



Registration of a Charge

Company name: **LLOYDS BANK PLC**

Company number: **00002065**



X4KYBUTE

Received for Electronic Filing: **26/11/2015**

Details of Charge

Date of creation: **26/11/2015**

Charge code: **0000 2065 0048**

Persons entitled: **KFW REPRESENTED BY KFW IPEX-BANK GMBH**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **STEPHENSON HARWOOD LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2065

Charge code: 0000 2065 0048

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th November 2015 and created by LLOYDS BANK PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th November 2015 .

Given at Companies House, Cardiff on 27th November 2015

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Private & Confidential

Dated 26 November 2015

Lloyds Bank plc (1)
as Assignor

and

KfW (2)
as Assignee

ASSIGNMENT AGREEMENT

in relation to a Hermes guarantee in connection with
Hull no. S 709
currently under construction at Meyer Werft
GmbH & Co. KG, Papenburg, Germany

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This **AGREEMENT** is made on 26 November 2015 **BETWEEN:**

- (1) **Lloyds Bank plc** incorporated in England and Wales with its business address at 10 Gresham Street, London, EC2V 7AE, as assignor (the **Assignor**); and
- (2) **KfW, represented by KfW IPEX-Bank GmbH**, in its capacity as assignee (the **Assignee**).

Preamble

- (A) By a term facility agreement dated 28 September 2015 as amended by a letter dated 2 November 2015 (as amended, novated or restated from time to time) (the **Facility Agreement**) between, *inter alios*, Carnival plc or Carnival Corporation as borrower (the **Borrower**), KfW IPEX-Bank GmbH as mandated lead arranger, as agent and as Hermes agent and the financial institutions party thereto as lenders (the **Lenders**), the Lenders have agreed to make available to the Borrower a loan facility for the part financing of the construction of a cruise ship with hull no. S 709 (the **Vessel**) at Meyer Werft GmbH & Co. KG, Papenburg in an amount up to the aggregate of 80% of the final Contract Price (as defined in the Facility Agreement) of the Vessel and 100% of the Hermes Fee (as defined in the Facility Agreement).
- (B) In connection with the financing of the Vessel as set out in more detail in the Facility Agreement it is envisaged that the Federal Republic of Germany, represented by Euler Hermes AG (or its legal successor (if any) (**Euler Hermes**)) and PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, has issued on 10 November 2015 the finance credit guarantee no. DN 352247/MFA 900390/FKG/Vereinigtes Königreich (*Kennzeichen*): Baunummer 709 in favour of KfW IPEX-Bank GmbH which shall be amended by a supplemental agreement pursuant to which the rights and claims under such guarantee shall be partially transferred to the Assignor (the **Hermes Guarantee**).
- (C) The Assignee has entered into a refinancing agreement with the Assignor dated 26 November 2015 (as amended from time to time) (the **Refinancing Agreement**), whereby the Assignee has undertaken to provide the Assignor with a refinancing loan as specified in the Refinancing Agreement for the purpose of funding the Assignor's commitment as lender under the Facility Agreement.
- (D) It is a condition precedent under section 8.1 of the Refinancing Agreement that the Assignor assigns (*trifft ab*) to the Assignee certain Receivables (as defined below) as security.

It is agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

Unless otherwise defined herein, capitalised terms used in this Agreement shall have the same meaning as ascribed to them in the Refinancing Agreement.

In this Agreement:

Assignment shall have the meaning given to such term in clause 2 (*Purpose of the Assignment*).

Debtors means, together, any third-party debtors of the Receivables, and any one of them a **D debtor**.

Dispute shall have the meaning given to such term in clause 17.1 (*Jurisdiction*).

Receivables means all existing and future Assignor's rights, interests and claims under the Hermes Guarantee.

Secured Obligations means any and all sums and liabilities owed by the Assignor and all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever) which are or may become payable or owing by the Assignor under or in connection with the Refinancing Agreement (including, but not limited to, any obligation based on unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*)).

1.2 Interpretation

(a) This Agreement is made in the English language only. For the avoidance of doubt, the English version of this Agreement shall prevail over any translation of this Agreement. However, where a German translation of a word or phrase appears in the text of this Agreement, the German translation of such word or phrase shall prevail wherever such original English word or phrase translated by such German term appears in the text of this Agreement. Wherever a German term has been used in this Agreement, such German term shall be authoritative for the construction and interpretation. Where an English legal term or concept has been used in this Agreement, the related German legal term or concept shall be authoritative for the construction and interpretation of this Agreement, unless specifically provided for otherwise in this Agreement.

