



**Registration of a Charge**

Company name: **DDR RECYCLING LIMITED**

Company number: **SC343156**

Received for Electronic Filing: **24/04/2014**



X36HDG XK

---

**Details of Charge**

Date of creation: **16/04/2014**

Charge code: **SC34 3156 0002**

Persons entitled: **TRADE FINANCE PARTNERS LIMITED**

Brief description: **DEED OF DEBENTURE**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Chargor acting as a bare trustee for the property.**

---

**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 THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**





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

Company number: 343156

Charge code: SC34 3156 0002

The Registrar of Companies for Scotland hereby certifies that a charge dated 16th April 2014 and created by DDR RECYCLING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th April 2014 .

Given at Companies House, Edinburgh on 24th April 2014

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

**TFP**

your partner in trade

**DEED OF DEBENTURE**

<b>THIS AGREEMENT is made on</b>	16/04/14	<b>(the "DATE")</b>
<b>BETWEEN</b>	<b>Trade Finance Partners Limited</b>	<b>("TFP")</b>
<b>Registered Office</b>	30 Cannon Street LONDON EC4M 6XH	
<b>Registered No.</b>	07133402	
<b>Trading Address</b>	As above	
<b>AND</b>	<b>DDR Recycling Limited</b>	<b>("CLIENT")</b>
<b>Registered Office</b>	231/233 St Vincent Street Glasgow G2 5QY	
<b>Registered No.</b>	SC343156	
<b>Trading Address</b>		
<b>Offer Letter (Dated)</b>	10 <sup>th</sup> April 2014	

DOCUMENT INDEX

Clause	Heading	Page	Clause	Heading	Page
	Parties	1	5	No Interference in Enjoyment	16
	Background	4	6	No Overriding Interests	16
1	Definitions and Interpretation	4 – 6	7	Avoidance of Security	16
2	Covenant to Pay	7	8	Environmental Compliance	16
3	Grant of Security	7 - 8	<b>Schedule 3 - Covenants</b>		<b>17-18</b>
4	Liability of Client	8 - 9	1	Trading and Preservation of Charged Property	17
5	Representations and Warranties	9	2	Statutory Compliance	17
6	Covenants	9	3	Provision of Information	17
7	Powers of TFP	9	4	Insurance	17
8	Enforcement	9	5	Repair	18
9	Costs and Indemnity	10	6	Notice of Breach	18
10	Release	10	7	Title Documents	18
11	Assignment and Transfer	10	8	Further Assistance	18
12	Further Provisions	11-12	9	Inspection	18
13	Notices	13	10	Client's Waiver Set-off	18
14	Governing Law and Jurisdiction	13-14	<b>Schedule 4 – Powers of TFP</b>		<b>19-20</b>
<b>Schedule 1 – Property</b>		<b>15</b>	1	Power to Remedy	19
	Part 1 – Registered Property	15	2	Exercise of Rights	19
	Part 2 – Unregistered Property	15	3	Power to Dispose of Chattels	19
<b>Schedule 2 – Representations and Warranties</b>		<b>16</b>	4	Prior Encumbrances	19
1	Ownership of Charged Property	16	5	Conversion of Currency	19
2	Adverse Claims	16	6	New Accounts	20
3	Adverse Covenants	16	7	TFP's Set-off Rights	20
4	No Breach of Laws	16	8	Indulgence	20



**TFP**  
your partner in trade

## DEED OF DEBENTURE

### DOCUMENT INDEX

Clause	Heading	Page	Clause	Heading	Page
<b>Schedule 5 – Enforcement</b>		<b>21-25</b>	6	To Realise Charged Property	26
1	Enforcement Events	21	7	To Manage or Reconstruct the Client's Business	26
2	Statutory Power of Sale	22	8	To Dispose of Charged Property	26
3	Extension of Statutory Powers	22	9	To Make Settlements	27
4	Protection of Third Parties	22	10	To Improve Equipment	27
5	No Liability as Mortgagee in Possession	22	11	To Make Calls on Client Members	27
6	Appointment of Receiver	22	12	To Appoint Staff and Agents	27
7	Powers Additional	23	13	To Insure	27
8	Agent of the Client	23	14	Law and Property Act 1925	27
9	Powers of the Receiver	23	15	To Borrow	27
10	Order of Application of Proceeds	23	16	To Redeem Prior Encumbrances	27
11	Section 109(8) Law of Property Act 1925	24	17	Incidental Powers	28
12	Suspense Account	24	18	Scope of Powers	28
13	Power of Attorney	24	<b>Schedule 7 – Notice Details</b>		29
14	Ratification of Acts of Attorney	24	Signatures		30-31
15	Appointment of Administrator	24			
16	Indemnity for Costs	25			
<b>Schedule 6 – Further Powers of Receiver</b>		<b>26-28</b>			
1	To Repair and Develop Properties	26			
2	To Surrender Leases	26			
3	To Employ Personnel and Advisors	26			
4	To make VAT Elections	26			
5	To Charge Remuneration	26			

## **BACKGROUND**

TFP has agreed pursuant to the Facility Agreement to provide the Client with Trade Finance facilities on a secured basis.

