
- (d) The right to borrow or otherwise raise money either unsecured or on the security of the Collateral (whether ranking in priority to, *pari passu* with or behind this Security).
- (e) The right to lend money or advance credit to any customer of a Chargor.

### **16.5 Contracts and Proceedings**

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Collateral.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Collateral.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Collateral.

### **16.6 Other Rights**

- (a) The right to do any other act or thing which the Security Enforcement Party may consider:
  - (i) desirable or necessary to protect, preserve, improve or realise any Collateral; or
  - (ii) incidental or conducive to any rights conferred on the Security Enforcement Party under or by virtue of this Deed or by law.

- (b) The right to exercise and do in relation to any Collateral all the rights and things which the Security Enforcement Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Collateral.
- (c) The right to use the name of any Chargor to exercise any of the rights referred to in this Clause 16.

## **17. Appointment of Administrator**

### **17.1 Appointment of Administrator**

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

### **17.2 Replacement of an Administrator**

The Collateral Agent may apply to the court for the termination of the appointment of any Administrator and/or the appointment of a replacement for any Administrator whose appointment ends for any reason.

## **18. Application of Proceeds**

### **18.1 Order of Priority**

- (a) The Collateral Agent shall, subject to the ABL Intercreditor Agreement, promptly apply the proceeds, moneys or balances of any collection or sale of Collateral realized through the exercise by the Collateral Agent of its remedies hereunder, as well as any Collateral consisting of cash at any time when remedies are being exercised hereunder, in the order provided in the First Lien/First Lien Intercreditor Agreement.
- (b) The application of monies received by an Administrator will be governed by the IA.

## **19. General Security Provisions**

### **19.1 Continuing Security**

This Security is a continuing security and regardless of any intermediate payment or discharge in whole or in part to any Secured Party, shall be binding unless and until it is released and discharged in accordance with the terms of the Indenture or otherwise in writing by the Collateral Agent.

### **19.2 Additional Security**

This Deed is in addition to and is not in any way prejudiced by any other guarantee or Lien now or subsequently held by or on behalf of the Collateral Agent or any other Secured Party.

### **19.3 Waiver of Defences**

The obligations of each Chargor and the Shareholder Chargor under this Deed will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for

this Clause 19.3, would reduce, release or prejudice any of its obligations under this Deed, including (whether or not known to it or the Collateral Agent):

- (a) any time, waiver, consent or other indulgence granted to, or composition with any Note Party or any other person other than any time, waiver, consent or other indulgence granted to a Chargor and/or the Shareholder Chargor (as applicable) in relation to an obligation or obligations set out in this Deed, in which case the relevant Chargor and/or the Shareholder Chargor (as applicable) shall be entitled to rely on such time, waiver or other indulgence for the purpose of the discharge of the relevant obligation or obligations under this Deed;
- (b) the release of any Note Party or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Lien over the assets of, any Chargor and/or the Shareholder Chargor (as applicable) or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any document or any failure to take, or failure to realise the full value of, any Lien *provided that* where the Collateral Agent makes a variation, compromise or release of any rights of any Chargor and/or the Shareholder Chargor (as applicable) contained in this Deed then the relevant Chargor and/or the Shareholder Chargor (as applicable) shall be entitled to rely on such variation, compromise or release for the purposes of the discharge of the relevant obligation or obligations under this Deed;
- (d) any supplement, extension, restatement, other amendment or novation or replacement of any Notes Document or any other security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Notes Document or other Lien or other document;
- (e) any incapacity or lack of power, authority or legal personality of or Insolvency or change in the members or status of any Chargor and/or the Shareholder Chargor (as applicable) or any other person;
- (f) any disclaimer, unenforceability, illegality, invalidity or ineffectiveness of any of the Secured Obligations or any other obligation of any person under any Notes Document or any other document or Lien; or
- (g) the Insolvency of any person or any similar proceedings.

#### **19.4 Non-Competition**

Until the Discharge Date, no Chargor nor the Shareholder Chargor shall exercise any rights it may have by reason of a claim being made against it under this Deed or its performing any of its obligations under it:

- (a) to claim any indemnity or contribution from any person;
- (b) to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party;
- (c) to bring legal or other proceedings for an order requiring any Note Party to make any payment, or perform any obligation, in respect of any Secured Obligation;
- (d) to claim or prove as a creditor of any person in competition with any Secured Party; or

- (e) to receive, claim or have the benefit of any payment, distribution or Lien from or on account of any Note Party, or exercise any right of set-off against any Note Party.

