

MR01

Particulars of a charge



Companies House

000021-23



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

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where
an instrument is used. Use form M

For further information, see the



RCS *R7Y5S8EI* #18
COMPANIES HOUSE
A06 *A7Y5E477* #209
COMPANIES HOUSE

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



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

1 Company details

Company number 0 5 6 1 6 5 8 6

Company name in full INTL FCSTONE LTD

0 0 0 6 For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 2 d 5 m 0 m 1 y 2 y 0 y 1 y 9

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

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

Name LME CLEAR LIMITED

Name

Name

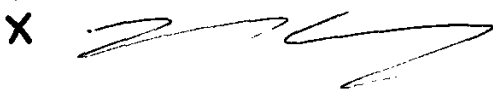
Name

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

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


MR01


Particulars of a charge


4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument. Brief description	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes	
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^① You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	^① This statement may be filed after the registration of the charge (use form MR06).
9	Signature Please sign the form here. Signature  This form must be signed by a person with an interest in the charge.	

MR01


Particulars of a charge


	Presenter information
You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	MARK THOMAS
Company name	LME CLEAR LIMITED
Address	10 FINSBURY SQUARE
Post town	LONDON
County/Region	
Postcode	E C 2 A 1 A J
Country	UK
DX	
Telephone	02071138506


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

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

Please make sure you have remembered the following:	
<input checked="" type="checkbox"/>	The company name and number match the information held on the public Register.
<input checked="" type="checkbox"/>	You have included a certified copy of the instrument with this form.
<input checked="" type="checkbox"/>	You have entered the date on which the charge was created.
<input checked="" type="checkbox"/>	You have shown the names of persons entitled to the charge.
<input checked="" type="checkbox"/>	You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
<input checked="" type="checkbox"/>	You have given a description in Section 4, if appropriate.
<input checked="" type="checkbox"/>	You have signed the form.
<input checked="" type="checkbox"/>	You have enclosed the correct fee.
<input checked="" type="checkbox"/>	Please do not send the original instrument; it must be a certified copy.

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

	How to pay
A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.	
Make cheques or postal orders payable to 'Companies House.'	

	Where to send
You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:	
For companies registered in England and Wales: The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.	
For companies registered in Scotland: The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF. DX ED235 Edinburgh 1 or LP - 4 Edinburgh 2 (Legal Post).	
For companies registered in Northern Ireland: The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG. DX 481 N.R. Belfast 1.	

	Further information
For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk	

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5616586

Charge code: 0561 6586 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th January 2019 and created by INTL FCSTONE LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th January 2019.

(P)

Given at Companies House, Cardiff on 11th February 2019



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

OLME Clear

An HKE C Company

Security Deed

I hereby certify that this is a true copy of
the original

Signed:

M. Thomas

Date:

28 January 2019

Full Name:

MARK WILLIAM THOMAS

Occupation:

SOLICITOR

Address:

10 FINSBURY SQUARE

LONDON

EC2A 1AJ

LME CLEAR LIMITED

10 Finsbury Square, London EC2A 1AJ | Tel +44 (0)20 7113 8888

A private limited company Registered in England no 07611628 Registered office as above.

LME.COM/CLEAR

SECURITY DEED

dated 25 January 2019

created by

INTL FCSTONE LTD

as the security provider
in favour of

LME CLEAR LIMITED

signed and sealed by the security provider

signed and sealed by the security provider



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25 January 2016
THIS DEED is dated [] and made between:

- (1) INTL FCSTONE LTD ✓ registration number 5616586 (the "**Security Provider**"); and
- (2) LME CLEAR LIMITED, registration number 07611628 (the "**LME Clear**"). ✓

Background

- (A) The Security Provider is a Member of the Clearing System operated by LME Clear. The Security Provider has agreed to execute this Deed for the purposes of securing its Secured Obligations to LME Clear.
- (B) The Security Provider is a member of LMEsword which is the system used to lodge LME Warrants with the LMEsword Depository and transfer LME Warrants between members of LMEsword. LME Warrants held in LMEsword are a form of Eligible Collateral which the Security Provider can use to satisfy in whole or in part its obligations to LME Clear.
- (C) Under LMEsword, LME Warrants delivered by the Security Provider to the LMEsword Depository are held by the LMEsword Depository as bailee for the Security Provider. That relationship is recorded by crediting the Security Provider Account in LMEsword with the relevant LME Warrants. LME Warrants may be transferred from the Security Provider's Account to the account of another member of LMEsword in accordance with the LMEsword Regulations. Such transfer effects an attornment in favour of the transferee member so that the LMEsword Depository becomes the bailee of the LME Warrants for that transferee member.
- (D) LME Clear is a member of LMEsword and has established an LME Clear Pledged Account for the purposes of holding LME Warrants provided to it by way of security by members of the Clearing System, including by the Security Provider pursuant to this Deed. LME Warrant Collateral will be credited to the LME Clear Pledged Account in respect of obligations owing by the members of the Clearing System to LME Clear in relation to positions and assets recorded on both their House Accounts and Client Accounts.
- (E) As security for some or all of its Secured Obligations, the Security Provider may from time to time effect a transfer of LME Warrants from the Security Provider's Account to an LME Clear Pledged Account in accordance with the LMEsword Regulations. Any such transfer will be by way of pledge in accordance with the terms of this Deed.
- (F) LME Clear and the Security Provider intend this document to take effect as a deed (even though LME Clear only executes it under hand).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

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



"Delegate" means a delegate or sub-delegate appointed by LME Clear or a Receiver in accordance with this Deed.