This debenture provides security which the Client has agreed to give TFP for the Trade Finance facilities under the Facility Agreement.

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this *Debenture* the definition and rules of interpretation in this clause apply:

Index	WORDS	MEANINGS
1	<b>Administrator</b>	an administrator appointed to manage the affairs, business and property of the Client pursuant to paragraph 15 of Schedule 5.
2	<b>Book Debts</b>	any sums owing to the Client both present and future.
3	<b>Business Day</b>	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.
4	<b>Charged Property</b>	all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Property include references to any part of it).
5	<b>Costs</b>	all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.
6	<b>Encumbrance</b>	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.
7	<b>Environment</b>	all of the air, water and land including the air within buildings and other natural or man-made structures above or below ground, ground and surface water and surface and sub-surface soil.
8	<b>Environmental Law</b>	all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affects the Charged Property.
9	<b>Equipment</b>	all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Client, including any part of it and all spare parts, replacements, modifications and additions.
10	<b>Facility Agreement</b>	the facility agreement, as defined in the Offer Letter dated [DATE] between the Client and TFP for the provision of Trade Finance facilities secured by this debenture, and all associated documentation and agreements required
11	<b>Financial Collateral</b>	Shall have the meaning given to that expression in the Financial Collateral Regulations.
12	<b>Financial Collateral Regulations</b>	the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI/2003/3226).
13	<b>Intellectual Property</b>	all patents, designs, copyrights, design rights, trademarks and service marks, trade and business names, knowhow, formulae, inventions, confidential information, trade secrets, computer software programs and systems, and all fees royalties and other rights relating thereto.



**TFP**

your partner in trade

## DEED OF DEBENTURE

### 1.1 Definitions (CONTINUED)

14	<b>Non-Vesting Debts</b>	any Book Debt that fails to vest absolutely and effectively in TFP for any reason.
15	<b>Offer Letter</b>	A letter (including any revision thereof) from TFP to the Client setting out the specific terms upon which TFP is prepared to do business with the Client.
16	<b>Properties</b>	all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Client or in which the Client holds an interest (including (but not limited to) the properties which are briefly described in Schedule 1) and <b>Property</b> means any of them.
17	<b>Receiver</b>	a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5.
18	<b>Related Rights</b>	as defined in the Facility Agreement, but so for the purpose of that definition, a supply contract shall mean any contract giving rise to any indebtedness.
19	<b>Secured Liabilities</b>	all present and future monies, obligations and liabilities owed by the Client to TFP, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever, under or in connection with the Facility Agreement or this debenture (including, without limitation, those arising under clause 12.3) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.
20	<b>Security Financial Collateral Arrangement</b>	shall have the meaning given to that expression in the Financial Collateral Regulations.
21	<b>Security Period</b>	the period starting on the date of this debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

### 1.2 Interpretation

Unless the context otherwise requires, in this debenture, the following applies:

- a) Any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this debenture;
- b) a reference to one gender includes a reference to the other genders;
- c) words in the singular include the plural and in the plural include the singular;
- d) a reference to a clause or Schedule is to a clause or Schedule of or to this debenture;
- e) a reference to **this debenture** (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- f) a reference to a **person** shall be construed as including a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person;
- g) a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);



## **1.2 Interpretation (CONTINUED)**

- h) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- i) a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- j) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
- k) the headings do not form part of this debenture or any part of it and do not affect its interpretation.

## **1.3 Clawback**

If TFP considers that an amount is capable of being avoided or otherwise set aside on liquidation or administration of the Client or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this debenture.

## **1.4 Nature of security over real property**

A reference in this debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:

- a) all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- b) the proceeds of any part of that property; and
- c) the benefit of any covenants for title given or entered into by any predecessor in title of the Client in respect of that property or any monies paid or payable in respect of those covenants.

## **1.5 Law of Property (miscellaneous provisions) Act 1989**

For the purposes of section 2 of the *Law of Property (Miscellaneous Provisions) Act 1989* the terms of the Facility Agreement and of any side letters between any parties in relation to the Facility Agreement are incorporated in this debenture.

## **1.6 Insolvency Act 1986**

*Paragraph 14 of Schedule B1 to the Insolvency Act 1986* (as inserted by section 248 of, and Schedule 16 to, the *Enterprise Act 2002*) applies to the floating charge created by this debenture.

**2 COVENANT TO PAY**

The Client shall, on demand, pay to TFP and discharge the Secured Liabilities when they become due

**3 GRANT OF SECURITY**

**3.1 Charging Clause**

As a continuing security for the payment and discharge of the Secured Liabilities, the Client with full title guarantee:

- a) charges to TFP, by way of first legal mortgage, all the Properties listed in Schedule 1;
- b) charges to TFP, by way of the first fixed charge:
  - i. all Properties acquired by the Client in the future;
  - ii. all present and future interests of the Client not effectively mortgaged or charged under the preceding provisions of this clause 3 in or over freehold or leasehold property;
  - iii. all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
  - iv. all licences, consents and authorisations, statutory or otherwise held or required in connection with the Client's business or the use of any Charged Property and all rights in connection with them;
  - v. all book and other debts now or in the future owing to the Client (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent, including without limitation credit balances on any account at any bank or financial institution (including the interest of the Client in any receivables account but excluding any current account), and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time give in relation to, or to secure payment of, any such debt, together with all Related Rights, but "other debts" does not include the Non-Vesting Debts effectively charged by way of floating charge;
  - vi. all present and future goodwill and uncalled capital for the time being of the Client;
  - vii. all present and future Intellectual Property;
  - viii. all equipment; and
- c) charges to TFP, by way of first floating charge, all the undertaking, property, assets and rights of the Client at any time not effectively mortgaged, charged or assigned pursuant to *clause 3.1(a) and clause 3.1(b)*.

