

MR01

Particulars of a charge

112665/13

Laserform

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

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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

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

FRIDAY



L48EJFW8

LD8

29/05/2015

#120

COMPANIES HOUSE

1	Company details	1 2 For official use
Company number	0 0 3 4 5 2 7 9	→ Filling in this form Please complete in typescript or in bold black capitals All fields are mandatory unless specified or indicated by *
Company name in full	AMG Superalloys UK Limited / (the "Chargor")	
2	Charge creation date	
Charge creation date	d 2 d 7 m 0 m 5 y 2 y 0 y 1 y 5 /	
3	Names of persons, security agents or trustees entitled to the charge	
	Please show the names of each of the persons, security agents or trustees entitled to the charge	
Name	Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN / as Security Agent (as trustee for each of the Secured Parties)	
Name		
Name		
Name		
If there are more than four names, please supply any four of these names then tick the statement below		
<input type="checkbox"/> I confirm that there are more than four persons, security agents or trustees entitled to the charge		

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Please submit only a short description if there are a number of plots of land, aircraft and/or ships you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5

Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8

Trustee statement ①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X Clifford Chance X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Laura Nixon 70-40598669

Company name Clifford Chance LLP (via CH London Counter)

Address 10 Upper Bank Street

Post town London

County/Region

Postcode E I 4 5 J J

Country United Kingdom

DX 149120 Canary Wharf 3

Telephone 020 7006 1000



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☒ The company name and number match the information held on the public Register
- ☒ You have included a certified copy of the instrument with this form
- ☒ You have entered the date on which the charge was created
- ☒ You have shown the names of persons entitled to the charge
- ☒ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☒ You have given a description in Section 4, if appropriate
- ☒ You have signed the form
- ☒ You have enclosed the correct fee
- ☒ Please do not send the original instrument, it must be a certified copy



Important information

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



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 345279

Charge code: 0034 5279 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th May 2015 and created by AMG SUPERALLOYS UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th May 2015

L.C.

Given at Companies House, Cardiff on 6th June 2015



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

C L I F F O R D
C H A N C E

CLIFFORD CHANCE LLP

EXECUTION VERSION

DATED 27 MAY 2015

THE PERSONS LISTED IN SCHEDULE 1
AS CHARGORS

IN FAVOUR OF

LLOYDS BANK PLC
AS SECURITY AGENT

DEBENTURE

We hereby certify that, save for material redacted
pursuant to s 859G of the Companies Act 2006, this
is a true copy of the original

Signed Clifford Chance

Date 29 May 2015

Clifford Chance LLP
10 Upper Bank Street
London E14 5JJ

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THIS DEBENTURE is made by way of deed on 27 May 2015

BY:

- (1) **THE PERSONS** listed in Schedule 1 (*The Chargors*) (each a "**Chargor**") in favour of
- (2) **LLOYDS BANK PLC** as trustee for each of the Secured Parties on the terms and conditions set out in the Facilities Agreement (the "**Security Agent**")

IT IS AGREED as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Debenture

"Acceleration Event" means the Security Agent exercising any of its rights under clause 28.18 (*Acceleration*) of the Facilities Agreement

"Account" means each of the accounts opened or maintained by any Chargor with the Security Agent, any bank, building society, financial institution or other person (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby

"Administration Event" means

- (a) the presentation of an application to the court for the making of an administration order in relation to any Chargor, or
- (b) the giving of written notice by any person (who is entitled to do so) of its intention to appoint an administrator of any Chargor or the filing of such a notice with the court

"Charged Assets" means all of the assets and undertaking of each Chargor which from time to time are the subject of any Security created or expressed to be created by it in favour of the Security Agent by or pursuant to this Debenture

"Collateral Rights" means all rights, powers and remedies of the Security Agent provided by or pursuant to this Debenture or by law

"Declared Default" means the Facility Agent or the Majority Lenders delivering a notice to the Company in accordance with clause 28.18 (*Acceleration*) of the Facilities Agreement

"Excluded Bank Account" and **"Excluded Bank Accounts"** shall mean

- (a) any "zero-balance" accounts or accounts with an average monthly balance of less than US\$100 (or its equivalent), and

- (b) any account bank in which the average monthly account balance does not exceed US\$500,000 (or its equivalent), provided the aggregate average monthly account balances of all such accounts excluded pursuant to this paragraph (b) do not exceed US\$5,000,000 (or its equivalent),

in each case which has been notified by the relevant Chargor (or the Company on their behalf) to the Agent as being excluded from the Security granted pursuant this Debenture