(b) The headings in this Agreement do not affect its interpretation.

(c) Words importing the singular include the plural and vice versa.

1.3 In this Agreement, any reference to:

- (a) a defined document is a reference to that defined document as from time to time amended, varied, novated, restated, supplemented or extended;
- (b) **promptly** means without undue delay (*unverzüglich*) as contemplated by Section 121 of the German Civil Code (*Bürgerliches Gesetzbuch - BGB*); and
- (c) clauses and schedules are to be construed as references to clauses of and schedules to this Agreement.

2 Purpose of the Assignment (*Sicherungszweck*)

The assignment provided for hereunder (Assignment) is constituted in order to secure (*zur Besicherung*) the prompt and complete satisfaction of any of the Secured Obligations.

3 Assignment

- 3.1 The Assignor assigns the Receivables to the Assignee.
- 3.2 The Assignee accepts the Assignment of the Receivables.
- 3.3 The existing Receivables shall pass over to the Assignee upon execution of this Agreement. Any future Receivables shall automatically pass over to the Assignee at the date such Receivables will arise (*entstehen*).
- 3.4 Insofar as additional declarations or actions are necessary for the perfection of the Assignment, the Assignor shall without undue delay (*unverzüglich*), at the Assignee's request, make such declarations or undertake such actions.
- 3.5 Waiving section 418 of the German Civil Code (*Bürgerliches Gesetzbuch*), the parties to this Agreement hereby agree that the security interest created hereunder shall not be affected by any transfer or assumption of any claim related to the Secured Obligations, to, or by, any third party.

4 Right of Inspection

The Assignor undertakes to provide the Assignee promptly at its request with all information and documents which are necessary for perfecting or enforcing the security interest created under this Agreement.

5 Notifications

- 5.1 The Assignee shall be entitled to notify the third party debtors of the Receivables in its own name and also on behalf of the Assignor.
- 5.2 Upon the request of a third party debtor, the Assignee shall be entitled to prove the assignment of the Receivables by forwarding a copy of this Agreement to such third party debtor without the requirement of the prior permission or consent of the Assignor.
- 5.3 Immediately, following the Hermes Guarantee has been issued, the Assignor shall notify the assignment of the Receivables to the Assignee by sending a signed notice letter to Euler Hermes substantially in the form of Schedule 1 (*Notification Letter Hermes Guarantee*) requesting acknowledgement by Euler Hermes to the Assignee substantially in the form of Schedule 2 (*Acknowledgement Letter Hermes Guarantee*).

6 Right to Realisation

- 6.1 If any of the Secured Obligations has become due and payable and remain unpaid and if a notice pursuant to clause 10 (*Termination*) of the Refinancing Agreement has been delivered, the Assignee shall be entitled to enforce this Agreement and arrange for the collection of the Receivables.
- 6.2 The Assignee will notify the Assignor in writing at least five (5) Business Days (as defined in the Facility Agreement) prior to such enforcement. However, such notification is not necessary if:
- (a) the Assignor has generally ceased to make payments;
 - (b) an application for the commencement of insolvency proceedings is filed by or against the Assignor; or
 - (c) there is reason to believe that observance of the notice period will adversely affect the legitimate interests (*berechtigte Interessen*) of the Assignee.
- 6.3 The Assignee shall realise all or part of the Receivables to the extent necessary to satisfy any outstanding Secured Obligations.
- 6.4 The Assignee may request the Assignor to collect the Receivables and the Assignor shall promptly comply with such request.
- 6.5 To the extent that the Receivables are enforced pursuant to clause 6.3, the Assignee may request that all of the documents relating to the Receivables be handed over to it.
- 6.6 The Assignor undertakes to the Assignee to render at its own expense all necessary assistance

in order to facilitate the sale of the Receivables in the event the Assignee seeks the enforcement of the Receivables.

7 Undertakings

During the term of this Agreement, the Assignor undertakes to the Assignee unless otherwise expressly agreed or permitted in the Refinancing Agreement:

- 7.1 not to encumber, permit to subsist, create or agree to create any other security interest or third party right in or over the Receivables except as set out in this Agreement; and
- 7.2 to promptly inform the Assignee, of all events which may adversely affect the security interest of the Assignee created hereunder.