### **3.2 Automatic conversion of Floating Charge**

The floating charge created in *clause 3.1(c)* shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

- a) The Client:
  - i. creates, or attempts to create, over all or any part of the Charged Property and Encumbrance without prior written consent of TFP or any trust in favour of any other person; or
  - ii. disposes or attempts to dispose of all or any part of the Charged Property (other than property subject only to the floating charge while it remains uncrystallised which property may be disposed of in the ordinary course of business); or
- b) a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or
- c) any person levies or attempts to levy any distress, attachment, execution or other process against all or any part of the Charged Property; or
- d) TFP receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Client.

### **3.3 Conversion of Floating Charge by notice**

TFP may in its sole discretion at any time by written notice to the Client convert the floating charge created under this debenture into a fixed charge as regards any part of the Charged Property specified by TFP in that notice.

### **3.4 Assets acquired after any Floating Charge crystallisation**

Any asset acquired by the Client after any crystallisation of the floating charge created under this debenture which but for such crystallisation would be subject to a floating charge shall (unless TFP confirms in writing to the contrary) be charged to TFP by way of first fixed charge.

## **4 LIABILITY OF CLIENT**

### **4.1 Liability not discharged**

The liability of the Client under this debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- a) any security, guarantee, indemnity remedy or other right held by or available to TFP being or becoming wholly or partially illegal, void or unenforceable on any ground; or
- b) TFP renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or
- c) any other act or omission which but for this provision might have discharged or otherwise prejudiced or affected the liability of the Client.

#### **4.2 Immediate recourse**

The Client waives any right it may have of requiring TFP to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this debenture against the Client.

### **5 REPRESENTATIONS AND WARRANTIES**

The Client represents and warrants to TFP in the terms set out in *Schedule 2*. The representations and warranties set out in *Schedule 2* are made on the date of this debenture [and the representations and warranties contained in *Schedule 2* shall be deemed to be made on each day of the Security Period with reference to the facts and circumstances then existing.

### **6 COVENANTS**

The Client covenants with TFP during the continuance of the security constituted by this debenture in the terms set out in *Schedule 3*.

### **7 POWERS OF TFP**

TFP shall have the powers set out in *Schedule 4*.

### **8 ENFORCEMENT**

#### **8.1 Enforcement events**

The security constituted by this debenture shall be immediately enforceable in any of the circumstances set out in *paragraph 1 of Schedule 5*. The parties to this debenture agree that the provisions of *Schedule 5* shall apply to this debenture and shall be binding between them.

#### **8.2 Receiver's powers**

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in *Schedule 6*.

#### **8.3 Right of appropriation**

To the extent that the Charged Property constitutes Financial Collateral and this debenture and the obligations of the Client hereunder constitute a Security Financial Collateral Arrangement, TFP shall have the right, at any time after the security constituted this debenture has become enforceable, to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as TFP in its absolute discretion may from time to time determine. The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as TFP may select (including independent valuation). The Client agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the *Financial Collateral Regulations*.

## **9 COSTS AND INDEMNITY**

### **9.1 Costs**

The Client shall pay to or reimburse TFP and any Receiver on demand, on a full indemnity basis, all Costs incurred by TFP and/or any Receiver in relation to:

- a) this debenture or the Charged Property; or
- b) protecting, perfecting, preserving or enforcing (or attempting to do so) any of TFP's or the Receiver's rights under this debenture; or
- c) suing for, or recovering, any of the Secured Liabilities

(including, without limitation, the Costs of any proceedings in relation to this debenture or the Secured Liabilities) together with, in the case of *clause 9.1(b)* and *clause 9.1(c)*, interest on the amount due at the default rate of interest specified in the Facility Agreement.

### **9.2 Indemnity**

TFP and any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- a) the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this debenture; or
- b) any matter or thing done or omitted to be done in relation to the Charged Property under those powers; or
- c) any default or delay by the Client in performing any of its obligations under this debenture.

## **10 RELEASE**

Subject to *clause 12.3*, upon the expiry of the Security Period (but not otherwise) TFP shall, at the request and cost of the Client, take whatever action is necessary to release the Charged Property from the security constituted by this debenture.

## **11 ASSIGNMENT AND TRANSFER**

### **11.1 Assignment by TFP**

TFP may at any time, without the consent of the Client, assign or transfer the whole or any part of TFP's rights and/or obligations under this debenture to any person.

### **11.2 Assignment by Client**

The Client may not assign any of its rights or transfer any of its obligations under this debenture or enter into any transaction, which would result in any of those rights or obligations passing to another person.