"Facilities Agreement" means the facilities agreement dated on or about the date of this Debenture between, among others, AMG Advanced Metallurgical Group N V as the company and Lloyds Bank plc as agent and security agent

"Fixed Security" means any mortgage, fixed charge or assignment expressed to be created by or pursuant to Clause 4 (*Fixed Security*) of this Debenture

"Insurance Policy" means each policy of insurance specified in Schedule 4 (*Insurance Policies*) and any other policy of insurance in respect of business interruption, property or marine cargo in which any Chargor may from time to time have an interest (to the extent of its interest) (as amended or supplemented) if the aggregate amount that may be claimed under that or policy (pursuant to one or more claims from time to time) exceeds US\$10,000,000 (or its equivalent in another currency or currencies)

"Intellectual Property" means any patents, trade marks, service marks, designs, business and trade names, copyrights, database rights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, and the benefit of all applications and rights to use such assets in which any Chargor may from time to time have an interest

"Material Intellectual Property" means the registered Intellectual Property specified in Schedule 3 (*Material Intellectual Property*) (if any) which is material in the context of the business of the Group or the relevant Chargor and which is required by the Group or the relevant Obligor in order to carry on its business as it is being conducted

"Monetary Claims" means any book and other debts and monetary claims owing to any Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Shares, any court order or judgment, any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of that Chargor)

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 5 (*Form of Notice of Security to Account Bank*) and Schedule 6 (*Form of Notice of Assignment of Insurance Policy*) or in such form as may be specified by the Security Agent

"Notice of Charge" means a notice of charge in substantially the form set out in Schedule 5 (*Form of Notice of Security to Account Bank*) or in such form as may be specified by the Security Agent

"Real Property" means (including as provided in Clause 1.6 (*Real Property*)) any present or future freehold or leasehold or immoveable property and any other interest in land or buildings and any rights relating thereto in which any Chargor has an interest

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment

"Related Rights" means, in relation to any asset:

- (a) the proceeds of sale or rental of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, causes of action, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of or derived from that asset, and
- (d) any monies and proceeds paid or payable in respect of that asset

"Secured Obligations" means all present and future obligations and liabilities at any time due, owing or incurred by each Chargor to the Security Agent (whether for its own account or as trustee for the Secured Parties) or any other Secured Party under or pursuant to each of the Finance Documents, whether actual or contingent, whether originally incurred by that Chargor or by any other person and whether incurred solely or jointly and as principal or surety or in any other capacity, including any liability in respect of any further advances made under the Finance Documents, except for any obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful, prohibited or invalid by or under any applicable law

"Security Period" means the period beginning on the date of this Debenture and ending on the date on which the Security Agent (acting in accordance with the Facilities Agreement) is satisfied that the Secured Obligations have been irrevocably and unconditionally paid or discharged in full and no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor or any other person under any of the Finance Documents

"Shares" means any stocks, shares, debentures and other securities listed in Schedule 2 (*Shares*) and all of each Chargor's other present and future shares in the capital of any member of the Group that is an Obligor from time to time

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles, furniture, fittings and other chattels (excluding any for the time being forming part of any Chargor's stock in trade or work in progress)

1 2 **Terms defined in other Finance Documents**

Unless defined in this Debenture, or the context otherwise requires, a term defined in the Facilities Agreement or in any other Finance Document has the same meaning in this Debenture, or any notice given under or in connection with this Debenture

1 3 **Construction**

In this Debenture

- (a) the rules of interpretation contained in clauses 1 2 (*Construction*) and 1 3 (*Currency Symbols and definitions*) of the Facilities Agreement shall apply to the construction of this Debenture, or in any notice given under or in connection with this Debenture,
- (b) any reference to the "**Security Agent**", the "**Secured Parties**", the "**Finance Parties**", a "**Chargor**" or any "**Obligor**" shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facilities Agreement,
- (c) any reference to "**including**" and "**include**" shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms, and
- (d) references in this Debenture to any Clause or Schedule shall be to a Clause or Schedule contained in this Debenture

1 4 **Incorporation of provisions from Facilities Agreement**

Clauses 1 4 (*Third party rights*), 18 (*Tax gross up and indemnities*), 20 (*Other indemnities*), 40 1 (*Accounts*), 40 2 (*Certificates and determinations*) and 43 (*Amendments and waivers*) of the Facilities Agreement are deemed to form part of this Debenture as if expressly incorporated into it and as if all references in those clauses to the Facilities Agreement were references to this Debenture

1 5 **Present and future assets**

- (a) A reference in this Debenture to any Charged Asset or other asset includes, unless the contrary intention appears, present and future Charged Assets and other assets.
- (b) The absence of or incomplete details of any Charged Assets in any Schedule shall not affect the validity or enforceability of any Security under this Debenture