8 Representation and Warranties

The Assignor represents and warrants to the Assignee by way of an independent guarantee in the meaning of section 311 of the German Civil Code (*unabhängiges Garantieverprechen*) that:

- 8.1 it is fully entitled to the Receivables assigned pursuant to clause 3 (*Assignment*) which are unencumbered;
- 8.2 the Assignment of the Receivables as contemplated by this Agreement is not prohibited or restricted by any provision of any agreement;
- 8.3 the Assignor has received no notice of any adverse claim by or any security interest in favour of any person in respect of the ownership of the Receivables nor any interest therein or has any acknowledgement been given to it in respect thereof; and
- 8.4 in relation to each Receivable
 - (a) it holds title to and may freely dispose of the Receivables and that they are not encumbered by any rights of third parties; and
 - (b) the third party debtors of the Receivables do not hold any rights of set-off or retention.

9 Release (*Sicherheitenfreigabe*)

- 9.1 Upon complete and irrevocable satisfaction of the Secured Obligations, the Assignee shall as soon as reasonably practical, at request and at the cost and expense of the Assignor release the Receivables and surrender the excess proceeds, if any, resulting from any realisation thereof. The Assignee will, however, transfer the Receivables and/or any excess proceeds to a

third person, at the cost and expense of the Assignor, if so required by law.

9.2 At any time when the total value of the aggregate security granted by the Assignor and their respective partners and the respective shareholders of their general partners to secure the Secured Obligations (Security) which can be expected to be realised in the event of an enforcement of the Security (*realisierbarer Wert*) more than temporarily exceeds 110 per cent of the Secured Obligations (Limit) the Assignee shall on demand of the Assignor release such part of the Security (*Sicherheitenfreigabe*) as the Assignee may in its reasonable discretion determine so as to reduce the realisable value of the Security to the Limit.

9.3 If an amount paid by the Assignor under the Refinancing Agreement to the Assignee is capable of being avoided or otherwise set aside on the liquidation, administration, winding-up or other similar proceeding in the jurisdiction of the Assignor or otherwise, then such amount shall not be considered to have been finally and irrevocably paid for the purposes hereof.

10 Duration; Independence

10.1 This Agreement shall remain in full force and effect until the complete and irrevocable satisfaction of the Secured Obligations. The security granted pursuant to this Agreement shall not cease to exist, if the Assignor has only temporarily discharged the Secured Obligations.

10.2 This Agreement shall create a continuing security and no change or amendment whatsoever to the Refinancing Agreement shall affect the validity and scope of this Agreement or the obligations which are imposed on the Assignor pursuant to it.

10.3 The security interests created under this Agreement are independent from any other security interest or guarantee which may have been granted or will be granted to the Assignee with respect to the Secured Obligations. No such other security interest or guarantee shall prejudice, or shall be prejudiced by or shall be merged in any way with this Agreement.

10.4 This Agreement shall inure to the benefit of the Assignee, its successors and assigns.

11 Partial Invalidity; Waiver; Amendments; Miscellaneous

11.1 If at any time, any one or more of the provisions hereof is or becomes invalid, illegal or unenforceable in any respect under the law of any relevant jurisdiction, such provision shall as to such jurisdiction, be ineffective to the extent necessary without affecting or impairing the validity, legality and enforceability of the remaining provisions hereof or of such provisions in any other jurisdiction.

11.2 The invalid or unenforceable provision shall be deemed replaced by such valid, legal and enforceable provision which comes as close as possible to the original intent of the parties and

the invalid, illegal or unenforceable provision. The aforesaid shall apply *mutatis mutandis* to any gap (*Regelungslücke*) in this Agreement.

- 11.3 No failure to exercise, nor any delay in exercising, on the part of the Assignee, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided hereunder are cumulative and not exclusive of any rights or remedies provided by law.
- 11.4 This Agreement, including this clause 11.4, may be amended, modified or waived only in writing in an agreement signed by the Assignee and the Assignor.
- 11.5 This Agreement constitutes the entire agreement of the Parties hereto with regard to the Assignment and supersedes all oral, written or other type of agreements in respect thereof.

12 Notices

All notices and communications under or in connection with this Agreement shall be in accordance with clause 12.5 (*Other regulations*) of the Refinancing Agreement.