## **12 FURTHER PROVISIONS**

### **12.1 Independent security**

This debenture shall be in addition to and independent of every other security or guarantee which TFP may at any time hold for any of the Secured Liabilities and no prior security held by TFP over the whole or any part of the Charged Property shall merge in the security created by this debenture.

### **12.2 Continuing security**

This debenture shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever, unless and until TFP discharges this debenture in writing.

### **12.3 Discharge conditional**

Any release, discharge or settlement between the Client and TFP shall be deemed conditional upon no payment or security received by TFP in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise and, notwithstanding any such release, discharge or settlement:

- a) TFP or its nominee shall be at liberty to retain this debenture and the security created by or pursuant to this debenture, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as TFP shall deem necessary to provide TFP with security against any such avoidance, reduction or order for refund; and
- b) TFP shall be entitled to recover the value or amount of such security or payment from the Client subsequently as if such release, discharge or settlement had not occurred.

### **12.4 Certificates**

A certificate or determination by TFP as to any amount for the time being due to it from the Client shall (in the absence of any manifest error) be conclusive evidence of the amount due.

### **12.5 Rights cumulative**

The rights and powers of TFP conferred by this debenture are cumulative, may be exercised as often as TFP considers appropriate, and are in addition to its rights and powers under the general law.

### **12.6 Waivers**

Any waiver or variation of any right by TFP (whether arising under this debenture or under the general law) shall only be effective if it is in writing and signed by TFP and applies only in the circumstances for which it was given and shall not prevent TFP from subsequently relying on the relevant provision.



**TFP**

your partner in trade

## DEED OF DEBENTURE

### **12.7 Further exercise of rights**

No act or course of conduct or negotiation by or on behalf of TFP shall in any way preclude TFP from exercising any right or power under this debenture or constitute a suspension or variation of any such right or power.

### **12.8 Delay**

No delay or failure to exercise any right or power under this debenture shall operate as a waiver.

### **12.9 Single or partial exercise**

No single or partial exercise of any right under this debenture shall prevent any other or further exercise of that or any other such right.

### **12.10 Consolidation**

The restriction on the right of consolidation contained in *section 93 of the Law of Property Act 1925* shall not apply to this debenture.

### **12.11 Partial invalidity**

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

### **12.12 Counterparts**

This debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

### **12.13 Third party rights**

A third 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 debenture.

### **12.14 Perpetuity period**

If the rule against perpetuities applies to any trust created by this debenture, the perpetuity period shall be 125 years (as specified by *section 5(1) of the Perpetuities and Accumulations Act 2009*).

## 13 NOTICES

### 13.1 Service

Any notice or other communication given under this debenture shall be in writing and shall be served by delivering it personally or [by sending it by pre-paid first-class post or] by fax to the address or fax number and for the attention of the relevant party as set out in Schedule 7 or such other address or fax number as may be notified in writing from time to time by the relevant party to the other party.

### 13.2 Receipt

Receipt of any notice, given under *clause 13.1* above, shall be deemed to be:

- a) if delivered personally, at the time of delivery; [or]
- b) [in the case of pre-paid first-class letter, [48] hours from the date of posting; or]
- c) In the case of a fax, when received in legible form, but if deemed receipt occurs:
  - i. before 9:00 am on a Business Day, the notice shall be deemed to have been received at 9:00 am on that day; or
  - ii. after 5:00 pm on a Business Day or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.

### 13.3 Proof of service

In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in *Schedule 7* (or otherwise notified by that party under *clause 13.1* above) and delivered either:

- d) if that address, or
- e) [into the custody of the postal authorities as a pre-paid [recorded delivery] first-class letter.]

### 13.4 E-mail invalid

Notice given under this debenture shall not be validly served if sent by e-mail.

## 14 GOVERNING LAW AND JURISDICTION

### 14.1 Governing law

This debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed according to the law of England and Wales.





**TFP**  
your partner in trade

## DEED OF DEBENTURE

### 14.2 Jurisdiction

The parties to this debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this debenture or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of TFP to take proceedings against the Client in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

### 14.3 Other service

The Client irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this debenture relating to service of notices. Nothing contained in this debenture shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.



**TFP**  
your partner in trade

## DEED OF DEBENTURE

### SCHEDULE 1 – PROPERTY

#### PART 1 – REGISTERED PROPERTY

##### DETAILS OF REGISTERED PROPERTY

#### PART 2 – UNREGISTERED PROPERTY

##### DETAILS OF UNREGISTERED PROPERTY

**SCHEDULE 2 – REPRESENTATIONS AND WARRANTIES**

**1 OWNERSHIP OF CHARGED PROPERTY**

The Client is the legal and beneficial owner of the Charged Property free from any Encumbrance other than the Encumbrances created by this debenture. Should any prior Encumbrance exist, this shall be fully disclosed by the Client, and the respective priorities agreed between the Parties and the beneficiary of such Encumbrance.

**2 ADVERSE CLAIMS**

The Client has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

**3 ADVERSE COVENANTS**

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, which materially adversely affect the Charged Property.