"Insolvency Act" means the Insolvency Act 1986.

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

"LME Warrant" means an LME Warrant as defined in the Rules together with any Related Rights.

"Loss" includes any loss, liability, damage, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise (including any loss of business, loss of goodwill, loss of profit, and business interruption or other loss) and all professional fees, disbursements and applicable taxes including VAT thereon.

"Material Adverse Effect" means a material adverse effect on or a material adverse change to:

- (a) the ability of the Security Provider to perform and comply with its obligations under this Deed;
- (b) the validity, legality or enforceability of this Deed; or
- (c) the validity, legality or enforceability of any Security expressed to be created pursuant to this Deed or on the priority and ranking of any of that Security.

"Party" means a party to this Deed.

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver.

"Registration Requirements" means:

- (a) for a Security Provider subject to the Companies Act 2006, the delivery of the particulars of this Deed and a certified copy of this Deed to the Registrar of Companies in accordance with section 859A of the Companies Act 2006; and
- (b) for any other Security Provider, to take all such action and steps which may be necessary to ensure the perfection and priority of the Security Interests (including any relevant registrations) under and in accordance with the provisions of law applicable to such Security Provider; and

in each case to co-operate in a timely fashion with such requests as LME Clear may make from time to time in connection with ensuring such registration, perfection and establishment of priority.

"Related Rights" means, in relation to an LME Warrant:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that LME Warrant;
- (b) any moneys or proceeds paid or payable deriving from that LME Warrant;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that LME Warrant;
- (d) any awards or judgments in favour of the Security Provider in relation to that LME Warrant;
- (e) any other assets deriving from, or relating to, that LME Warrant including the metal to which the LME Warrant relates and entitlements as described in paragraphs (a) to (d) above to the extent they arise in relation to the metal rather than the LME Warrant relating to it.

"Rules" means the rules and Procedures (including any annexes) established by LME Clear which are from time to time in force in relation to the operation of, and participation by Members in, the Clearing System.

"Secured Obligations" means:

- (a) all money and liabilities whatsoever now or in the future (whether before or after the occurrence of a Default Event) due, owing or incurred by the Security Provider to LME Clear (whether solely or jointly, or jointly and severally, with another or others, and whether as principal or surety or in any other capacity, and whether actual or contingent), under or in connection with any Member Documentation, or the operation of the Clearing System and also including (whether before or after any judgment) all interest, costs and other charges whatsoever,
- (b) together with any claim relating to or arising in respect of those liabilities and obligations as a result of any recovery by the Security Provider of a payment, prepayment, repayment, redemption, defeasance or discharge of those liabilities or obligations on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings. For the avoidance of doubt, Secured Obligations shall include (with effect from the time of their transfer to the Security Provider) any and all liabilities, obligations and money (including all relevant Respective Entitlements) due, owing or payable to LME Clear by the Security Provider in respect of any positions and/or assets transferred to the Security Provider as contemplated under paragraph (c) of Clause 3.5 (*Client account security confirmations*) and exclude (with effect from the time of their release by the Security Provider) any liabilities, obligations and money (including all such Respective Entitlements) due, owing or payable to LME Clear from which the Security Provider is



released as contemplated under paragraph (d) of Clause 3.5 (*Client account security confirmations*).

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

"Security Assets" means the assets from time to time subject, or expressed to be subject, to the Security Interests or any part of those assets.

"Security Document" means this Deed, any other agreement creating or purporting to create Security by the Security Provider in favour of LME Clear to secure any Secured Obligation, and any other agreement or document designated as such by the Security Provider and LME Clear.

"Security Interests" means all or any of the Security created or expressed to be created by or pursuant to this Deed which, for the avoidance of doubt, will include the charge over future property created on execution of this Deed and each pledge over Security LME Warrants created thereafter as described in Clause 3.1.

"Security LME Warrants" means all LME Warrants from time to time transferred or, as the case may be, to be transferred by the Security Provider in accordance with the LMEsword Regulations to an LME Clear Pledged Account which, to the extent so transferred, have not been retransferred to the Security Provider in accordance with Clause 16.

"Security Provider Account" means an Account (as such term is defined in Part 10 of the London Metal Exchange rules and regulations which are from time to time in force and govern membership of the London Metal Exchange) of the Security Provider in LMEsword details of which are notified to LME Clear from time to time.

"Tax" means any tax, levy, impost, contribution, duty or other charge or withholding of a similar nature (including any penalty, charge or interest payable in connection with any failure to pay or any delay in paying any of the same).

"VAT" means:

- (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above or imposed elsewhere.

1.2 Incorporation of Defined Terms

Unless a contrary indication appears, **"Applicable Law"**, **"Clearing System"**, **"Client"**, **"Client Account"**, **"Client Business"**, **"Collateral"**, **"Default Event"**, **"Default Fund Contribution"**, **"Excess Loss"**, **"House Account"**, **"LME Clear Pledged Account"**, **"LMEsword"**, **"LMEsword Depository"**, **"LMEsword Regulations"**, **"Member"**,

"Member Documentation", "Member Transferor", "Member Transferee", "Procedures", "Respective Entitlements", "Transfer Time" and all other terms defined in the Rules have the same meaning in this Deed.

1.3 Construction

- (a) Unless a contrary indication appears, any reference in this Deed to:
- (i) **"assets"** includes present and future properties, revenues and rights of every description;
 - (ii) **"LME Clear", "LMEsword Depository", "Party"** or any **"Security Provider"**, shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - (iii) the **"Rules"** and **"Member Documentation"** is a reference to those Rules and Member Documentation as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced;
 - (iv) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - (v) a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation; and
 - (vi) a provision of law is a reference to that provision as amended or re-enacted.
- (b) Clause and Schedule headings are for ease of reference only.