13 Indemnity

- 13.1 The Assignee shall not be liable for any loss or damage suffered by the Assignor save in respect of such loss or damage which is suffered as a result of the wilful misconduct or gross negligence of the Assignee.
- 13.2 The Assignor will indemnify the Assignee and keep the Assignee indemnified against any and all damages, losses, actions, claims, expenses, demands and liabilities which may be incurred by or made against the Assignee for anything done or omitted in the exercise or purported exercise of the powers contained herein and occasioned by any breach by the Assignor of any of its obligations or undertakings contained herein other than to the extent that such damages, losses, actions, claims, expenses, demands and liabilities are incurred by or made against the Assignee as a result of the gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Assignee.

14 Costs and Expenses

The Assignor shall bear all costs and expenses (including legal fees) reasonably incurred in connection with the preparation, execution and amendment of this Agreement. In addition, the Assignor shall bear all costs and expenses (including legal fees) incurred in connection with the enforcement of, or the preservation of any rights under, this Agreement.

15 Conclusion of this Agreement

- 15.1 This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed and delivered, shall be an original but all the counterparts shall together constitute one and the same instrument.
- 15.2 This Agreement may also be concluded by an exchange of signed signature pages, transmitted by means of telecommunication (*telekommunikative Übermittlung*), by fax or by electronic photocopy.

16 Applicable Law

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

17 Jurisdiction

- 17.1 The courts of Frankfurt am Main, Germany, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) or any non-contractual obligation arising out of or in connection with this Agreement (Dispute).
- 17.2 The Parties agree that the courts of Frankfurt am Main, Germany, are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 17.3 This clause 17 (*Jurisdiction*) is for the benefit of the Assignee only. As a result, the Assignee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Assignee may take concurrent proceedings in any number of jurisdictions.

Schedule 1
Notification Letter Hermes Guarantee

From:
Lloyds Bank plc
10 Gresham Street
London
EC2V 7AE
(the Assignor)

To:
Euler Hermes AG
Friedensallee 254
22763 Hamburg
Germany

[●] November 2015

Dear Sirs,

The Assignor hereby gives you notice that by an assignment agreement dated [●] November 2015 in relation to the finance credit guarantee no [] (*Kennzeichen*): Baunummer: S 709 dated [●] 2015 and issued in connection with Hull no S 709 and in favour of KIW IPEX-Bank GmbH, which has been amended and the rights and claims under such guarantee have partially been transferred to the Assignor pursuant to a supplemental agreement dated [●] November 2015 (the **Hermes Guarantee**), the Assignor has assigned in favour of KIW in its capacity as assignee (the **Assignee**), all of its existing and future Assignor's rights, interests and claims under the Hermes Guarantee (the **Assignment Agreement**).

- 1 The Assignor hereby requests that you deliver to the Assignor and the Assignee confirmation of receipt of this notice in the form attached to this letter (the **Acknowledgement Letter**).
- 2 Please confirm that you have neither received any previous notice of assignment relating to the Hermes Guarantee nor are aware of any third party rights in relation to the Hermes Guarantee.
- 3 We hereby confirm that you will be only entitled to follow the instructions of the Assignee in relation to the Assignment Agreement.
- 4 This Notice shall be governed by and construed in accordance with the laws of Germany.

5 Place of jurisdiction shall be Frankfurt am Main, Germany.

Yours faithfully

Lloyds Bank plc

Schedule 2
Acknowledgement Letter Hermes Guarantee

From:

Euler Hermes AG
Friedensallee 254
22763 Hamburg
Germany

To:

KfW
Palmengartenstraße 5 - 9
60325 Frankfurt am Main
Germany
(the Assignee)

Copy:

Lloyds Bank plc in its capacity as Assignor as defined in the Assignment Agreement in relation to a
Hermes Guarantee in connection with Hull no S 709 as defined in the Notice
(the Assignor)

Date:

Dear Sirs,

We hereby confirm (a) receipt of a notice (the Notice) that by an assignment agreement dated
2015 the Assignor has assigned in favour of KfW all its existing and future Assignor's
rights, interests and claims under the Hermes Guarantee (as defined in the Notice), (b) our consent to
the terms of the Notice and (c) that we have neither received any previous notice of assignment
relating to the Hermes Guarantee nor are aware of any third party rights in relation to the Hermes
Guarantee.

This Acknowledgement Letter shall be governed by and construed in accordance with the laws of
Germany. Place of jurisdiction shall be Frankfurt am Main, Germany.