**4 NO BREACH OF LAWS**

There is no breach of any law or regulation, which materially adversely affects the Charged Property.

**5 NO INTERFERENCE IN ENJOYMENT**

No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use.

**6 NO OVERRIDING INTERESTS**

Nothing has arisen or has been created or is subsisting, which would be an overriding interest in any Property.

**7 AVOIDANCE OF SECURITY**

No Encumbrance expressed to be created by this debenture is liable to be avoided or otherwise set aside on the liquidation or administration of the Client or otherwise.

**8 ENVIRONMENTAL COMPLIANCE**

The Client has at all times complied in all material respects with all applicable Environmental Law.

**SCHEDULE 2 – COVENANTS**

**1 TRADING AND PRESERVATION OF CHARGED PROPERTY**

**1.1 The Client shall:**

- a) carry on its trade and business in accordance with the standards of good management from time to time current in such trade or business on those parts (if any) of the Properties as are, or may be, used for the purposes of trade or business; and
- b) not do, or permit to be done, any act or thing, which will or might depreciate, jeopardise or otherwise prejudice the security held by TFP or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture.

**2 STATUTORY COMPLIANCE**

- 2.1** The Client shall comply with all statutes, byelaws and regulations relating to its trade or business and the whole or any part of the Charged Property.

**3 PROVISION OF INFORMATION**

**3.1 The Client shall:**

- a) promptly provide to TFP whatever information, documents or papers relating to the Charged Property as TFP may from time to time request; and
- b) inform TFP promptly of any acquisition by the Client of, or contract made by the Client to acquire, any freehold, leasehold or other interest in Property.

**4 INSURANCE**

**4.1 The Client shall:**

- a) insure and keep insured all of its undertaking and assets with reputable and responsible insurers previously approved by TFP in such manner and to such extent as is reasonable and customary for an enterprise engaged in the same or similar business and in the same or similar localities against such risks and contingencies as TFP shall from time to time request;
- b) procure that the interest of TFP is noted on all its policies of insurance in such manner as TFP may in its absolute discretion require; and
- c) duly and punctually pay all premiums and any other monies necessary for maintaining its insurance in full force and effect.

**4.2 The Client shall apply all monies received by virtue of any insurance of the whole or any part of the Charged Property:**

- a) In making good or in recouping expenditure incurred in making good any loss or damage; or,
- b) If TFP in its discretion so required, towards the discharge of the Secured Liabilities.

**5 REPAIR**

**5.1** The Client shall:

- a) at all times keep in good and substantial repair and condition all the Charged Property including, without limitation, all buildings, erections, structures and fixtures and fittings on and in the Property;
- b) keep all Equipment in good repair, working order and condition and fit for its purpose; and
- c) where it is uneconomic to repair any part of the Charged Property, replace such part by another similar asset of equal or greater quality and value.

**6 NOTICE OF BREACH**

**6.1** The Client shall promptly upon becoming aware of the same give TFP notice in writing of any breach of:

- a) any representation or warranty set out in *Schedule 2*; and
- b) any covenant set out in this *Schedule 3*.

**7 TITLE DOCUMENTS**

**7.1** The Client shall on the execution of this debenture (or, if later, the date of acquisition of the relevant Charged Property) deposit with TFP and TFP shall during the continuance of this debenture be entitled to hold all deeds and documents of title relating to the Charged Property which are in the possession or control of the Client (and, if not within the possession and/or control of the Client, the Client undertakes to obtain possession of all such deeds and documents of title).

**8 FURTHER ASSISTANCE**

**8.1** The Client at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as TFP may reasonably require) in favour of TFP as TFP shall in its absolute discretion from time to time require over all or any part of the Charged Property and give all notices, orders and directions which TFP may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

**9 INSPECTION**

**9.1** The Client shall permit TFP and any Receiver and any person appointed by either of them to enter upon and inspect any Property during normal business hours upon reasonable prior notice.

**10 CLIENT'S WAIVER SET-OFF**

**10.1** The Client waives any present or future right of set-off it may have in respect of Security Liabilities (including sums payable by the Client under this debenture).

SCHEDULE 4 - POWERS OF TFP

**1 POWER TO REMEDY**

- 1.1 TFP shall be entitled (but shall not be bound) to remedy a breach at any time by the Client of any of its obligations contained in this debenture and the Client irrevocably authorises TFP and its agents to do all such things as are necessary or desirable for that purpose.

**2 EXERCISE OF RIGHTS**

- 2.1 The rights of TFP under *paragraph 1* of this *Schedule 4* are without prejudice to any other rights of TFP under this debenture and the exercise of those rights shall not make TFP liable to account as a mortgagee in possession.

**3 POWER TO DISPOSE OF CHATTELS**

- 3.1 At any time after the security constituted by this debenture shall have become enforceable, TFP or any Receiver:
- a) may dispose of any chattels or produce found on any Property as agent for the Client; and
  - b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Client against any liability arising from such disposal.