1.4 Third Party Rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any terms of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2. COVENANT TO PAY SECURED OBLIGATIONS

The Security Provider covenants with LME Clear that it will duly and punctually perform, pay or discharge each Secured Obligation. The Security Provider confirms and agrees that it is liable as principal to LME Clear in respect of all transactions to which the Rules apply whether for the House Account or the Client Account of the Security Provider or otherwise.



3. SECURITY

3.1 Charge and Pledge of LME Warrants

The Security Provider, with full title guarantee and as security for the performance, payment or discharge of the Secured Obligations, hereby creates security in favour of LME Clear over all Security LME Warrants from time to time and the metals to which they relate:

- (a) on execution of this Deed, by way of charge over future property; and
- (b) on their transfer to the LME Clear Pledged Account, by way of pledge.

3.2 Single registrable charge

Where the Security Provider is subject to the Companies Act 2006, it is acknowledged by the Security Provider that:

- (a) the security over future property created under paragraph (a) of Clause 3.1 (*Pledge of LME Warrants and charge*) constitutes a charge registrable under section 859A Companies Act 2006 which arises at the date of execution of this Deed; and
- (b) the pledges created pursuant to paragraph (b) of Clause 3.1 (*Pledge of LME Warrants and charge*) by the later transfer from time to time to LME Clear of the Security LME Warrants do not constitute charges registrable under section 859A Companies Act 2006.

[Note to users: the charging provisions in this document are unusual reflecting the bespoke nature of the security arrangements and the manner in which security is customarily taken in relation to Warrants held in LMEsword. The Security Provider wishes to have the flexibility to provide LME Warrants (as well as other forms of collateral) to LME Clear by way of security. The conventional manner of taking security over LME Warrants is by way of pledge (as agreed in Clause 3.1(b)). Accordingly, this document contemplates that, should the Security Provider elect to deliver LME Warrants as collateral, one or more pledges will arise in the future by virtue of the delivery of possession of LME Warrants by way of pledge in LMEsword. This document is intended to regulate the terms of the pledge or pledges so created. The pledges themselves are not registrable security interests under English law (as acknowledged in Clause 3.2). However, in addition to any pledge created in the future pursuant to this Deed, it is likely that the grant today of proprietary rights and interests in future property by virtue of the pledging language in Clause 3.1(b), itself gives rise to an equitable security interest which is registrable as a charge (as acknowledged in Clause 3.2), which security interest also falls to be regulated by the terms of this Deed. In summary the act of pledging today of future Security LME Warrants is likely to be a registrable charge.]



3.3 Security unknown to the LMEsword Depository

It is acknowledged by the Security Provider that the LMEsword Depository has, and will have, no notice of any Security Interests created under or pursuant to this Deed arising in connection with the Security LME Warrants. Therefore, consistent with the LMEsword Regulations, the LMEsword Depository will hold the Security LME Warrants as bailee for LME Clear and will be entitled to act solely on the instructions of LME Clear in relation to the Security LME Warrants without reference to the Security Provider or any retained interest that it may have in the Security LME Warrants.

3.4 Priority of Security

Without prejudice to the provisions of this Deed (including under Clause 4.1(*Negative Pledge*)) and any Member Documentation, any Security created in the future in or over any Security Assets by the Security Provider (except in favour of LME Clear) shall be expressed to be subject to this Deed and shall rank in order of priority behind the Security created by any Security Document.

3.5 Client account security confirmations

- (a) The charge and pledges contained in or contemplated by Clause 3.1 (*Charge and pledge of LME Warrants*) shall apply to all Security Assets, whether relating to positions and/or assets recorded on a House Account or a Client Account of the Security Provider.
- (b) All money received or realised under the powers conferred by this Security Deed shall be applied for the purposes and in the manner determined by LME Clear in accordance with the Rules. If LME Clear maintains one or more House Accounts and one or more Client Accounts for the Security Provider, such money shall be allocated and applied by LME Clear in the proportions and subject to the restrictions on the use of Collateral applicable under the Rules.
- (c) If the assets and/or positions relating to a Client Account of:
 - (i) a Member Transferor are validly transferred to the Security Provider (as a Member Transferee) in accordance with Rules 5 (*Client Business and Portability Arrangements*) and 10.7 (*Portability of Client Accounts*) and Part D (*Porting Procedure*) of the Default Procedures of the Rules; or
 - (ii) a transferor Member are validly transferred to the Security Provider (as transferee Member) in accordance with Rule 6.13 (*Transfer of Contracts in the Absence of Default*),

in each case together with the Collateral provided by the Member Transferor or, as relevant, the transferor Member to secure its obligations under the Rules in connection with such Client Account then, immediately upon such transfer taking effect, all present and future obligations, money and liabilities due, owing or payable to LME Clear under or in connection with such assets and/or positions will be secured by the charge and



pledges contained in or contemplated by Clause 3.1 (*Charge and pledge of LME Warrants*).