Yours faithfully

Euler Hermes AG

This AGREEMENT has been entered into on the date stated at the beginning by:

Lloyds Bank plc
as Assignor

By: 

Name: ED SMITH

Title: MANAGING DIRECTOR
HEAD OF GLOBAL
TRANSACTION BANKING.

By: _____

Name: _____

Title: _____

KfW represented by KfW IPEX-Bank GmbH
as Assignee

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Private & Confidential

Dated 26 November 2015

Lloyds Bank plc
as Assignor

(1)

and

KfW
as Assignee

(2)

ASSIGNMENT AGREEMENT

in relation to a Hermes guarantee in connection with
Hull no. S 709
currently under construction at Meyer Werft
GmbH & Co. KG, Papenburg, Germany

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This AGREEMENT is made on 26 November 2015 BETWEEN:

- (1) Lloyds Bank plc incorporated in England and Wales with its business address at 10 Gresham Street, London, EC2V 7AE, as assignor (the **Assignor**), and
- (2) KfW, represented by KfW IPEX-Bank GmbH, in its capacity as assignee (the **Assignee**).

Preamble

- (A) By a term facility agreement dated 28 September 2015 as amended by a letter dated 2 November 2015 (as amended, novated or restated from time to time) (the **Facility Agreement**) between, *inter alios*, Carnival plc or Carnival Corporation as borrower (the **Borrower**), KfW IPEX-Bank GmbH as mandated lead arranger, as agent and as Hermes agent and the financial institutions party thereto as lenders (the **Lenders**), the Lenders have agreed to make available to the Borrower a loan facility for the part financing of the construction of a cruise ship with hull no. S 709 (the **Vessel**) at Meyer Werft GmbH & Co. KG, Papenburg in an amount up to the aggregate of 80% of the final Contract Price (as defined in the Facility Agreement) of the Vessel and 100% of the Hermes Fee (as defined in the Facility Agreement).
- (B) In connection with the financing of the Vessel as set out in more detail in the Facility Agreement it is envisaged that the Federal Republic of Germany, represented by Euler Hermes AG (or its legal successor (if any) (**Euler Hermes**)) and PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, has issued on 10 November 2015 the finance credit guarantee no. DN 352247/MFA 900390/FKG/Vereinigtes Königreich (*Kennzeichen*) Baunummer 709 in favour of KfW IPEX-Bank GmbH which shall be amended by a supplemental agreement pursuant to which the rights and claims under such guarantee shall be partially transferred to the Assignor (the **Hermes Guarantee**).
- (C) The Assignee has entered into a refinancing agreement with the Assignor dated 26 November 2015 (as amended from time to time) (the **Refinancing Agreement**), whereby the Assignee has undertaken to provide the Assignor with a refinancing loan as specified in the Refinancing Agreement for the purpose of funding the Assignor's commitment as lender under the Facility Agreement.
- (D) It is a condition precedent under section 8.1 of the Refinancing Agreement that the Assignor assigns (*trifft ab*) to the Assignee certain Receivables (as defined below) as security.

It is agreed as follows:

1 Definitions and Interpretation

1.1 Definitions

Unless otherwise defined herein, capitalised terms used in this Agreement shall have the same meaning as ascribed to them in the Refinancing Agreement

In this Agreement:

Assignment shall have the meaning given to such term in clause 2 (*Purpose of the Assignment*).

Debtors means, together, any third-party debtors of the Receivables, and any one of them a **Debtor**.

Dispute shall have the meaning given to such term in clause 17.1 (*Jurisdiction*).

Receivables means all existing and future Assignor's rights, interests and claims under the Hermes Guarantee.

Secured Obligations means any and all sums and liabilities owed by the Assignor and all present and future obligations and liabilities (whether actual or contingent, whether owed jointly, severally or in any other capacity whatsoever) which are or may become payable or owing by the Assignor under or in connection with the Refinancing Agreement (including, but not limited to, any obligation based on unjust enrichment (*ungerechtfertigte Bereicherung*) or tort (*Delikt*)).

1.2 Interpretation

(a) This Agreement is made in the English language only. For the avoidance of doubt, the English version of this Agreement shall prevail over any translation of this Agreement. However, where a German translation of a word or phrase appears in the text of this Agreement, the German translation of such word or phrase shall prevail wherever such original English word or phrase translated by such German term appears in the text of this Agreement. Wherever a German term has been used in this Agreement, such German term shall be authoritative for the construction and interpretation. Where an English legal term or concept has been used in this Agreement, the related German legal term or concept shall be authoritative for the construction and interpretation of this Agreement, unless specifically provided for otherwise in this Agreement.