The Chargors and the Shareholder Chargor shall each hold any payment or other benefit received by it contrary to this Clause 19.4 on trust for the Collateral Agent and promptly pay or transfer the same to the Collateral Agent for application in accordance with Clause 18.1 (*Order of Priority*).

## **19.5 Immediate Recourse**

Each Chargor and the Shareholder Chargor waives any right it may have of first requiring any Secured Party to proceed against or enforce any Lien or other rights or claim payment from any other person before claiming from it under this Deed. This waiver applies irrespective of any applicable law and regulation or any provision of any Notes Document to the contrary.

## **19.6 Discretion in Enforcement**

Until the Discharge Date, the Collateral Agent or any Receiver may:

- (a) refrain from applying or enforcing any other monies, Liens or other rights held or received by it in respect of the Secured Obligations or apply and enforce them in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and no Chargor nor the Shareholder Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any monies received from any Chargor and/or the Shareholder Chargor (as applicable) or on account of the Secured Obligations.

## **19.7 Subsequent Liens**

At any time following:

- (a) the Collateral Agent or any other Secured Party's receipt of notice (either actual or constructive) of any subsequent Lien affecting the Collateral (other than Permitted Lien);
- (b) the Insolvency of any Chargor and/or the Shareholder Chargor (as applicable); or
- (c) any disposal of all or any of the Collateral in breach of Clause 7.2 (*No Disposals*), any Secured Party may open a new account or accounts in the name of the relevant Chargor and/or the Shareholder Chargor (as applicable) (whether or not it permits any existing account to continue). If a Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so at the time when the notice was received or was deemed to have been received or, as the case may be, the Insolvency commenced or the assignment or transfer occurred and from that time all payments made by the relevant Chargor and/or the Shareholder Chargor (as applicable) to the Secured Party or received by the Secured Party for the account of the relevant Chargor and/or the Shareholder Chargor (as applicable) shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Deed at the time when the Secured Party received or was deemed to have received that notice or, as the case may be, the Insolvency commenced or the assignment or transfer occurred.

## 20. Power of Attorney

### 20.1 Appointment

Each Chargor and the Shareholder Chargor, irrevocably and severally, and by way of security, appoints each Security Enforcement Party jointly and also severally to be its attorney (with full powers of substitution and delegation) and in its name or otherwise and on its behalf and as its act and deed and only following: (i) the occurrence of an Acceleration Event or (ii) the occurrence of an Event of Default which is continuing arising from a failure to comply with a further assurance or perfection obligation (but only to the extent necessary to comply with such further assurance or perfection obligations) 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 Collateral Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Chargor and the Shareholder Chargor covenants with the Collateral Agent and each Security Enforcement Party to ratify and confirm all such acts or things made, done or executed by that attorney, save for where such action is done fraudulently, is grossly negligent or is a result of wilful misconduct.

### 20.2 Irrevocable Power

Each Chargor and the Shareholder Chargor acknowledges that each power of attorney granted by Clause 20.1 is granted irrevocably and severally and for value as part of this Security to secure a proprietary interest of, and the performance of obligations owed to, the donee within the meaning of s4 Powers of Attorney Act 1971.

## 21. Release of Security

### 21.1 Definitions Relating to Release of this Security

- (a) In this Deed “**Discharge Date**” means, subject to the First Lien/First Lien Intercreditor Agreement, the date on which the Notes are discharged in full in accordance with the terms of Section 8.01 (*Discharge of Liability on Notes: Defeasance*) of the Indenture.
- (b) For this purpose, a Secured Obligation will not be considered to have been irrevocably paid or discharged if the Collateral Agent, acting reasonably, considers that any payment made in respect of it is capable of being avoided.
- (c) In this Clause 21:
  - (i) “**avoided**” means avoided, restored or adjusted in whole or part under any law relating to insolvency (and “**avoidance**” shall be construed accordingly); and
  - (ii) “**settlement**” means a release, settlement, discharge, re-assignment or arrangement.

### 21.2 Release of Security

- (a) If any Chargor and/or the Shareholder Chargor (as applicable) so requests upon any of the circumstances described in Section 11.04 (*Release of Liens*) of the Indenture, the Collateral Agent shall, as soon as reasonably practicable after receipt of such request, with respect to the applicable Chargor or Shareholder Chargor or the applicable assets, release and discharge this Security and re-assign the assets assigned to the Collateral Agent under this Deed to the relevant Chargor and/or the relevant Shareholder Chargor (as applicable) (or as it shall direct) at all times without recourse, representation or warranty and subject to the provisions of the Indenture, the First Lien/First Lien

Intercreditor Agreement and the rights of any person having prior rights over those assets.