- (d) If the assets and/or positions relating to a Client Account of the Security Provider and the Collateral (including, to the extent provided for in the Rules, the Security Assets) provided by it to secure its obligations under the Rules in connection with such Client Account are validly transferred to:
- (i) a Member Transferee in accordance with Rules 5 (*Client Business and Portability Arrangements*) and 10.7 (*Portability of Client Accounts*) and Part D (*Porting Procedure*) of the Default Procedures of the Rules; or
 - (ii) a transferee Member in accordance with Rule 6.13 (*Transfer of Contracts in the Absence of Default*),

then in each case, upon such assets and/or positions and such Collateral (including, to the extent provided for in the Rules, the Security Assets) being validly transferred to the Member Transferee (or, as relevant, the transferee Member) and becoming subject to valid Security created by the Member Transferee (or, as relevant, the transferee Member) in favour of LME Clear (which in relation to any transferred Security Assets will be on the same terms as under Clause 3.1 (*Charge and pledge of LME Warrants*)), the obligations, money and liabilities due, owing or payable to LME Clear in respect of such assets and/or positions shall cease to form part of the Secured Obligations of the Security Provider.

4. RESTRICTIONS AND FURTHER ASSURANCE

4.1 Negative pledge

Except for the Security Interests, the Security Provider shall not, without the prior written consent of LME Clear:

- (a) other than in favour of LME Clear, create, or agree or attempt to create, or permit to subsist, any Security or any trust over any interest that the Security Provider has in any Security Asset), or permit any lien (other than a lien arising by operation of law or a right of retention in favour of a warehouse in respect of unpaid rent and other charges owing to that warehouse relating to metal to which a Security LME Warrant relates in the ordinary course of the Security Provider's business) to arise or subsist over any such interest;
- (b) sell, transfer or otherwise dispose of any Security Asset, or any of its right, title or interest therein;
- (c) enter into any other agreement having similar effect to the transactions contemplated under (a) and/or (b) above;
- (d) withdraw or attempt to withdraw any metal to which a Security LME Warrant relates from the warehouse authorised to store it; or



- (e) cancel or attempt to cancel an LME Warrant or to take any other action in relation to an LME Warrant or the underlying metal to which it relates which is (or is likely to) be prejudicial to the rights of LME Clear under any Security Interest created by or pursuant to this Deed.

4.2 Further assurance

- (a) The Security Provider shall promptly do all such acts or execute all such documents (including assignments, transfers, pledges, mortgages, charges, notices and instructions) as LME Clear may reasonably specify (and in such form as LME Clear may reasonably request):
 - (i) without prejudice to Clause 5.1, to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a pledge, mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security) or for the exercise of any rights, powers and remedies of LME Clear provided by or pursuant to this Deed or otherwise provided by or pursuant to the Member Documentation or by law in relation to the Security Assets; or
 - (ii) to confer on LME Clear Security over any Security Assets of the Security Provider located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security.
- (b) The Security Provider shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on LME Clear pursuant to this Deed.

5. GENERAL UNDERTAKINGS

5.1 Authorisations

The Security Provider shall promptly:

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (b) supply certified copies to the LME Clear of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed.

5.2 Registration Requirements

The Security Provider shall promptly comply with the Registration Requirements.



5.3 Information

The Security Provider shall provide LME Clear with such information as it may request in relation to the Security Assets, the Security Interests, or any other matter arising under or in connection with this Deed.

5.4 Documents

The Security Provider shall deliver to LME Clear such documents of title or evidence of ownership as LME Clear may request in relation to the Security Assets.

5.5 Insurance

The parties acknowledge that it is the responsibility of the Security Provider to maintain adequate insurance against such risks as it deems appropriate (or as may be required by LME Clear) in respect of the Security LME Warrants.

5.6 No prejudicial conduct

The Security Provider shall not do, or permit to be done, anything which could prejudice the Security Interests.

6. REPRESENTATIONS AND WARRANTIES**6.1 General representations and warranties**

The Security Provider represents and warrants to LME Clear that:

- (a) the Security Provider has the corporate power, and has taken all necessary action, to execute and perform this Deed;
- (b) this Deed constitutes legal, valid and binding obligations enforceable against the Security Provider and creates the Security expressed to be created by this Deed;
- (c) this Deed creates a valid, first-priority security interest in all present and future Security Assets, subject to no other Security whatsoever (save any Security in favour of LME Clear);
- (d) the Security Provider has obtained all authorisations of any governmental or regulatory body required in connection with the execution and performance of this Deed and such authorisations are in full force and effect;
- (e) the execution and performance of this Deed has not, and will not, violate any law, ordinance, charter, constitutional document, by-law or rule applicable to the Security Provider or any agreement by which it is bound or to which any of its property or other assets are subject in a manner that would affect the validity or enforceability of this Deed;
- (f) the choice of English law as the governing law of this Deed will be recognised and enforced in the Security Provider's jurisdiction of incorporation and any judgment obtained in England and Wales in relation to this Deed will be recognised and enforced in the Security Provider's jurisdiction of incorporation;



- (g) the Security Provider is acting as principal in entering into this Deed and performing its obligations under it;
- (h) no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of the Security Provider's knowledge and belief) been started or threatened against it;
- (i) subject to any lien or right of retention referred to in Clause 4.1(a) above, at the time of transfer of any Security Asset to LME Clear, the Security Provider was the sole lawful owner of, and was entitled to the entire beneficial interest in, such Security Asset (and the underlying assets to which it gives possession) and will have full right and authority to make each such transfer and, upon such transfer being effected, such Security Asset shall stand pledged in favour of LME Clear with full title guarantee on the terms of this Deed, and in particular free of any interest of any kind including Security in favour of any third party;
- (j) the Security Provider has, and will at all times have, in force with each of its Clients who provide LME Warrants as collateral for their obligations to the Security Provider in respect of Client Business, an agreement under which the Security Provider is expressly entitled to create the Security contemplated by this Deed, with respect to any LME Warrants from time to time held by the Security Provider or delivered to the Security Provider by or for the account of any such Client, to secure the discharge of the Secured Obligations;
- (k) neither the Security Provider nor any other person is or will be in breach of any trust or other fiduciary duty as result of the charging or pledging, or authorising the charging or pledging of any Security Asset under any Security Document;
- (l) all Security Assets are free from any restriction on transfer (except for the restrictions contained in this Deed) and the Security Provider shall ensure that, as far as the Security Provider is able, all Security Assets will at all times remain free from any restriction on transfer (except for the restrictions contained in this Deed); and
- (m) this Deed creates in favour of LME Clear the Security which it is expressed to create with the ranking and priority it is expressed to have.