**4 PRIOR ENCUMBRANCES**

- 4.1 At any time after security constituted by this debenture shall have become enforceable or after any powers conferred by any Encumbrance having priority to this debenture shall have become exercisable, TFP may:
- a) redeem such or any other prior Encumbrance or procure its transfer to itself; and
  - b) settle any account of the holder of any prior Encumbrance.
- 4.2 The settlement of any such account shall be conclusive and binding on the Client and all monies paid by TFP to an encumbrancer in settlement of such an account shall, as from its payment by TFP, be due from the Client to TFP on current account and shall bear interest and be secured as part of the Secured Liabilities.

**5 CONVERSION OF CURRENCY**

- 5.1 For the purpose of or pending the discharge of any of the Secured Liabilities TFP may convert any monies received, recovered or realised by TFP under this debenture (including the proceeds of any previous conversion under this *paragraph 5*) from their existing currencies of denomination into such other currencies of denomination as TFP may think fit and any such conversion shall be effected at [TFP's] then prevailing spot selling rate of exchange for such other currency against the existing currency. Each previous reference in this *paragraph 5* to a currency extends to funds of that currency and, for the avoidance of doubt; funds of one currency may be converted into different funds of the same currency.

LEG-D-1006 (V1.2)

## 6 NEW ACCOUNTS

- 6.1 If TFP receives notice of any subsequent Encumbrance or other interest affecting all or part of the Charged Property, TFP may open a new account or accounts for the Client in TFP's books and (without prejudice to TFP's right to combine accounts) no money paid to the credit of the Client in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities.
- 6.2 If TFP does not open a new account or accounts immediately on receipt of notice under paragraph 6.1 of this Schedule 4, then, unless TFP gives express written notice to the contrary to the Client, as from the time of receipt of the relevant notice by TFP all payments made by the Client to TFP shall be treated as having been credited to a new account of the Client and not as having been applied in reduction of the Secured Liabilities.

## 7 TFP'S SET-OFF RIGHTS

- 7.1 If TFP shall have more than one account for the Client in its books TFP may at any time after:
- a) the security constituted by this debenture has become enforceable; or
  - b) TFP has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit but TFP shall notify the Client of the transfer once made.

## 8 INDULGENCE

- 8.1 TFP may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this debenture (whether or not such person or persons are jointly liable with the Client) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this debenture or to the liability of the Client for the Secured Liabilities.

SCHEDULE 5 – ENFORCEMENT

**1 ENFORCEMENT EVENTS**

**1.1** This debenture shall be enforceable if:

- a) any of the Secured Liabilities shall not be paid or discharged when the same ought to be paid or discharged by the Client (whether on demand or at scheduled maturity or by acceleration or otherwise, as the case may be); or
- b) the Client shall be in breach of any of its obligations under this debenture or under any other agreement between the Client and TFP and that breach (if capable of remedy) has not been remedied to the satisfaction of TFP within 14 days of notice by TFP to the Client to remedy the breach; or
- c) the Client:
  - i. becomes unable to pay its debts as they fall due (and/or the value of the Client's assets is less than the amount of its liabilities, taking into account the Client's contingent and prospective liabilities); or
  - ii. commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness; or
  - iii. makes a general assignment for the benefit of, or a composition with, its creditors; or
- d) the Client passes any resolution or takes any corporate action or a petition is presented or proceedings are commenced or any action is taken by any person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues and assets; or
- e) a distress, execution, attachment or other legal process is levied or enforced upon or sued against all or any part of the assets of the Client and remains undischarged for seven days; [or]
- f) any event occurs in relation to the Client that is analogous to those set out in *paragraph 1(c), paragraph 1(d) or paragraph 1(e) of this Schedule 5*; or
- g) any representation, warranty or statement made or deemed to be made by the Client under this debenture is or proves to have been incorrect or misleading [in any material respect] when made or deemed to be made; or
- h) [an Event of Default (as defined in the Facility Agreement) occurs.]

and in any such event (whether or not the event is continuing), without prejudice to any other rights of TFP, the powers of sale under the *Law of Property Act 1925* shall immediately be exercisable and TFP may in its absolute discretion enforce all or any part of the security created by this debenture as it sees fit.



## 2 STATUTORY POWER OF SALE

- 2.1 The powers of sale conferred upon mortgagees under the *Law of Property Act 1925* shall, as between TFP and a purchaser from TFP, arise on and be exercisable at any time after the execution of this debenture, but TFP shall not exercise such power of sale until the security constituted by this debenture has become enforceable under *paragraph 1* of this *Schedule 5*.

## 3 EXTENSION OF STATUTORY POWERS

- 3.1 The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the *Law of Property Act 1925* and/or by any other statute shall be exercisable by TFP under this debenture and are extended so as to authorise TFP whether in its own name or in that of the Client to make any lease or agreement for lease, accepts surrenders of lease or grant any option of the whole or any part or parts of the freehold and leasehold property of the Client with whatever rights relating to other parts of it and containing whatever covenants on the part of the Client and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as TFP thinks fit.

## 4 PROTECTION OF THIRD PARTIES

- 4.1 The No purchaser, mortgagee or other person dealing with TFP or any Receiver shall be concerned:
- a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged, or whether the power TFP or a Receiver is purporting to exercise has become exercisable; or
  - b) to see to the application of any money paid to TFP or any Receiver.