- (b) Any release or discharge of this Security or re-assignment shall not release or discharge the relevant Chargor and/or the relevant Shareholder Chargor (as applicable) from any liability to the Collateral Agent or any other Secured Party for the Secured Obligations or any other monies which exists independently of this Deed.
- (c) Any settlement made by the Collateral Agent on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to Insolvency.
- (d) If any avoidance occurs as referred to in Clause 21.2(b) (including by reason of a concession or compromise referred to in Clause 21.2(e)), then the settlement given by the Collateral Agent shall have no effect and shall not prejudice the right of the Collateral Agent to enforce this Security in respect of the Secured Obligations. As between the Chargors and the Shareholder Chargor and the Collateral Agent, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by the Collateral Agent as security for the Secured Obligations.
- (e) Any Secured Party may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

## **22. Prior Liens**

### **22.1 Redemption**

The Collateral Agent may at any time:

- (a) redeem, or procure the transfer to itself of, any prior Lien over any Transaction Security; or
- (b) settle and pass the accounts of the holder of any prior Lien. Any accounts so settled and passed shall be conclusive and binding on the relevant Chargor and/or the Shareholder Chargor (as applicable).

### **22.2 Costs of Redemption**

All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption or transfer under Clause 22.1 shall be paid by the Chargors and/or the Shareholder Chargor (as applicable) to the Collateral Agent on demand, in each case together with interest calculated in the manner referred to in the second paragraph of Section 4.01 (*Payment of Notes*) of the Indenture.

## **23. Collateral Agent Provisions**

### **23.1 Appointment of the Collateral Agent**

- (a) The Collateral Agent as security trustee declares that it holds the Security Trust Property on trust for the Secured Parties on the terms contained in Article XI (*Collateral*) of the Indenture and the terms contained in this Deed.
- (b) The Secured Parties have authorised the Collateral Agent to:
  - (i) perform the duties, obligations and responsibilities given to it under or in connection with this Deed; and

- (ii) exercise the powers, authorities, discretions and other rights specifically given to the Collateral Agent under or in connection with the Notes Documents together with any other incidental powers, authorities, discretions and other rights pursuant to Article XI (*Collateral*) of the Indenture.

### **23.2 Role of the Collateral Agent**

- (a) The Collateral Agent shall hold the benefit of this Deed on trust for the Secured Parties.
- (b) The Collateral Agent's duties under this Deed are solely mechanical and administrative in nature.
- (c) [*reserved*].
- (d) Except where a Notes Document specifically provides otherwise, the Collateral Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Note Party or Secured Party.
- (e) [*reserved*].
- (f) The Collateral Agent does not have any duties except those expressly set out in the Notes Documents. In particular, the Collateral Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

### **23.3 Business with a Note Party**

The Collateral Agent may accept deposits from, lend money to, invest in and generally engage in any kind of banking or other business with any Note Party and any Affiliate of any Note Party.

### **23.4 Discretions of the Collateral Agent**

- (a) The Collateral Agent may assume that any right vested in any Secured Party has not been exercised.
- (b) The Collateral Agent may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers surveyors or other professional advisers or experts.
- (c) Notwithstanding that the Collateral Agent and one or more of the other Secured Parties may from time to time be the same entity, that entity has entered into the Notes Documents in those separate capacities. However, where the Notes Documents provide for the Collateral Agent and the other Secured Parties to provide instructions to or otherwise communicate with one or more of the others of them, then for so long as they are the same entity it will not be necessary for there to be any formal instructions or other communication, notwithstanding that the Notes Documents provide in certain cases for the same to be in writing.
- (d) Except as otherwise expressly provided in this Deed, the Collateral Agent shall be and is hereby authorised to assume without enquiry, in the absence of actual notice to the contrary, that each of the Chargors, the Shareholder Chargor and the other parties to any of the Notes Documents (other than the Collateral Agent) is duly performing and observing all the covenants and provisions contained in or arising pursuant to this Deed or any other Notes Document respectively relating to it and on its part to be performed and observed.