6.2 Repetition of representations and warranties

The representations and warranties stated in Clause 6.1 (*General representations and warranties*) shall be made on the date on this Deed and deemed to be repeated by the Security Provider on each day on which any Security Asset is transferred or otherwise provided by or on behalf of the Security Provider to LME Clear.

7. NO USE OF SECURITY ASSETS

Except to the extent otherwise provided under this Deed (including, for the avoidance of doubt, LME Clear's rights to enforce the Security Interests under Clauses 8 to 13, inclusive and to transfer LME Warrants in accordance with the Rules as contemplated under Clause 3.5), LME Clear will not have the right to sell, pledge, rehypothecate, assign, invest, use, commingle with its own assets or otherwise dispose of, or otherwise use in its business, any Security Assets it holds under this Deed.

8. ENFORCEMENT**8.1 When enforceable**

The Security Interests shall be immediately enforceable:

- (a) on and at any time after the occurrence of a Default Event in respect of the Security Provider so determined by LME Clear in accordance with Rule 10.1 of the Rules; and/or
- (b) if and to the extent Default Fund Contributions of the Security Provider are (or are to be) applied to discharge such part of the Excess Loss attributable to the Security Provider under and in accordance with paragraph 10.10.1 (d) of Rule 10 (*Default waterfall and allocation of any excess loss*) of the Rules,

provided that, where the Security Interests are enforced pursuant to paragraph (b) above, the total amount recoverable from the Security Provider under all Security Documents in connection with such enforcement shall not exceed the amount of the Excess Loss allocated to the Security Provider under and in accordance with Rule 10 (*Default waterfall and allocation of any excess loss*) of the Rules.

8.2 Enforcement action

At any time after the Security Interests have become enforceable, LME Clear may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit. The taking of enforcement action by LME Clear on or after the occurrence of a Default Event in respect of the Security Provider shall not preclude LME Clear from taking further enforcement action on the occurrence of any other such event or events.

8.3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest*



of mortgagee) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

8.4 Additional powers of LME Clear

At any time after the Security Interests have become enforceable, in addition to the powers under the Law of Property Act described in Clause 8.3 (*Law of Property Act powers*) and its powers under any Member Documentation, LME Clear shall be entitled, at its absolute discretion without notice to the Security Provider, to exercise the rights set out in Schedule 1 (*Rights of LME Clear*) and any rights conferred by law upon a Receiver, whether or not LME Clear shall have appointed a Receiver of all or any part of the Security Assets.

9. LAW OF PROPERTY ACT

9.1 Section 101

The power of sale and other powers conferred by section 101 (Powers incident to estate or interest of mortgagee) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 8.3 (*Law of Property Act powers*).

9.2 Section 103

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed.

9.3 Section 93

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed.

10. APPOINTMENT AND RIGHTS OF RECEIVERS

10.1 Appointment of Receivers

If:

- (a) requested by the Security Provider; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, LME Clear may, by deed or otherwise, in writing signed by LME Clear or any person authorised for this purpose by LME Clear, appoint one or more persons to be a Receiver of all of any part of the Security Assets. LME Clear may similarly remove any Receiver and appoint any person instead of any Receiver. If LME Clear appoints more than one person as Receiver, LME Clear may give those persons power to act either jointly or severally.



10.2 Agent of Security Provider

Any Receiver shall be the agent of the Security Provider for all purposes. The Security Provider alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

10.3 Remuneration of Receivers

LME Clear may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Security Provider alone shall be liable for the remuneration and all other costs and Losses of the Receiver, save that LME Clear may direct payment of that remuneration out of moneys it receives on enforcement of the *Security Interests*.

11. RIGHTS AND LIABILITIES OF LME CLEAR, RECEIVERS AND DELEGATES**11.1 Rights of Receivers**

Any Receiver appointed pursuant to Clause 10.1 (*Appointment of Receivers*) shall:

- (a) be entitled to exercise the rights conferred on LME Clear in Schedule 1 (*Rights of LME Clear*); and
- (b) have the rights, powers, privileges and immunities conferred by law, including the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

11.2 Possession

If LME Clear, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession.

11.3 No liability of LME Clear, a Receiver or Delegate

Neither LME Clear, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any Loss or expense relating to the realisation of any Security Assets;
- (b) any failure to make or receive any payment which arises on the Security Assets or to notify the Security Provider of any such matters; or
- (c) any act or omission of LME Clear, any Receiver or any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with this Deed or the Rules or any Loss arising as a result thereof,

unless, in each case, directly caused by its own fraud, gross negligence or wilful misconduct.



12. APPLICATION

All amounts from time to time received or recovered by LME Clear or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be applied for the purposes and in the manner determined by LME Clear in accordance with the Rules. If LME Clear maintains in its books of account one or more House Accounts for the Security Provider, such money shall be allocated and applied by LME Clear in the proportions and subject to the restrictions on the use of Collateral provided on House Account applicable under the Rules.