1 6 Real Property

A reference in this Debenture to a mortgage, assignment or charge of any freehold, leasehold or commonhold property includes all buildings, fixtures and fittings from time to time on or forming part of that property and all Related Rights

1 7 Separate Security

Clauses 4 2 (*Fixed Charge over Tangible Moveable Property*) to 4 10 (*Assignment of Insurance Policies*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment over each relevant asset within any particular class of assets defined in this Debenture and the failure to create an effective mortgage, fixed charge or assignment (whether arising out of this Debenture or any act or omission by any party) over any one asset shall not affect the nature or validity of the mortgage, charge or assignment imposed on any other asset whether within that same class of assets or not

1 8 Security Agent assumes no obligation

The Security Agent shall not be under any obligation in relation to the Charged Assets as a consequence of this Debenture and each Chargor shall at all times remain liable to perform all obligations in respect of the Charged Assets

2 COVENANT TO PAY

Each Chargor covenants with the Security Agent that it shall, on demand of the Security Agent pay, discharge and satisfy the Secured Obligations in accordance with their respective terms

3 COMMON PROVISIONS

3 1 Common provisions as to all Security

All the Security created by or pursuant to this Debenture is

- (a) created in favour of the Security Agent as trustee for the Secured Parties and the Security Agent shall hold the benefit of this Debenture and the Security created by or pursuant to it on trust for the Secured Parties, and
- (b) continuing security for the payment and discharge of all the Secured Obligations

3 2 Consent for Fixed Security

Each Chargor creates each Fixed Security subject to obtaining any necessary consent to such Fixed Security from any relevant third party

4 FIXED SECURITY

4 1 Fixed charge over Real Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to all its Real Property and all Related Rights

4 2 Fixed Charge over Tangible Moveable Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Tangible Moveable Property and all Related Rights

4 3 Fixed charge over Accounts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Accounts and all Related Rights

4 4 Fixed charge over contracts

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any contract or agreement to which that Chargor is a party (including each of its interest or currency rate swap, cap, floor, collar or option transactions) and all Related Rights

4 5 Fixed charge over Monetary Claims

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Monetary Claims (other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture) and all Related Rights (to the extent not already charged under this Clause 4 5)

4 6 Fixed charge over Shares

Each Chargor charges, by way of first fixed charge and with full title guarantee, all of its rights, title and interest from time to time in and to its Shares and all dividends, interest and other monies payable in respect of those Shares and all Related Rights (whether derived by way of redemption, bonus, preference, options, substitution, conversion, compensation or otherwise)

4 7 Fixed charge over Material Intellectual Property

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to its Material Intellectual Property and all Related Rights

4 8 Fixed charge over goodwill

Each Chargor charges, by way of first fixed charge, all of its rights, title and interest from time to time in and to any goodwill, rights and claims in relation to the uncalled capital of that Chargor

4 9 Fixed charge over Insurance Policies

Each Chargor charges (to the extent not validly and effectively assigned pursuant to Clause 4 10 (*Assignment of Insurance Policies*)), by way of first fixed charge, all of its rights, title and interest from time to time in and to each Insurance Policy of that Chargor and all Related Rights in relation thereto

4 10 Assignment of Insurance Policies

Each Chargor assigns and agrees to assign absolutely, all of its rights, claims, title and interest from time to time in and to the proceeds of each Insurance Policy of that Chargor and all Related Rights

5 FLOATING CHARGE

5 1 Floating charge

- (a) Each Chargor charges by way of first floating charge in favour of the Security Agent all present and future assets and undertaking of that Chargor
- (b) The floating charge created pursuant to paragraph (a) above shall be deferred in point of priority to all Fixed Security validly and effectively created by that Chargor under the Finance Documents in favour of the Security Agent as security for the Secured Obligations
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) above

5 2 Crystallisation: by notice

The Security Agent may at any time by notice in writing to any Chargor convert the floating charge created pursuant to Clause 5 1 (*Floating charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if

- (a) an Event of Default is continuing,
- (b) the Security Agent considers that it is desirable in order to protect or preserve the Security over any of the Charged Assets and/or the priority of the security, or
- (c) any Chargor requests the Security Agent to exercise any of its powers under this Debenture

5 3 Crystallisation: automatic

Notwithstanding Clause 5 2 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created pursuant to Clause 5 1 (*Floating charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if