### **23.5 Responsibility for Documentation**

No Security Enforcement Party is responsible or liable for any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use

of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

### **23.6 No Duty to Monitor**

The Collateral Agent shall not be bound to enquire:

- (a) whether or not any Default or Event of Default has occurred;
- (b) as to the performance, default or any breach by any person of its obligations under any Notes Document; or
- (c) whether any other event specified in any Notes Document has occurred.

### **23.7 Additional Collateral Agent**

The Collateral Agent may at any time appoint (and subsequently remove) any person to act as a separate collateral agent or as a co-trustee jointly with it (any such person, an “**Additional Collateral Agent**”):

- (a) if it is necessary in performing its duties and if the Collateral Agent considers that appointment to be in the interest of the Secured Parties; or
- (b) for the purposes of complying with or confirming to any legal requirements, restrictions or conditions which the Collateral Agent deems to be relevant; or
- (c) for the purposes of obtaining or enforcing any judgment or decree in any jurisdiction, and the Collateral Agent will give notice to the other Parties of any such appointment.

### **23.8 Confidentiality**

- (a) In acting as Collateral Agent for the Secured Parties, the Collateral Agent shall be regarded as acting through its syndication or agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Collateral Agent, it may be treated as confidential to that division or department and the Collateral Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Notes Document to the contrary, the Collateral Agent is not obliged to disclose to any other person:
  - (i) any confidential information; or
  - (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

### **23.9 Relationship with the holders of the Notes**

Upon the request of the Collateral Agent prior to making any payments to a Secured Party under this Deed, each Authorized Representative shall provide to the Collateral Agent certificates, in form and substance reasonably satisfactory to the Collateral Agent, setting forth the respective amounts that each applicable Secured Party or its Authorized Representative believes it is entitled to receive, and the Collateral Agent shall be fully entitled to rely on such certificates.

### **23.10 No Obligation to Remain in Possession**

If the Collateral Agent, any Receiver or any delegate takes possession of all or any of the Collateral, it may from time to time in its absolute discretion relinquish such possession.



**23.11 Security Documents**

- (a) The Collateral Agent shall accept without investigation, requisition or objection whatever title any person may have to the assets which are subject to the Security Documents and shall not:
  - (i) be bound or concerned to examine or enquire into the title of any person; or
  - (ii) be liable for any defect or failure in the title of any person, whether that defect or failure was known to the Collateral Agent or might have been discovered upon examination or enquiry and whether it is capable of remedy or not.
- (b) Each of the other Secured Parties authorises the Collateral Agent to hold each mortgage or charge created pursuant to any Notes Document in its sole name as collateral agent for the Secured Parties.

**23.12 No responsibility to perfect Collateral**

The Collateral Agent shall not be liable for any failure to:

- (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Note Party to any Collateral;
- (b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Notes Document or the Collateral;
- (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any law or regulation or to give notice to any person of the execution of any Notes Document or of the Collateral;
- (d) take, or to require any Note Party to take, any step to perfect its title to any Collateral or to render the Transaction Security effective or to secure the creation of any ancillary Lien under any law or regulation; or
- (e) require any further assurance in relation to any U.K. Security Document.

**23.13 Insurance by Collateral Agent**

- (a) The Collateral Agent shall not be obliged:
  - (i) to insure any Collateral;
  - (ii) to require any other person to maintain any insurance; or
  - (iii) to verify any obligation to arrange or maintain insurance contained in any Notes Document,

and the Collateral Agent shall not be liable for any Losses to any person as a result of the lack of, or inadequacy of, any such insurance.
- (b) Where the Collateral Agent is named on any insurance policy as an insured party, it shall not be liable for any Losses to any person as a result of its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind.

**23.14 Collateral Agent's Obligation to Account**

The Collateral Agent shall not in any circumstances (either by reason of taking possession of the Collateral or for any other reason and whether as mortgagee in possession or on any other basis):

- (a) be liable to account to the Shareholder Chargor, any Chargor or any other person for anything except the Collateral Agent's own actual receipts which have not been distributed or paid to that Chargor or the persons entitled or at the time of payment believed by the Collateral Agent to be entitled to them; or
- (b) be liable to the Shareholder Chargor, any Chargor or any other person for any principal, interest or Losses from or connected with any realisation by the Collateral Agent of the Collateral or from any act, default, omission or misconduct of the Collateral Agent, its officers, employees or agents in relation to the Collateral or from any exercise or non-exercise by the Collateral Agent of any right exercisable by it under this Deed unless they shall be caused by the Collateral Agent's own gross negligence or wilful misconduct as determined by a final, non-appealable judgment of a court of competent jurisdiction.