(b) The headings in this Agreement do not affect its interpretation.

(c) Words importing the singular include the plural and vice versa.

1.3 In this Agreement, any reference to:

- (a) a defined document is a reference to that defined document as from time to time amended, varied, novated, restated, supplemented or extended;
- (b) **promptly** means without undue delay (*unverzüglich*) as contemplated by Section 121 of the German Civil Code (*Bürgerliches Gesetzbuch - BGB*); and
- (c) clauses and schedules are to be construed as references to clauses of and schedules to this Agreement.

2 Purpose of the Assignment (*Sicherungszweck*)

The assignment provided for hereunder (**Assignment**) is constituted in order to secure (*zur Besicherung*) the prompt and complete satisfaction of any of the Secured Obligations.

3 Assignment

- 3.1 The Assignor assigns the Receivables to the Assignee.
- 3.2 The Assignee accepts the Assignment of the Receivables.
- 3.3 The existing Receivables shall pass over to the Assignee upon execution of this Agreement. Any future Receivables shall automatically pass over to the Assignee at the date such Receivables will arise (*entstehen*).
- 3.4 Insofar as additional declarations or actions are necessary for the perfection of the Assignment, the Assignor shall without undue delay (*unverzüglich*), at the Assignee's request, make such declarations or undertake such actions.
- 3.5 Waiving section 418 of the German Civil Code (*Bürgerliches Gesetzbuch*), the parties to this Agreement hereby agree that the security interest created hereunder shall not be affected by any transfer or assumption of any claim related to the Secured Obligations, to, or by, any third party.

4 Right of Inspection

The Assignor undertakes to provide the Assignee promptly at its request with all information and documents which are necessary for perfecting or enforcing the security interest created under this Agreement.

5 Notifications

- 5.1 The Assignee shall be entitled to notify the third party debtors of the Receivables in its own name and also on behalf of the Assignor.
- 5.2 Upon the request of a third party debtor, the Assignee shall be entitled to prove the assignment of the Receivables by forwarding a copy of this Agreement to such third party debtor without the requirement of the prior permission or consent of the Assignor.
- 5.3 Immediately, following the Hermes Guarantee has been issued, the Assignor shall notify the assignment of the Receivables to the Assignee by sending a signed notice letter to Euler Hermes substantially in the form of Schedule 1 (*Notification Letter Hermes Guarantee*) requesting acknowledgement by Euler Hermes to the Assignee substantially in the form of Schedule 2 (*Acknowledgement Letter Hermes Guarantee*).

6 Right to Realisation

- 6.1 If any of the Secured Obligations has become due and payable and remain unpaid and if a notice pursuant to clause 10 (*Termination*) of the Refinancing Agreement has been delivered, the Assignee shall be entitled to enforce this Agreement and arrange for the collection of the Receivables.
- 6.2 The Assignee will notify the Assignor in writing at least five (5) Business Days (as defined in the Facility Agreement) prior to such enforcement. However, such notification is not necessary if:
- (a) the Assignor has generally ceased to make payments;
 - (b) an application for the commencement of insolvency proceedings is filed by or against the Assignor; or
 - (c) there is reason to believe that observance of the notice period will adversely affect the legitimate interests (*berechtigte Interessen*) of the Assignee.
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in order to facilitate the sale of the Receivables in the event the Assignee seeks the enforcement of the Receivables.

7 Undertakings

During the term of this Agreement, the Assignor undertakes to the Assignee unless otherwise expressly agreed or permitted in the Refinancing Agreement:

- 7.1 not to encumber, permit to subsist, create or agree to create any other security interest or third party right in or over the Receivables except as set out in this Agreement; and
- 7.2 to promptly inform the Assignee, of all events which may adversely affect the security interest of the Assignee created hereunder.

8 Representation and Warranties

The Assignor represents and warrants to the Assignee by way of an independent guarantee in the meaning of section 311 of the German Civil Code (*unabhängiges Garantieverprechen*) that:

- 8.1 it is fully entitled to the Receivables assigned pursuant to clause 3 (Assignment) which are unencumbered;
- 8.2 the Assignment of the Receivables as contemplated by this Agreement is not prohibited or restricted by any provision of any agreement;
- 8.3 the Assignor has received no notice of any adverse claim by or any security interest in favour of any person in respect of the ownership of the Receivables nor any interest therein or has any acknowledgement been given to it in respect thereof; and
- 8.4 in relation to each Receivable
 - (a) it holds title to and may freely dispose of the Receivables and that they are not encumbered by any rights of third parties; and
 - (b) the third party debtors of the Receivables do not hold any rights of set-off or retention.