- (a) any Chargor creates or attempts to create any Security (other than any Security permitted under the terms of the Facilities Agreement), over any of the Charged Assets of that Chargor,
- (b) any person levies or attempts to levy any distress, execution, attachment, sequestration or expropriation against any of the Charged Assets,
- (c) an Administration Event occurs,
- (d) a Receiver is appointed over all or any of the Charged Assets,
- (e) a meeting is convened for the passing of a resolution for the voluntary winding-up of any Chargor,
- (f) a provisional liquidator is appointed to any Chargor, or
- (g) a resolution is passed or an order is made for the winding-up, dissolution or reorganisation of any Chargor,

or any corporate action, legal proceeding or other analogous procedure or step is taken in any jurisdiction

6 PROVISIONS AS TO SECURITY AND PERFECTION

6 1 Negative pledge and restriction on dealings

Except as permitted under the Facilities Agreement, no Chargor shall at any time during the Security Period create or permit to subsist any Security over all or any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets

6 2 Notice of Security: Accounts

- (a) Each Chargor shall, if requested by the Security Agent from time to time, promptly deliver to the Security Agent (or procure the delivery of) a Notice of Charge in relation to the Accounts (except any Excluded Bank Accounts) duly executed by, or on behalf of, that Chargor and each such Chargor shall use its reasonable endeavours (for a period up to a maximum of 120 days) to procure from each account bank, building society, financial institution or other person with which any Account is opened or maintained, an acknowledgement in the form set out in such Notice of Charge

- (b) The execution of this Debenture by each Chargor and the Security Agent shall be deemed to constitute notice to the Security Agent of a charge created over any Account opened or maintained with the Security Agent

6.3 Notice of Security: other assets

- (a) Each Chargor shall, promptly following the date of this Debenture or, if later, when requested by the Security Agent from time to time, promptly deliver to the Security Agent (or procure the delivery of) a Notice of Assignment or a Notice of Charge (as appropriate) duly executed by, or on behalf of, that Chargor in relation to any asset (other than the Accounts) which is the subject of the Fixed Security and any floating charge which is converted into a fixed charge pursuant to Clauses 5.2 (*Crystallisation by notice*) and 5.3 (*Crystallisation automatic*), provided that a Notice of Charge shall only be required to be delivered in respect of Monetary Claims following the occurrence of a Declared Default
- (b) Each Chargor shall use all reasonable endeavours to procure from each recipient of such a Notice of Assignment or a Notice of Charge (as appropriate) an acknowledgement in the form set out therein

6.4 Deposit of share certificates

Each Chargor shall

- (a) on the date of this Debenture (and upon its coming into possession thereof at anytime), deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (executed in blank by it or on its behalf) in respect of the Shares, and
- (b) as soon as practicable following the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares (or upon acquiring any interest therein), notify the Security Agent of that occurrence and deposit with the Security Agent (or procure the deposit of) (i) all certificates or other documents of title representing such assets and (ii) such stock transfer forms or other instruments of transfer (executed in blank by it or on its behalf) in respect thereof as the Security Agent may reasonably request

6.5 Deposit of title deeds

Following the occurrence of an Event of Default which is continuing, each Chargor shall, promptly following a request by the Security Agent (acting reasonably), deposit with the Security Agent (or procure the deposit of) all deeds, certificates and other documents constituting or evidencing title to any interest it has in any Real Property from time to time

6 6 Application to the Land Registry

Following the occurrence of an Event of Default which is continuing, each Chargor hereby consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship Register of any registered land on request by the Security Agent at any time forming part of the Real Property

"No disposition of the registered estate by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [•] in favour of [•] referred to in the charges register [or their conveyancer] "

6 7 Registration of Intellectual Property

Each Chargor shall, if requested by the Security Agent, execute all such documents and do all such acts as the Security Agent may reasonably require to record the interest of the Security Agent in any registers relating to any registered Material Intellectual Property

6 8 Further advances

- (a) Subject to the terms of the Facilities Agreement, each Lender is under an obligation to make further advances to each Chargor and that obligation will be deemed to be incorporated in this Debenture as if set out in this Debenture
- (b) Following the occurrence of an Event of Default which is continuing, each Chargor consents to an application being made to the Land Registry on request by the Security Agent (acting reasonably) to enter the obligation to make further advances on the Charges Register of any registered land forming part of the Charged Assets

6 9 Custodians and nominees

The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to all or any part of the Charged Assets as the Security Agent may determine and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any such person or be bound to supervise the proceedings or acts of any such person

7 FURTHER ASSURANCE

7 1 Further assurance

Subject to the Agreed Security Principles, each Chargor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s)