**23.15 Receiver's and Delegate's Obligation to Account**

All the provisions of Clause 23.14 (*Collateral Agent's Obligation to Account*) shall apply in respect of the liability of any Receiver or delegate in all respects as though every reference in Clause 23.14 (*Collateral Agent's Obligation to Account*) to the Collateral Agent were instead a reference to the Receiver or, as the case may be, delegate.

**24. First Lien/First Lien Intercreditor Agreement Provisions**

Section 5.01 (*Notices*) of the First Lien/First Lien Intercreditor Agreement shall apply to this Deed as if it was set out in full again here, with references to the Collateral Agent including the Collateral Agent and with any other changes which are necessary to fit this context.

**25. Security Agent's Power to Remedy**

If any Chargor or the Shareholder Chargor fails to comply with any obligation set out in Clause 8 (*Other Covenants of General Application*) to Clause 12 (*Shares*) inclusive, and that failure is not remedied to the satisfaction of the Collateral Agent within 14 days of the Collateral Agent giving notice to the relevant Chargor and/or the Shareholder Chargor (as applicable) or the relevant Chargor and/or the Shareholder Chargor (as applicable) becoming aware of the failure to comply, it will allow (and irrevocably authorises) the Collateral Agent or any person which the Collateral Agent nominates to take any action on behalf of that Chargor and/or the Shareholder Chargor (as applicable) which is necessary to ensure that those obligations are complied with.

**26. Transfers****26.1 Collateral Agent**

The Collateral Agent may assign any or all of its rights and transfer any or all of its obligations under this Deed to a successor appointed in accordance with the provisions of the other Note Documents.

## **26.2   Chargors**

No Chargor nor the Shareholder Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed.

## **26.3   Disclosure of Information**

The Collateral Agent may disclose any information about any Chargor and/or the Shareholder Chargor (as applicable) to any actual or prospective assignee, transferee or participant.

## **27.    Calculations and Certificates**

### **27.1   Accounts**

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

### **27.2   Certificates or Determinations**

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

## **28.    Partial Invalidity**

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

## **29.    Remedies and Waivers**

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

## **30.    Amendments and Waivers**

Any term of this Deed may be amended or waived only with the written consent of the Collateral Agent, the Shareholder Chargor and the Chargors and any such amendment or waiver will be binding on all Parties.

## **31.    Counterparts**

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

### **32. Conduct of Business**

No provision of this Deed will:

- (a) interfere with the right of any Secured Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige any Secured Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige any Secured Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of taxes.

### **33. 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.

### **34. Enforcement**

#### **34.1 Jurisdiction of English Courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non contractual obligations arising out of or in connection with this Deed) (a “**Dispute**”) (whether arising in contract, tort or otherwise).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 34.1 is for the benefit of the Collateral Agent only. As a result, the Collateral Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Collateral Agent may take concurrent proceedings in any number of jurisdictions.

**In Witness** whereof this Deed has been duly executed as a deed and is delivered on the date first above written.

## Schedule 1

### The Chargors and the Shareholder Chargor

#### Part 1 The Chargors

Name	Jurisdiction of Incorporation	Company Number	Registered Office
F-M Motorparts Limited	England & Wales	01073619	Millgrove House Parc Ty Glas, Llanishen, Cardiff, Wales, CF14 5DU
Federal-Mogul Controlled Power Limited	England & Wales	11001956	Suite 11a Manchester International Office Centre, Styal Road, Manchester, England, M22 5TN
Federal-Mogul Limited	England & Wales	00163992	Suite 11a Manchester International Office Centre, Styal Road, Manchester, England, M22 5TN
Tenneco Automotive UK Limited	England & Wales	02368048	Millgrove House Parc Ty Glas, Llanishen, Cardiff, Wales, CF14 5DU
Tenneco-Walker (U.K.) Limited	England & Wales	00985395	Highpoint Penygarnddu Industrial Estate, Dowlais Top, Merthyr Tydfil, Wales, CF48 2TA

#### Part 2 The Shareholder Chargor

Name	Jurisdiction of Incorporation	Company Number	Registered Office
Federal-Mogul Limited	England & Wales	00163992	Suite 11a Manchester International Office Centre, Styal Road, Manchester, England, M22 5TN