## 5 NO LIABILITY AS MORTGAGEE IN POSSESSION

- 5.1 Neither TFP nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property nor shall any of them be liable for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Property for which a mortgagee in possession might as such be liable.

## 6 APPOINTMENT OF RECEIVER

- 6.1 At any time after the security constituted by this debenture has become enforceable, or at the request of the Client, TFP may without further notice:
- a) appoint under seal or by writing under hand of a duly authorised officer of TFP any one or more person or persons to be a receiver or a receiver and manager of all or any part of the Charged Property; and



**TFP**

your partner in trade

## DEED OF DEBENTURE

- b) (subject to section 45 of the Insolvency Act 1986) from time to time under seal or by writing under hand of a duly authorised officer of TFP, remove any person appointed to be Receiver and may in like manner appoint another in his place.

Where more than one person is appointed Receiver, they will have power to act separately (unless the appointment by TFP specifies to the contrary).

- 6.2 TFP may fix the remuneration of any Receiver appointed by it without the restrictions contained in *section 109 of the Law of Property Act 1925* and the remuneration of the Receiver shall be a debt secured by this debenture which shall be due and payable immediately upon its being paid by TFP.

### 7 POWERS ADDITIONAL

- 7.1 The powers of sale and appointing a Receiver conferred by this debenture shall be in addition to all statutory and other powers of TFP under the *Insolvency Act 1986*, the *Law of Property Act 1925* or otherwise and shall be exercisable without the restrictions contained in *sections 103 and 109 of the Law of Property Act 1925* or otherwise.
- 7.2 The power to appoint a Receiver (whether conferred by this debenture or by statute) shall be and remain exercisable by TFP notwithstanding any prior appointment in respect of all or any part of the Charged Property.

### 8 AGENT OF THE CLIENT

- 8.1 Any Receiver appointed by TFP under this debenture shall be the agent of the Client and the Client shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

### 9 POWERS OF THE RECEIVER

- 9.1 Any Receiver appointed by TFP under this debenture shall in addition to the powers conferred on him by the *Law of Property Act 1925* and the *Insolvency Act 1986* have power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and in particular the powers set out in *Schedule 6*.

### 10 ORDER OF APPLICATION OF PROCEEDS

- 10.1 Any monies received by TFP or a Receiver in the exercise of any enforcement powers conferred by this debenture shall be applied:
- a) first in paying all unpaid fees, costs and other liability incurred by or on behalf of TFP (and any Receiver, attorney or agent appointed by it);
  - b) second in paying the remuneration of any Receiver (as agreed between him and TFP);
  - c) third in or towards discharge of the Secured Liabilities in such order and manner as TFP shall determine; and
  - d) finally in paying any surplus to the Client or any other person entitled to it.

LEG-D-1006 (V1.2)

**11 SECTION 109(8) LAW OF PROPERTY ACT 1925**

- 11.1** Neither TFP nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

**12 SUSPENSE ACCOUNT**

- 12.1** All monies received by TFP or a Receiver under this debenture may, at the discretion of TFP or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between TFP and the Client and may be held in such account for so long as TFP or Receiver thinks fit.

**13 POWER OF ATTORNEY**

- 13.1** By way of security the Client irrevocably appoints TFP and every Receiver separately to be the attorney of the Client and in its name and on its behalf and as its act and deed to execute any documents, and do any acts and things which:
- a) the Client is required to execute and do under this debenture; and/or
  - b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on TFP or any Receiver.

**14 RATIFICATION OF ACTS OF ATTORNEY**

- 14.1** The Client ratifies and confirms and agrees to ratify and confirm anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in *paragraph 13 of this Schedule 5*.

**15 APPOINTMENT OF ADMINISTRATOR**

- 15.1** TFP may without notice to the Client, appoint any one or more persons to be an administrator of the Client pursuant to *paragraph 14 Schedule B1 of the Insolvency Act 1986* if this debenture becomes enforceable.
- 15.2** Any appointment under this *paragraph 15* shall:
- a) be in writing signed by a duly authorised signatory of TFP, and
  - b) take effect, in accordance with *paragraph 19 of Schedule B1 of the Insolvency Act 1986*, when the requirements of *paragraph 18 of that Schedule B1* are satisfied.
- 15.3** TFP may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this *paragraph 15* and appoint under that paragraph a replacement for any Administrator whose appointment ends for any reason.



**TFP**  
your partner in trade

## DEED OF DEBENTURE

### 16 INDEMNITY FOR COSTS

- 16.1 The Client shall be responsible on an indemnity basis, to TFP or any Receiver or Administrator for any costs, fees, taxes and expenses incurred as a result of TFP or Receiver or Administrator taking action in connection with any of the charged assets herein. Furthermore, the Client grants an indemnity to TFP and any Receiver or Administrator against all liabilities, claims and expenses incurred in connection with this Debenture.

**SCHEDULE 5 – FURTHER POWERS OF RECEIVER**

**1 TO REPAIR AND DEVELOP PROPERTIES**

- 1.1 A Receiver may undertake or complete any works of repair, building or development on the Properties.