- (a) to create, perfect, protect and/or maintain the Security created or intended to be created in respect of the Charged Assets (which may include the execution by that Chargor of a charge or assignment over all or any of the assets constituting, or intended to constitute, the Charged Assets) or for the exercise of the Collateral Rights,
- (b) to confer on the Security Agent Security over any asset or undertaking of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture, and/or
- (c) following the occurrence of an Event of Default which is continuing, to facilitate the realisation of the Charged Assets

7 2 Consents

- (a) Subject to the Agreed Security Principles, each Chargor shall, as soon as possible, use all reasonable endeavours to obtain any consents necessary or to remove any restriction on the creation of Security to enable the assets of that Chargor to be the subject of the relevant Fixed Security pursuant to this Debenture
- (b) Immediately upon obtaining any such consent or removing any such restriction, the asset concerned will become subject to that Fixed Security and each relevant Chargor shall promptly deliver a copy of such consent or evidence of such removal to the Security Agent

8 SHARES

8 1 Dividends prior to an Event of Default

Prior to the occurrence of an Event of Default which is continuing, each Chargor shall be entitled to receive all dividends, interest and other monies or distributions of an income nature arising from the Shares

8 2 Dividends after an Event of Default

Upon the occurrence of an Event of Default which is continuing, the Security Agent may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from the relevant Chargor, apply all dividends, interest and other monies arising from the Shares as though they were the proceeds of sale in accordance with Clause 17 (*Application of Proceeds*)

8 3 Voting rights prior to Security Agent Notice

Prior to the giving of notice pursuant to Clause 8 4 (*Voting rights after Security Agent Notice*), each Chargor shall be entitled to exercise all voting rights in relation to the Shares

8 4 Voting rights after Security Agent Notice

Subject to Clause 8 5 (*Waiver of voting rights by Security Agent*), upon the occurrence of an Acceleration Event the Security Agent may (but without having any obligation to do so) give notice to any relevant Chargor (with a copy to the Agent) that this Clause 8 4 will apply. With effect from the giving of that notice the Security Agent may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from that Chargor

- (a) exercise (or refrain from exercising) any voting rights in respect of the Shares, and
- (b) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares including the right, in relation to any company whose shares or other securities are included in the Shares, to concur or participate in
 - (i) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),
 - (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities, and
 - (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Agent thinks fit, and the proceeds of any such action shall form part of the Shares

8 5 Waiver of voting rights by Security Agent

- (a) The Security Agent may, in its absolute discretion and without any consent or authority from the other Secured Parties or any relevant Chargor, at any time, by notice to any relevant Chargor (which notice shall be irrevocable), with a copy to the Agent, elect to give up the right to exercise (or refrain from exercising) all voting rights and powers in respect of the Shares conferred or to be conferred on the Security Agent pursuant to Clause 8 4 (*Voting rights after Security Agent Notice*) and the other Secured Parties unconditionally waive any rights they may otherwise have to require the Security Agent not to make such election or to require the Security Agent to indemnify, compensate or otherwise make good for any losses, costs or liabilities incurred by any of them in relation to or as a consequence of the Security Agent making such election
- (b) Once a notice has been issued by the Security Agent under paragraph (a) above, on and from the date of such notice the Security Agent shall cease to have the rights to exercise or refrain from exercising voting rights and powers in respect of the Shares conferred or to be conferred on it pursuant to Clause 8 4 (*Voting rights after Security Agent Notice*) or any other provision

of this Debenture and all such rights will be exercisable by the relevant Chargor. Each relevant Chargor shall be entitled, on and from the date of such notice, to exercise all voting rights and powers in relation to the Shares

8.6 Shares: Voting rights

No Chargor shall exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to the Shares in any manner, or otherwise permit or agree to or concur or participate in any

- (a) variation of the rights attaching to or conferred by all or any part of the Shares,
- (b) increase in the issued share capital of any company whose shares are charged pursuant to this Debenture,
- (c) exercise, renunciation or assignment of any right to subscribe for any shares or securities, or
- (d) reconstruction, amalgamation, sale or other disposal of any company or any of the assets or undertaking of any company (including the exchange, conversion or reissue of any shares or securities as a consequence thereof) whose shares are charged pursuant to this Debenture,

which could reasonably be expected to materially prejudice the value of, or the ability of the Security Agent to realise, the Security created pursuant to this Debenture **provided that** the proceeds of any such action shall form part of the Shares

8.7 Shares: Payment of calls

Each Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Shares, and in any case of default by it in such payment, the Security Agent may, if it thinks fit, make such payment on its behalf in which case any sums paid by the Security Agent shall be reimbursed by each relevant Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed, such interest to be calculated in accordance with the Facilities Agreement