## Schedule 2 Specified Assets

### Part 1

#### Bank Accounts

Name of account holder	Bank Name	Bank Address	Account Number	SWIFT
Federal-Mogul Controlled Power Limited	Deutsche Bank AG	6 Bishopsgate, London, EC2P 2AT		
Federal-Mogul Controlled Power Limited	Deutsche Bank AG	6 Bishopsgate, London, EC2P 2AT		
Federal-Mogul Limited	Deutsche Bank AG	6 Bishopsgate, London, EC2P 2AT		
Tenneco Automotive UK Limited	Barclays Bank Plc	Barclays, Level 11, 1 Churchill Place, London E14 5HP, United Kingdom		
Tenneco Automotive UK Limited	Barclays Bank Plc	Barclays, Level 11, 1 Churchill Place, London E14 5HP, United Kingdom		
Tenneco-Walker (U.K.) Limited	Barclays Bank Plc	Barclays, Level 11, 1 Churchill Place, London E14 5HP, United Kingdom		
Tenneco-Walker (U.K.) Limited	Barclays Bank Plc	Barclays, Level 11, 1 Churchill Place, London E14 5HP, United Kingdom		

### Part 2

#### Specified Investments

Chargor	Company	Number and description of shares	Percentage of issued capital	Certificate No.
Federal-Mogul Limited	Federal-Mogul Controlled Power Limited	34,500,000 Ordinary Shares of £1.00 each	100%	1, 2, 3, 4, 5, and 6

## Schedule 3

### Forms of Notices of Assignment

#### Part 1

#### Notice of Security over Accounts and Receivables

*[On relevant Chargor's notepaper]*

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

Date: *[Date]*

Dear Sirs

*[Name and date of Account]*

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

We give you notice that by a Debenture (the “**Debenture**”) dated [●] and entered into by us in favour of [●] (as Collateral Agent, as defined in the Debenture), we have [assigned][charged] all our rights, title and interest in the Agreement and other rights to receive payments arising out of the Agreement.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Agreement;
- (b) none of the Collateral Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement;
- (c) until you receive written notice to the contrary from the Collateral Agent:
  - (i) you may continue to deal with us in relation to the Agreement;
  - (ii) we will remain entitled to exercise all of its rights, powers, remedies and discretions under the Agreement; and
  - (iii) you should continue to give notices and make payments under the Agreement to us, and thereafter we 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 Collateral Agent;
- (d) after receipt of written notice in accordance with paragraph (c) above from the Collateral Agent, you must pay all monies to which we are entitled under the Agreement direct to the Collateral Agent (and not to us) unless the Collateral Agent otherwise agrees in writing;
- (e) we agree that:
  - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Collateral Agent's prior written consent; and
  - (ii) you are authorised to disclose any information in relation to the Agreement to the Collateral Agent at the Collateral Agent's request.

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

Yours faithfully

---

*[Name of relevant Chargor]*

By: *[Name of signatory]*



### Acknowledgement

**To: [●] as Collateral Agent**

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

We confirm that:

- (a) we consent to the [assignment][charge] over all Chargor’s rights in the book debts and other rights to receive payments arising out of the Agreement;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Agreement; and
- (c) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

[●]

---

[*Name of other party*]

By: [*Name of signatory*]

**Dated:**

## Part 2

### Notice of Assignment of Assigned Documents

*[On relevant Chargor's notepaper]*

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

Date: *[Date]*

Dear Sirs

*[Name and date of Assigned Document]*

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

We give you notice that by a Debenture (the “**Debenture**”) dated [●] and entered into by us in favour of [●] (as Collateral Agent, as defined in the Debenture), we have assigned to the Collateral Agent all of our rights in, to, under, in respect of or derived from the Assigned Document, including the right to receive any payments due under the Assigned Document.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Assigned Document;
- (b) until you receive notice to the contrary from the Collateral Agent, we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Assigned Document to such bank account as the Collateral Agent may from time to time specify in writing;
- (c) all of the powers, discretions, remedies and other rights which would, but for the Debenture, be vested in us under and in respect of the Assigned Document are exercisable by the Collateral Agent;
- (d) we have agreed not to waive any rights under, amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated the Assigned Document without the prior written consent of the Collateral Agent;
- (e) we agree that:
  - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Collateral Agent's prior written consent; and
  - (ii) you are authorised to disclose any information in relation to the Assigned Document to the Collateral Agent at the Collateral Agent's request.