**2 TO SURRENDER LEASES**

- 2.1 A Receiver may grant or accept surrenders of any leases or tenancies affecting the Properties upon such terms and subject to such conditions as he thinks fit.

**3 TO EMPLOY PERSONNEL AND ADVISORS**

- 3.1 A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms as he deems expedient.

**4 TO MAKE VAT ELECTIONS**

- 4.1 A Receiver may make such elections for value added tax purposes as he thinks fit.

**5 TO CHARGE REMUNERATION**

- 5.1 A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as TFP may prescribe or agree with him.

**6 TO REALISE CHARGED PROPERTY**

- 6.1 A Receiver may collect and get in the Charged Property in respect of which he is appointed or any part thereof and for that purpose make such demands and take any proceedings as may seem expedient and to take possession of the Charged Property with like rights.

**7 TO MANAGE OR RECONSTRUCT THE CLIENT'S BUSINESS**

- 7.1 A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Client.

**8 TO DISPOSE OF CHARGED PROPERTY**

- 8.1 A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Client in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Client) and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a Client to purchase the property to be sold.

**9 TO MAKE SETTLEMENTS**

- 9.1 A Receiver may make any arrangement, settlement or compromise between the Client and any other person which he may think expedient.

**10 TO IMPROVE EQUIPMENT**

- 10.1 A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

**11 TO MAKE CALLS ON CLIENT MEMBERS**

- 11.1 A Receiver may make calls conditionally or unconditionally on the members of the Client in respect of the uncalled capital with such and the same powers for that purpose and for the purpose of enforcing payments of any calls so made as are conferred by the articles of association of the Client on its directors in respect of calls authorised to be made by them.

**12 TO APPOINT STAFF AND AGENTS**

- 12.1 A Receiver may appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine.

**13 TO INSURE**

- 13.1 A Receiver may, if he thinks fit, but without prejudice to the indemnity contained in clause 9, effect with any insurer any policy or policies of insurance either in lieu or satisfaction of, or in addition to, such insurance.

**14 LAW OF PROPERTY ACT 1925**

- 14.1 A Receiver may exercise all powers provided for in the *Law of Property Act 1925* in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in *Schedule 1* of the *Insolvency Act 1986*.

**15 TO BORROW**

- 15.1 A Receiver may for any of the purposes authorised by this *Schedule 6* raise money by borrowing from TFP or from any other person on the security of all or any of the Charged Property in respect of which he is appointed upon such terms (including if TFP shall consent to terms under which such security ranks in priority to this debenture) as he shall think fit.

**16 TO REDEEM PRIOR ENCUMBRANCES**

- 16.1 A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates and any accounts so settled and passed shall be conclusive and binding on the Client and the monies so paid will be deemed to be an expense properly incurred by him.

**17 INCIDENTAL POWERS**

- 17.1** A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this *Schedule 6* or which he lawfully may or can do as agent for the Client.

**18 SCOPE OF POWERS**

- 18.1** Any exercise of any of these powers may be on behalf of the Client, the directors of the Client (in the case of the power contained in *paragraph 11* of this *Schedule 6*) or himself.



**TFP**  
your partner in trade

## DEED OF DEBENTURE

### SCHEDULE 7 - NOTICE DETAILS

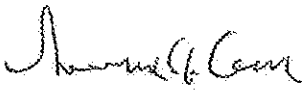
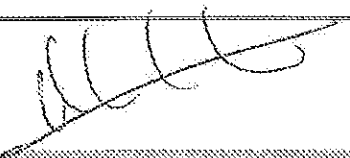
CLIENT	
Name	DDR Recycling Limited
Address	231/233 St Vincent Street, Glasgow G2 5QY
For the attention of	Morrison James Cowan
Fax No.	

TRADE FINANCE PARTNERS	
Name	Trade Finance Partners Limited
Address	30 Cannon Street LONDON EC4M 6XH
For the attention of	Christopher Martin Ash
Fax No.	

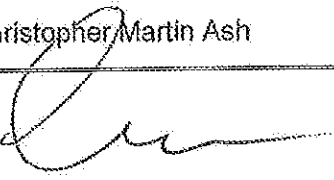
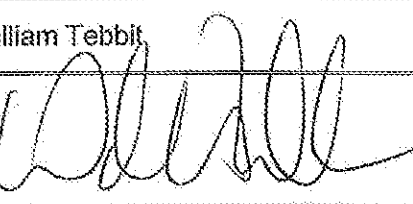
**SIGNATURES**



## DEED OF DEBENTURE

Executed as a deed by (Name of Client)	DDR Recycling Limited		
acting by (Name of First Director)	Morrison James Cowan		
Signature of First Director		Date	16/4/14
AND			
(Name of Second Director <u>OR</u> Secretary)	Donald McCorquodale		
Signature of Second Director <u>OR</u> its Secretary		Date	16/04/2014

### SIGNATURES (CONTINUED)

Executed as a deed by	Trade Finance Partners Limited		
acting by (Name of First Director)	Christopher Martin Ash		
Signature of First Director		Date	
AND			
(Name of Second Director <u>OR</u> Secretary)	William Tebbitt		
Signature of Second Director <u>OR</u> its Secretary		Date	