9 ACCOUNTS

9.1 Accounts: Notification and variation

- (a) Each Chargor shall promptly deliver to the Security Agent on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of each Account opened or maintained by it with any bank, building society, financial institution or other person
- (b) No Chargor shall, without the Security Agent's prior written consent, permit or agree to any variation of the rights attaching to any Account (other than, prior to the occurrence of an Event of Default which is continuing, administrative rights) or close any Account

9 2 Accounts: Operation before an Event of Default

Each Chargor shall, prior to the occurrence of an Event of Default which is continuing, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account

9 3 Accounts: Operation after an Event of Default

After the occurrence of an Event of Default which is continuing no Chargor shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Security Agent

9 4 Accounts: Application of monies

The Security Agent shall, upon the occurrence of an Event of Default which is continuing, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 17 (*Application of Proceeds*)

10 MONETARY CLAIMS

10 1 Dealing with Monetary Claims

No Chargor shall at any time during the Security Period, without the prior written consent of the Security Agent

- (a) deal with the Monetary Claims except by getting in and realising them in a prudent manner (on behalf of the Security Agent) and paying the proceeds of those Monetary Claims into an Account (or, if one or more Accounts have been designated for this purpose by the Security Agent, the relevant Account(s)) or as the Security Agent may reasonably require (and such proceeds shall be held upon trust by the relevant Chargor for the Security Agent on behalf of the Secured Parties prior to such payment in),
- (b) factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting, or
- (c) be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account

11 INSURANCES

11 1 Insurance: Undertakings

Each Chargor shall at all times during the Security Period

- (a) keep the Charged Assets insured in accordance with the terms of the Facilities Agreement,
- (b) if required by the Security Agent, cause each insurance policy or policies relating to the Charged Assets under which the aggregate amount that may be

claimed (pursuant to one or more claims from time to time) exceeds USD 10,000,000 (or its equivalent in another currency or currencies) other than

- (i) any Insurance Policy which has been the subject of a Notice of Assignment pursuant to Clause 6 (*Provisions as to Security and Perfection*),
- (ii) any Insurance Policy relating to third party liabilities, or
- (iii) any other Insurance Policy the Security Agent may agree,

to contain (in form and substance satisfactory to the Security Agent, acting reasonably) an endorsement naming the Security Agent as a loss payee in respect of all claims until such time as the Security Agent notifies the insurer(s) to the contrary,

- (c) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon request, produce to the Security Agent a copy of each policy and evidence (in form and substance acceptable to the Security Agent, acting reasonably) of the payment of such sums, and
- (d) if required by the Security Agent (but subject to the provisions of any lease of the Charged Assets), deposit all Insurance Policies relating to the Charged Assets with the Security Agent

11.2 Insurance: Default

If any Chargor defaults in complying with Clause 11.1 (*Insurance Undertakings*), the Security Agent may (without any obligation to do so) effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies spent by the Security Agent in doing so shall be reimbursed by the relevant Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed in accordance with the Facilities Agreement

11.3 Application of Insurance proceeds

All monies received under any Insurance Policies relating to the Charged Assets shall (subject to the rights and claims of any person having prior rights to such monies)

- (a) prior to the occurrence of an Event of Default which is continuing, be applied in repairing, replacing, restoring or rebuilding the property or assets damaged or destroyed, and
- (b) after the occurrence of an Event of Default which is continuing, be held upon trust for the Security Agent pending payment to the Security Agent for application in accordance with Clause 17 (*Application of Proceeds*) and each Chargor waives any right it may have to require that any such monies are applied in reinstatement of any part of the Charged Assets

12 REAL PROPERTY

12.1 Property: Notification

If an Event of Default is continuing, each Chargor shall promptly notify the Security Agent of any contract, conveyance, transfer or other disposition for the acquisition by that Chargor (or its nominee(s)) of any Real Property and provide such information as the Security Agent reasonably requests in order to facilitate the registrations contemplated by Clause 6.7 (*Application to the Land Registry*)

12.2 Permitted Disposals

For the avoidance of doubt, nothing in this Debenture will prevent a Chargor from disposing of Real Property where such disposal constitutes a Permitted Disposal

13 ENFORCEMENT OF SECURITY

13.1 Enforcement

Any time after the occurrence of

- (a) a Declared Default, or
- (b) a request from any Chargor to the Security Agent that it exercise any of its powers under this Debenture,

the Security created by or pursuant to this Debenture is immediately enforceable and the Security Agent may, without notice to any Chargor or prior authorisation from any court, in its absolute discretion