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

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

Yours faithfully

---

[*Name of relevant Chargor*]

By: [*Name of signatory*]

### Acknowledgement

**To: [●] as Collateral Agent**

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

We confirm that:

- (a) we consent to the assignment of the Assigned Document and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Assigned Document;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Assigned Document or if any event occurs which would permit us to terminate, cancel or surrender the Assigned Document we will:
  - (i) immediately on becoming aware of it, give you written notice of that breach; and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor’s rights, in, to, under, in respect of or derived from the Assigned Document nor an amendment, novation, rescission or other termination by the Chargor of the Assigned Document shall be effective without your prior written consent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

[●]

---

[*Name of other party*]

By: [*Name of signatory*]

Dated:

### Part 3

#### Notice of Assignment of Insurance

*[On relevant Chargor's notepaper]*

To: *[Name and address of insurer]*

Date: *[Date]*

Dear Sirs

#### Policy number [●]

We give you notice that by a Debenture (the “**Debenture**”) dated [●] and entered into by us in favour of [●] (as Collateral Agent, as defined in the Debenture), we have assigned all our rights in, to, under, in respect of or derived from the insurance policy, brief details of which are set out below (the “**Policy**”), and all monies which may be payable to or received by us under it.

Please note the following:

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

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

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

Yours faithfully

---

*[Name of relevant Chargor]*

By: *[Name of signatory]*

#### Details of Policy

Name of insured: [●]  
 Nature of policy: [●]  
 Policy number: [●]  
 Expiry date: [●]

### Acknowledgement

**To:    [●] as Collateral Agent**

We acknowledge receipt of a notice dated [●] 20 [●] addressed to us by *[Name of relevant Chargor]* (the “**Chargor**”) regarding the Policy (as defined in that notice).

We confirm that:

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Policy;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will:
  - (i) immediately on becoming aware of it, give you written notice of that breach; and
  - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor’s rights in, to, under, in respect of or derived from the Policy, nor an amendment, novation, rescission or other termination by the Chargor of the Policy, shall be effective without the prior written consent of the Collateral Agent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

[●]

---

*[Name of insurer]*

By: *[Name of signatory]*

Dated:

## Schedule 4

### Form of Notice of Charge of Bank Account

*[On Chargor's notepaper]*

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

Date: *[Date]*

Dear Sirs

**Bank Account number[s]: [●]**

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

We give you notice that by a Debenture (the "**Debenture**") dated [●] and entered into by us in favour of [●] (as Collateral Agent, as defined in the Debenture) we have charged all our rights in any credit balances on the Bank Account[s] (the "**Balances**") and the indebtedness represented by the Bank Account[s].

Until you receive notice from the Collateral Agent stating otherwise, we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Collateral Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Bank Account[s] which the Collateral Agent may, at any time and from time to time, request;
- (b) at any time and from time to time on receipt by you of any written instruction from the Collateral Agent, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same);
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Bank Account[s], the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Collateral Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it);
- (d) statements shall be supplied to both us and the Collateral Agent; and
- (e) following receipt of any instruction, notice or statement from the Collateral Agent pursuant to paragraphs (b) or (c) above, all rights, interests and benefits whatsoever accruing to or arising from the Bank Account[s] or Balances shall be exercisable by and shall belong to the Collateral Agent and shall not be exercisable by us (but until such time they shall be), and we agree following such time to not withdraw any monies from the Bank Accounts without first having obtained the prior written consent of the Collateral Agent.

We agree that:

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

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

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

Yours faithfully

---

*[Name of Chargor]*

**By:** *[Name of signatory]*



### Acknowledgement

**To: [●] as Collateral Agent**

We acknowledge receipt of a notice (the “**Notice**”) dated [●] addressed to us by [*Name of Chargor*] (the “**Chargor**”) regarding Bank Account number[s]: [●] (the “**Bank Account[s]**”).

We confirm that:

- (a) we consent to the charge of the Bank Account[s] and will comply with the terms of the Notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other Lien of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts) over or with respect to all or any part of the Bank Account[s] and/or the Balances (as defined in the Notice);
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Bank Account[s] or the Balances;
- (d) we undertake that, on our becoming aware at any time that any person other than the Collateral Agent has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Bank Account[s] or the Balances, we will immediately give written notice of that to the Collateral Agent;
- (e) no fees or periodic charges are payable in respect of the Bank Account[s] and/or Balances;
- (f) we shall not exercise any right of combination, consolidation, merger or set-off which we may have in respect of, or otherwise exercise any other right which we may have to apply any monies from time to time standing or accruing to the credit of the Bank Accounts save for fees and charges payable to us for the operation of the Bank Accounts; and
- (g) we shall operate the Bank Account[s] in accordance with the terms set out in the Notice.