9 Release (*Sicherheitenfreigabe*)

- 9.1 Upon complete and irrevocable satisfaction of the Secured Obligations, the Assignee shall as soon as reasonably practical, at request and at the cost and expense of the Assignor release the Receivables and surrender the excess proceeds, if any, resulting from any realisation thereof. The Assignee will, however, transfer the Receivables and/or any excess proceeds to a

third person, at the cost and expense of the Assignor, if so required by law.

9.2 At any time when the total value of the aggregate security granted by the Assignor and their respective partners and the respective shareholders of their general partners to secure the Secured Obligations (Security) which can be expected to be realised in the event of an enforcement of the Security (*realisierbarer Wert*) more than temporarily exceeds 110 per cent of the Secured Obligations (Limit) the Assignee shall on demand of the Assignor release such part of the Security (*Sicherheitenfreigabe*) as the Assignee may in its reasonable discretion determine so as to reduce the realisable value of the Security to the Limit.

9.3 If an amount paid by the Assignor under the Refinancing Agreement to the Assignee is capable of being avoided or otherwise set aside on the liquidation, administration, winding-up or other similar proceeding in the jurisdiction of the Assignor or otherwise, then such amount shall not be considered to have been finally and irrevocably paid for the purposes hereof.

10 Duration; Independence

10.1 This Agreement shall remain in full force and effect until the complete and irrevocable satisfaction of the Secured Obligations. The security granted pursuant to this Agreement shall not cease to exist, if the Assignor has only temporarily discharged the Secured Obligations.

10.2 This Agreement shall create a continuing security and no change or amendment whatsoever to the Refinancing Agreement shall affect the validity and scope of this Agreement or the obligations which are imposed on the Assignor pursuant to it.

10.3 The security interests created under this Agreement are independent from any other security interest or guarantee which may have been granted or will be granted to the Assignee with respect to the Secured Obligations. No such other security interest or guarantee shall prejudice, or shall be prejudiced by or shall be merged in any way with this Agreement.

10.4 This Agreement shall inure to the benefit of the Assignee, its successors and assigns.

11 Partial Invalidity; Waiver; Amendments; Miscellaneous

11.1 If at any time, any one or more of the provisions hereof is or becomes invalid, illegal or unenforceable in any respect under the law of any relevant jurisdiction, such provision shall as to such jurisdiction, be ineffective to the extent necessary without affecting or impairing the validity, legality and enforceability of the remaining provisions hereof or of such provisions in any other jurisdiction.

11.2 The invalid or unenforceable provision shall be deemed replaced by such valid, legal and enforceable provision which comes as close as possible to the original intent of the parties and

the invalid, illegal or unenforceable provision. The aforesaid shall apply *mutatis mutandis* to any gap (*Regelungslücke*) in this Agreement.

11.3 No failure to exercise, nor any delay in exercising, on the part of the Assignee, any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise thereof or the exercise of any other right or remedy. The rights and remedies provided hereunder are cumulative and not exclusive of any rights or remedies provided by law.

11.4 This Agreement, including this clause 11.4, may be amended, modified or waived only in writing in an agreement signed by the Assignee and the Assignor.

11.5 This Agreement constitutes the entire agreement of the Parties hereto with regard to the Assignment and supersedes all oral, written or other type of agreements in respect thereof.

12 Notices

All notices and communications under or in connection with this Agreement shall be in accordance with clause 12.5 (*Other regulations*) of the Refinancing Agreement.

13 Indemnity

13.1 The Assignee shall not be liable for any loss or damage suffered by the Assignor save in respect of such loss or damage which is suffered as a result of the wilful misconduct or gross negligence of the Assignee.

13.2 The Assignor will indemnify the Assignee and keep the Assignee indemnified against any and all damages, losses, actions, claims, expenses, demands and liabilities which may be incurred by or made against the Assignee for anything done or omitted in the exercise or purported exercise of the powers contained herein and occasioned by any breach by the Assignor of any of its obligations or undertakings contained herein other than to the extent that such damages, losses, actions, claims, expenses, demands and liabilities are incurred by or made against the Assignee as a result of the gross negligence (*grobe Fahrlässigkeit*) or wilful misconduct (*Vorsatz*) of the Assignee.