- (i) secure and perfect its title to all or any part of the Charged Assets,
- (ii) enforce all or any part of that Security at the times, in the manner and on the terms it thinks fit and take possession of and hold or dispose of all or any part of the Charged Assets (and any assets of the relevant Chargor which, when got in, would be part of the Charged Assets) at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration), and
- (iii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture) on mortgagees and by this Debenture on any Receiver or otherwise conferred by law on mortgagees or Receivers

13.2 Effect of moratorium

The Security Agent shall not be entitled to exercise its rights under Clause 13.1 (*Enforcement*) or Clause 5.2 (*Crystallisation by notice*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining, or taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986

14 EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

14.1 Extension of power of sale

The power of sale or other disposal conferred on the Security Agent and on any Receiver by this Debenture shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Debenture

14.2 Restrictions

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture or to the exercise by the Security Agent of its right to consolidate all or any of the Security created by or pursuant to this Debenture with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Agent without notice to any Chargor on or at any time after the Security created by or pursuant to this Debenture has become enforceable in accordance with Clause 13 (*Enforcement of Security*)

14.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Security Agent at any time on or after this Debenture has become enforceable in accordance with Clause 13 (*Enforcement of Security*) and the Security Agent and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with sections 99 and 100 of the Law of Property Act 1925
- (b) For the purposes of sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under any Chargor and neither section 99(18) nor section 100(12) of the Law of Property Act 1925 will apply

14.4 Right of appropriation

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003, as amended, (the "**Regulations**") apply to a Charged Asset, the Security Agent shall have the right to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of that Charged Asset shall be

- (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time of appropriation, and
- (b) in the case of any Shares, the market value of such Shares determined by the Security Agent by reference to a public index or independent valuation, or by such other process as the Security Agent may select

In each case, the parties further agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations

14.5 Statutory powers

The powers conferred by this Debenture on the Security Agent are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Insolvency Act 1986 or otherwise by law (as extended by this Debenture) and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Assets. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Debenture, the terms of this Debenture shall prevail

15 APPOINTMENT OF RECEIVER

15.1 Appointment and removal

After the Security created by or pursuant to this Debenture has become enforceable in accordance with Clause 13.1 (*Enforcement*), the Security Agent may by deed or otherwise (acting through an authorised officer of the Security Agent)

- (a) without prior notice to any Chargor
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets,
 - (ii) appoint two or more Receivers of separate parts of the Charged Assets,
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed,
 - (iv) appoint another person(s) as an additional or replacement Receiver(s), and
 - (v) appoint one or more persons to be an administrator of any Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986, and
- (b) following notice to the relevant Chargor, appoint one or more persons to be an administrator of that Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986

15.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 15.1 (*Appointment and removal*) shall be

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver,

- (b) the agent of each Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Agent, and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Agent from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

15.3 Statutory powers of appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Agent under the Law of Property Act 1925 (as extended by this Debenture) or otherwise and such powers shall remain exercisable from time to time by the Security Agent in respect of any part of the Charged Assets

16 POWERS OF RECEIVERS

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of any Chargor) have and be entitled to exercise, in relation to the Charged Assets (and any assets of any Chargor which, when got in, would be Charged Assets) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of any Chargor or in his own name and, in each case, at the cost of that Chargor)

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which any Chargor itself could do or omit to do, and
- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of any Chargor) which seem to the Receiver to be incidental or conducive to
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him,
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed), or
 - (iii) bringing to his hands any assets of any Chargor forming part of, or which when got in would be, Charged Assets

17 APPLICATION OF PROCEEDS

All monies received or recovered and any non-cash recoveries made or received by the Security Agent or any Receiver pursuant to this Debenture or the powers conferred by it shall (subject to the claims of any person having prior rights thereto

and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment or other discharge of the costs, charges and expenses incurred and payments made by the Receiver, the payment or other discharge of his remuneration and of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Agent (notwithstanding any purported appropriation by any Chargor) in accordance with the terms of the Facilities Agreement

18 PROTECTION OF PURCHASERS

18.1 Consideration

The receipt of the Security Agent or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Assets or making any acquisition, the Security Agent or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit

18.2 Protection of purchasers

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound to inquire whether the right of the Security Agent or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned to inquire whether that power has been properly or regularly exercised by the Security Agent or such Receiver in such dealings

19 POWER OF ATTORNEY

19.1 Appointment and powers

Each Chargor by way of security irrevocably appoints the Security Agent and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for