13. POWER OF ATTORNEY**13.1 Appointment**

The Security Provider by way of security irrevocably appoints LME Clear and each Receiver severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to execute any document or do any act or thing which LME Clear or such Custodian or such substitute or Delegate may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of LME Clear conferred by this Deed and any Member Documentation; or
- (b) to do anything which the Security Provider is obliged to do under or in connection with this Deed or the Member Documentation but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, pledges, charges, notices, instructions, filings and registrations) as LME Clear may reasonably require; and
- (c) to exercise any of the rights conferred on LME Clear or any Receiver in relation to the Security Assets or under this Deed or under any law.

13.2 Ratification

The Security Provider ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (*Appointment*).

14. PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with LME Clear, any Receiver or its agents shall be concerned to enquire:

- (a) whether the powers conferred on LME Clear, any Receiver or its agents have arisen;
- (b) whether the powers conferred on LME Clear, any Receiver or its agents have become exercisable;



- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether LME Clear, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Member Documentation and the receipt in writing of the LME Clear, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the LME Clear, any Receiver or its agents.

15. SAVING PROVISIONS

15.1 Continuing Security

Subject to Clause 16 (*Discharge of Security*), the Security Interests are continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

15.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Security Provider or any security for the obligations or otherwise) is made by LME Clear in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Security Provider and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

15.3 Waiver of defences

Neither the obligations of the Security Provider under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under the Member Documentation or the Security Interests (without limitation and whether or not known to it or LME Clear) including:

- (a) any time, waiver or consent granted to, or composition with, the Security Provider or other person;
- (b) the release of the Security Provider or any other person under the terms of any composition or arrangement with any creditor of the Security Provider;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Security Provider or other person or any non-presentation or non-



observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Security Provider or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of or to the Member Documentation or any other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under the Member Documentation or any other document or security; or
- (g) any insolvency or similar proceedings.

15.4 Security Provider Intent

Without prejudice to the generality of Clause 15.3 (*Waiver of defences*), the Security Provider expressly confirms that it intends that the Security Interests shall extend from time to time to any (however fundamental) variation or addition of or to the Member Documentation.

15.5 Immediate recourse

The Security Provider waives any right it may have of first requiring LME Clear (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Security Provider under this Deed. This waiver applies irrespective of any law or any provision of this Deed to the contrary.

15.6 Appropriations

Until all amounts which may be or become payable by the Security Provider under or in connection with the Member Documentation have been irrevocably paid in full and all Secured Obligations have terminated, LME Clear (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by LME Clear (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Security Provider shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Security Provider or on account of the Security Provider's liability under this Deed.

15.7 Additional Security

The Security Interests are in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by LME Clear.



15.8 Tacking

The Security Provider shall comply with its obligations under the Member Documentation.

16. DISCHARGE OF SECURITY**16.1 Discharge of Security on default porting**

Where the assets and/or positions relating to a Client Account of the Security Provider are being transferred to a Member Transferee in accordance with Rules 5 (Client Business and Portability Arrangements) and 10.7 (Portability of Client Accounts) and Part D (Porting Procedure) of the Default Procedures of the Rules, and the Security Assets (together with other Collateral) provided by the Security Provider to secure its obligations under the Rules in connection with such Client Account are also to be transferred, then in accordance with Rule 2.11 of Part D (Porting Procedure) of the Default Procedures of the Rules and with effect from the Transfer Time:

- (a) the Security Provider shall cease to have any interest (legal equitable or otherwise) in the Security Assets being so transferred and all claims in respect of those Security Assets are extinguished; and
- (b) the Security Assets being transferred are released from the Security Interest created by the Security Provider under or pursuant to this Security Deed.

16.2 Final redemption and general release of Security

Subject to Clause 16.3 (*Retention of security*):

- (a) if the Security Provider ceases to be a Member and LME Clear is satisfied that all Secured Obligations have been fully, irrevocably and unconditionally paid or discharged by the Security Provider in favour of LME Clear (and, if contingent, have wholly ceased to be capable of arising) and after such Security Provider has become entitled under the Rules to request the release of the Security Interest; or
- (b) (except in relation to the discharge of all or part of the Security Interest pursuant to Clause 16.1 (*Discharge of Security on default porting*)), if LME Clear is otherwise required or has agreed under the Rules, including in relation to action taken in connection with Rule 6.13 (*Transfer of Contracts in the Absence of Default*), to release all or some of the Security Assets,

LME Clear shall at the written request and cost of the Security Provider release, reassign or discharge (as appropriate) all, or in relation to action taken pursuant to subparagraph (b) above, the relevant part, of the Security Assets from the Security Interests and shall retransfer all, or the relevant part, of the Security LME Warrants to the Security Provider Account.

16.3 Retention of security

If LME Clear considers in good faith that any amount paid or credited to it in satisfaction of the obligations is capable of being avoided or otherwise set aside that amount shall not



be considered to have been paid for the purposes of determining whether all the Liabilities have been irrevocably paid.