14 Costs and Expenses

The Assignor shall bear all costs and expenses (including legal fees) reasonably incurred in connection with the preparation, execution and amendment of this Agreement. In addition, the Assignor shall bear all costs and expenses (including legal fees) incurred in connection with the enforcement of, or the preservation of any rights under, this Agreement.

15 Conclusion of this Agreement

- 15.1 This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts each of which, when so executed and delivered, shall be an original but all the counterparts shall together constitute one and the same instrument
- 15.2 This Agreement may also be concluded by an exchange of signed signature pages, transmitted by means of telecommunication (*telekommunikative Übermittlung*), by fax or by electronic photocopy.

16 Applicable Law

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

17 Jurisdiction

- 17.1 The courts of Frankfurt am Main, Germany, have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement) or any non-contractual obligation arising out of or in connection with this Agreement (**Dispute**).
- 17.2 The Parties agree that the courts of Frankfurt am Main, Germany, are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 17.3 This clause 17 (*Jurisdiction*) is for the benefit of the Assignee only. As a result, the Assignee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Assignee may take concurrent proceedings in any number of jurisdictions.

Schedule 1
Notification Letter Hermes Guarantee

From:
Lloyds Bank plc
10 Gresham Street
London
EC2V 7AE
(the Assignor)

To:
Euler Hermes AG
Friedensallee 254
22763 Hamburg
Germany

[●] November 2015

Dear Sirs,

The Assignor hereby gives you notice that by an assignment agreement dated [●] November 2015 in relation to the finance credit guarantee no [] (*Kennzeichen*): Baunummer: S 709 dated [●] 2015 and issued in connection with Hull no S 709 and in favour of KfW IPEX-Bank GmbH, which has been amended and the rights and claims under such guarantee have partially been transferred to the Assignor pursuant to a supplemental agreement dated [●] November 2015 (the **Hermes Guarantee**), the Assignor has assigned in favour of KfW in its capacity as assignee (the **Assignee**), all of its existing and future Assignor's rights, interests and claims under the Hermes Guarantee (the **Assignment Agreement**).

- 1 The Assignor hereby requests that you deliver to the Assignor and the Assignee confirmation of receipt of this notice in the form attached to this letter (the **Acknowledgement Letter**).
- 2 Please confirm that you have neither received any previous notice of assignment relating to the Hermes Guarantee nor are aware of any third party rights in relation to the Hermes Guarantee.
- 3 We hereby confirm that you will be only entitled to follow the instructions of the Assignee in relation to the Assignment Agreement.
- 4 This Notice shall be governed by and construed in accordance with the laws of Germany

5 Place of jurisdiction shall be Frankfurt am Main, Germany.

Yours faithfully

Lloyds Bank plc

Schedule 2
Acknowledgement Letter Hermes Guarantee

From:
Euler Hermes AG
Friedensallee 254
22763 Hamburg
Germany

To:
KfW
Palmengartenstraße 5 - 9
60325 Frankfurt am Main
Germany
(the Assignee)

Copy:
Lloyds Bank plc in its capacity as Assignor as defined in the Assignment Agreement in relation to a
Hermes Guarantee in connection with Hull no S 709 as defined in the Notice
(the Assignor)

Date:

Dear Sirs,

We hereby confirm (a) receipt of a notice (the **Notice**) that by an assignment agreement dated 2015 the Assignor has assigned in favour of KfW all its existing and future Assignor's rights, interests and claims under the Hermes Guarantee (as defined in the Notice), (b) our consent to the terms of the Notice and (c) that we have neither received any previous notice of assignment relating to the Hermes Guarantee nor are aware of any third party rights in relation to the Hermes Guarantee.

This Acknowledgement Letter shall be governed by and construed in accordance with the laws of Germany. Place of jurisdiction shall be Frankfurt am Main, Germany.

Yours faithfully

Euler Hermes AG

This AGREEMENT has been entered into on the date stated at the beginning by:

Lloyds Bank plc
as Assignor

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

KfW represented by KfW IPEX-Bank GmbH
as Assignee

By: 

Name: Markus Kristen
Vice President

Title: _____

By: 

Name: Anja Demlach
Managing Vice President

Title: _____