\_\_\_\_\_

for and on behalf of

[*Name of account bank*]

**By:** [*Name of signatory*]

Dated:

## Signature Pages to the English Law Debenture

### The Chargors

**Executed as a Deed by**

**F-M MOTORPARTS LIMITED**

acting by a director

}

[Redacted Signature]

Name: Carol Jones

Title: Director

in the presence of

[Redacted Signature]

Witness signature:

Name: Ben Clissett

Address: Millgrove House, Parc Ty Glas, Llanishen, Cardiff. United Kingdom. CF14 5DU

Occupation: Senior Treasury Manager

**Executed as a Deed by**

**FEDERAL-MOGUL CONTROLLED  
POWER LIMITED**

acting by a director

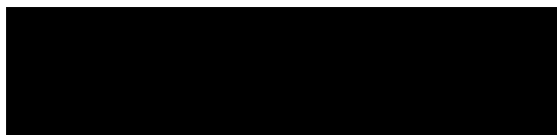
}



Name: Christoph Narten

Title: Director

in the presence of



Witness signature:

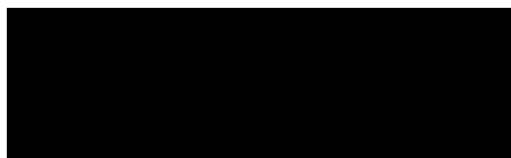
Name: Traute Degioanni

Address: Federal-Mogul Holding Deutschland GmbH, Stielstrasse 11, 65201 Wiesbaden

Occupation: Executive Assistant

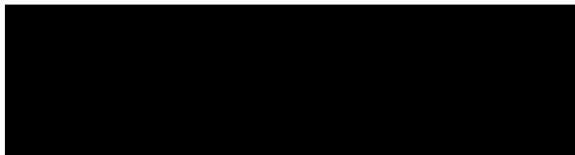
**Executed as a Deed by**  
**FEDERAL-MOGUL LIMITED**  
acting by a director

}



Name: Christoph Narten  
Title: Director

in the presence of



Witness signature:

Name: Traute Degioanni

Address: Federal-Mogul Holding Deutschland GmbH, Stielstrasse 11, 65201 Wiesbaden

Occupation: Executive Assistant

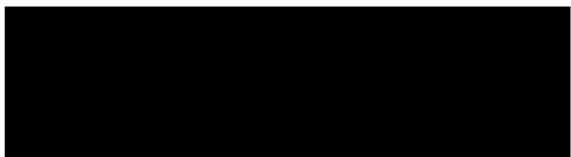
**Executed as a Deed by**

**TENNECO AUTOMOTIVE UK LIMITED**  
acting by a director



Name: Carol Jones  
Title: Director

in the presence of



Witness signature:

Name: Ben Clissett

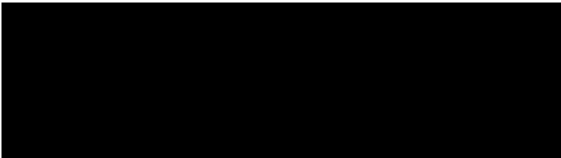
Address: Millgrove House, Parc Ty Glas, Llanishen, Cardiff. United Kingdom. CF14 5DU

Occupation: Senior Treasury Manager

**Executed as a Deed by**  
**TENNECO-WALKER (U.K.) LIMITED**  
acting by a director

}   
Name: Selina Minto  
Title: Director

in the presence of



Witness signature:  
Name: Daniel Minto  
Address:   
Occupation: 

**The Shareholder Chargor**

**Executed as a Deed by**

**FEDERAL-MOGUL LIMITED**

acting by a director

}

[Redacted Signature]

Name: Christoph Narten

Title: Director

in the presence of

[Redacted Signature]

Witness signature:

Name: Traute Degioanni

Address: Federal-Mogul Holding Deutschland GmbH, Stielstrasse 11, 65201 Wiesbaden

Occupation: Executive Assistant

**The Collateral Agent**

**Executed as a Deed by**

**CITIBANK, N.A.**  
acting by



Name: Jyothi Narayanan  
Title: Vice President