17. PAYMENTS AND EXPENSES

- (a) Subject to the following sentence, the Security Provider shall, on demand by LME Clear, reimburse LME Clear for all reasonable charges (including costs relating to holding the LME Warrants in LMEsword) and expenses incurred by LME Clear in connection with the opening, maintenance and operation of an LME Clear Pledged Account in respect of the Security Provider. Where an LME Clear Pledged Account is used for holding Security LME Warrants provided by the Security Provider and other Members, LME Clear shall allocate such charges and expenses between them on such basis as it may determine in accordance with the Rules and the Security Provider shall reimburse its allocated proportion of such charges and expenses to LME Clear.
- (b) The Security Provider shall promptly pay all calls, fees, charges, fines, rents, weight adjustments, storage fees, lease payments, costs, expenses, insurance and other amounts of any kind which may become due in respect of any Security Assets or any underlying metals to which they relate. If the Security Provider defaults in doing so, LME Clear shall be entitled to pay them and the Security Provider shall reimburse LME Clear on demand in relation to any such payment made by LME Clear, and in any event the amount of any such payment made by LME Clear shall be added to and form part of the Secured Obligations.
- (c) The Security Provider shall reimburse or pay to LME Clear on demand the amount of all Losses and expenses incurred by LME Clear or any Receiver in relation to this Deed (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Deed, or any consideration by the LME Clear as to whether to realise or enforce the same, and/or any amendment, waiver, consent or release of this Deed or the Security hereunder).

18. INDEMNITY

The Security Provider shall, on demand and from time to time, indemnify LME Clear and any Receiver against any Loss incurred by it or them as a result of:

- (a) any breach by the Security Provider of this Deed; or
- (b) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Deed or otherwise relating to the Security Assets, except if and insofar as any such Loss results from LME Clear's or such Receiver's own fraud, gross negligence or wilful default.



19. PAYMENTS**19.1 Demands**

Any demand for payment made by LME Clear shall be valid and effective even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them.

19.2 Payments

All payments by the Security Provider under this Deed shall be made to such account, with such financial institution and in such other manner as LME Clear may direct.

19.3 Currency indemnity

If, for any reason, any amount payable to LME Clear by the Security Provider under this Deed is paid or recovered in a currency other than that in which it is required to be paid, then, to the extent that the payment to LME Clear falls short of the amount payable in the contractual currency, the Security Provider shall indemnify LME Clear on demand for such shortfall on the terms applicable under Rule 2.16.3 (*Currency conversion*) of the Rules.

19.4 Interest on overdue amounts

Any overdue amount due under this Deed or secured by this Security shall carry interest at the rate and in accordance with the terms applicable under paragraph 4.5 of Part G (*Interest, fees and charges*) of the Clearing Procedure of the Rules (or any amended or replacement provision of the Rules which deals with default interest payable by a Security Provider for late payments).

19.5 Continuation of accounts

- (a) At any time after LME Clear has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of the Security Provider, LME Clear may open a new account in the name of the Security Provider (whether or not it permits any existing account to continue).
- (b) If LME Clear does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Security Provider to LME Clear shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Obligations as at the time the relevant notice was received or deemed to have been received.

19.6 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Member Documentation but any such amount may or will become due, LME Clear or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.



20. STAMP DUTY, REGISTRATION FEES AND VAT

- (a) The Security Provider shall pay all present and future stamp, registration and similar Taxes or charges which may be payable in connection with the execution of this Deed and the creation, maintenance and enforcement of the Security Interests (including in connection with complying with the Registration Requirements), and shall indemnify LME Clear against all Loss (including interest and penalties) resulting from any delay or omission to pay any such stamp, registration and similar Taxes or charges.
- (b) The Security Provider shall on demand at any time and from time to time indemnify LME Clear against any Tax and VAT which LME Clear and/or any Custodian may incur, suffer, pay or be obliged to account for in consequence of anything done or purported to be done by or on behalf of LME Clear under or in connection with:
 - (i) this Deed or in exercise of any rights or powers conferred on LME Clear or a Receiver by this Deed (including the execution of this Deed);
 - (ii) the granting, creation, maintenance and enforcement of the Security Interests including the delivery or provision of the Secured Assets and/or obtaining possession of the metal to which a Warrant relates.

21. SET-OFF

- (a) LME Clear may set off any matured obligation (which includes the value of any matured delivery obligation) due from the Security Provider under this Deed (to the extent beneficially owned by the Security Provider) against any matured obligation (which includes the value of any matured delivery obligation) owed by LME Clear to the Security Provider, regardless of the place of payment, delivery or currency of either obligation.
- (b) If the obligations are in different currencies, LME Clear may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If any obligation is unliquidated or unascertained, LME Clear may set off an amount estimated by it in good faith to be the amount of that obligation. LME Clear will endeavour to notify the Security Provider following the exercise of any such right of set-off but any failure to do so will not affect the validity of such right or its exercise.
- (c) The right of set-off conferred by this Clause 21 (*Set-off*) shall not (in the absence of a Default Event) be exercisable by LME Clear against any payment obligation or the value of any delivery obligation owed by it to the Security Provider in the ordinary course of the settlement of a Contract under the Rules.

22. RIGHTS, AMENDMENTS, WAIVERS AND DETERMINATIONS**22.1 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of LME Clear or a Receiver, any right, remedy, power or privilege under this Deed and no course of dealing between the Parties shall operate as a waiver of any such right or remedy or constitute an election



to affirm any of this Deed. No waiver or election to affirm any of this Deed on the part of LME Clear or any Receiver shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22.2 Amendments and waivers

No variation, waiver, supplement, deletion or replacement of or from this Deed or any of its terms shall be effective unless made in writing and signed by or on behalf of each Party.

22.3 Certificates and Determinations

- (a) Any certification or determination by LME Clear or any Receiver of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.
- (b) Any discretion, power or right conferred on LME Clear or any Receiver by or pursuant to this Deed to make or vary any determination or to give any approval or to decide any matter or to form any opinion or judgment shall be construed to be a discretion, power or right exercisable by LME Clear or any Receiver, in its sole and unfettered discretion, at any time and from time to time.

22.4 Inconsistency of documents

If there is any inconsistency between the provisions of this Deed and the Rules or any Member Documentation, this Deed shall take precedence to the extent of the inconsistency.

23. 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 such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. NOTICES

Any demand or notice to be made by either Party under this Deed shall be effective only if made in accordance with the Rules.

25. TRANSFER

25.1 LME Clear

LME Clear may assign or transfer the whole or any part of the benefit of this Deed (or any of its rights under this Deed) without the Security Provider's consent to the extent that LME Clear, in its capacity as operator of the LME Clear System, is entitled to assign or transfer any of its rights against the Security Provider to any person, including any



successor, pursuant to the Rules and shall accordingly be able to take such steps as is necessary to give effect to any such transfer or assignment including requesting a change of name on an LME Clear Pledged Account, transferring, as relevant, the Security LME Warrants to a new account in LMEsword or any successor or replacement system.

25.2 The Security Provider

The Security Provider may not:

- (a) assign or transfer any of its rights or obligations under this Deed; or
- (b) enter into any transaction or arrangement which would result in any of those rights or obligations passing to or being held in trust for or for the benefit of another person,

without the prior written consent of LME Clear.

26. COUNTERPARTS

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

27. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

28. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 28 is for the benefit of LME Clear only. As a result, LME Clear shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.
- (d) Without prejudice to any other mode of service allowed under any relevant law, the Security Provider:
 - (i) irrevocably appoints [the Company]/[] as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
 - (ii) agrees that failure by a process agent to notify the relevant of the process will not invalidate the proceedings concerned.



This Deed has been delivered on the date stated at the beginning of this Deed.



SCHEDULE 1
RIGHTS OF LME CLEAR

LME Clear and any Receiver appointed pursuant to Clause 11 (*Appointment of Receivers*) shall have the right, either in its own name or in the name of the Security Provider or otherwise and in such manner and upon such terms and conditions as LME Clear or Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of and get in and collect all or any part of the Security Assets

(b) **Right to sell or procure the sale of full title or any interest in the Security Assets**

to sell or transfer or procure the sale or transfer of full title to or any interest in the Security Assets and to do so for such consideration (whether payable immediately or by instalments or deferred) and on such terms as LME Clear may think fit, and also to grant any option to purchase any interest in the Security Assets;

(c) **Messages and instructions**

to send such messages and instructions (electronically or in writing) with respect to the Security Assets or any part thereof as LME Clear may think fit, including messages and instructions for the transfer of all or any Security LME Warrants to such account or accounts as LME Clear may choose or for the sale of all or any of such Security LME Warrants;

(d) **Execution of documents and instructions**

to execute and deliver such documents and give such instructions as may be required to give effect to this Deed, including instructions for the purposes of giving effect to any act contemplated or permitted pursuant to this Schedule;

(e) **Transfer of Security LME Warrants etc.**

to (i) transfer or procure the transfer of the whole or any part of the Security LME Warrants into one or more accounts in the name of LME Clear or a person nominated by LME Clear in LMEsword; (ii) withdraw the Security LME Warrants from LMEsword; (iii) transfer or procure the transfer of, or withdraw from the warehouse in which they are stored, as appropriate, all or part of the underlying metals to which the Security LME Warrants relate; and (iv), in connection with the exercise of any of its rights or powers, to transfer any interest in the Security Assets into the name of LME Clear or any such nominee of LME Clear;



(f) **Transactions or arrangements in connection with the sale of Security LME Warrants**

with a view to, or in connection with, the sale of the Security LME Warrants, to enter into any transaction or arrangement which LME Clear may, in its absolute discretion, consider appropriate;

(g) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(h) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as LME Clear or Receiver (as applicable) would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(i) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets;

(j) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets;

(k) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(l) **Delegation**

to delegate in any manner to any person any rights exercisable by LME Clear or the Receiver (as applicable) under this Deed or the Member Documentation and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and LME Clear or the Receiver may pass confidential information to any such delegate;

(m) **Insolvency Act**

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any



powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(n) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

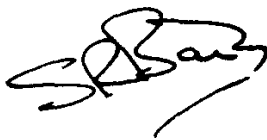
(o) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on LME Clear or Receiver under or by virtue of this Deed, the Law of Property Act or the Insolvency Act.

EXECUTED as a **DEED** by affixing
THE COMMON SEAL of

INTL FCSTONE LTD

in the presence of:

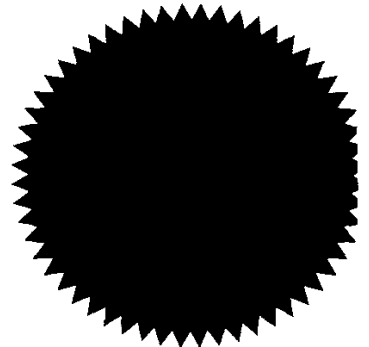


STEPHEN BAILEY
DIRECTOR

Director

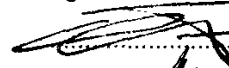

Director/Secretary

CATHERINE ODIGIE
Company Secretary



SIGNED by name of authorised signatory
and name of authorised signatory
for and on behalf of **LME CLEAR LIMITED**

Signature of authorised signatory



Christopher Jones
Chief Risk Officer

Signature of authorised signatory



LME Clear
ROBIN MARTIN
HEAD OF MARKET
DEVELOPMENT