- (a) carrying out any obligation imposed on any Chargor by this Debenture or any other agreement binding on such Chargor to which the Security Agent is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Charged Assets) which has not been met by that Chargor, and
- (b) enabling the Security Agent and any Receiver to exercise (subject to Clause 8.5 (*Waiver of voting rights by Security Agent*)), or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Event of Default which is continuing, the exercise of any right of a legal or beneficial owner of the Charged Assets)

19.2 Ratification

Each Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers

20 EFFECTIVENESS OF SECURITY

20 1 Continuing security

- (a) The Security created by or pursuant to this Debenture shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged by the Security Agent in writing
- (b) No part of the Security from time to time intended to be created by this Debenture will be considered satisfied or discharged by an intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

20 2 Cumulative rights

The Security created by or pursuant to this Debenture, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Security which the Security Agent or any other Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent Security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Assets shall merge into the Security created by this Debenture.

20 3 No prejudice

The Security created by or pursuant to this Debenture, and the Collateral Rights, shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, or the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Agent holds the Security or by any other thing which might otherwise prejudice that Security or any Collateral Right.

20 4 Remedies and waivers

No failure on the part of the Security Agent to exercise, nor any delay on its part in exercising, any Collateral Right, shall operate as a waiver of that Collateral Right or constitute an election to affirm this Debenture. No election to affirm this Debenture on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

20 5 No liability

None of the Security Agent, its nominee(s) or any Receiver shall be liable

- (a) to account as a mortgagee or mortgagee in possession, or

- (b) for any loss arising by reason of taking any action permitted by this Debenture or any neglect or default in connection with the Charged Assets or taking possession of or realising all or any part of the Charged Assets,

except in the case of gross negligence or wilful default upon its part

20.6 Partial invalidity

If, at any time, any provision of this Debenture is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security intended to be created by or pursuant to this Debenture is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security

20.7 Waiver of defences

The obligations assumed, and the Security created, by each Chargor under this Debenture, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 20.7, would reduce, release or prejudice any of its obligations under, or the Security created by, this Debenture (whether or not known to that Chargor or any Secured Party) including.

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, any Obligor or any other person,
- (e) any amendment, novation, supplement, extension, restatement (in each case, however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security or of the Secured Obligations including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security or of the Secured Obligations, and
- (g) any insolvency or similar proceedings

20.8 Chargor intent

Without prejudice to the generality of Clause 20.7 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created under this Debenture, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following business acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

20.9 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any other person before claiming from that Chargor under this Debenture or enforcing the Security created by this Debenture. This waiver applies irrespective of any law or any provision of this Debenture to the contrary.

20.10 Deferral of rights

Until the end of the Security Period, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Debenture

- (a) to be indemnified by an Obligor,
- (b) to claim any contribution from any guarantor of any Obligor's obligations under the Finance Documents,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party,
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Obligor has given a guarantee, undertaking or indemnity under any Finance Document,
- (e) to exercise any right of set-off against any Obligor, and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the

same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 17 (*Application of Proceeds*)

20 11 Additional Security

The Security created by each Chargor under this Debenture and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantee or Security now or subsequently held by any Secured Party

21 PRIOR SECURITY INTERESTS

21 1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Assets or in case of exercise by the Security Agent or any Receiver of any power of sale or right of appropriation or application under this Debenture, the Security Agent may redeem such prior Security or procure the transfer thereof to itself

21 2 Accounts

The Security Agent may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on each Chargor

21 3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by each Chargor to the Security Agent on demand together with accrued interest thereon calculated in accordance with the Facilities Agreement.

22 SUBSEQUENT SECURITY INTERESTS

If the Security Agent (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting all or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter made by or on behalf of the relevant Chargor to the Security Agent (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by that Chargor) be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations at the time that notice was received

23 SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Agent under this Debenture (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society or financial institution (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Agent's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein

no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above

24 RELEASE OF SECURITY

24 1 Release of Security

Upon the expiry of the Security Period or if otherwise required under any Finance Document, the Security Agent shall, at the request and cost of each Chargor, release and cancel the Security created by this Debenture and procure the reassignment to the relevant Chargor of the property and assets assigned to the Security Agent pursuant to this Debenture, in each case subject to Clause 24 2 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Agent or any of its nominees

24 2 Clawback

If the Security Agent reasonably considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of each Chargor under this Debenture and the Security created by it will continue and such amount will not be considered to have been irrevocably paid or credited

25 SET-OFF

Each Chargor authorises the Security Agent (but the Security Agent shall not be obliged to exercise such right), after the occurrence of an Event of Default which is continuing, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Agent to any Chargor and apply any credit balance to which that Chargor is entitled on any Account with the Security Agent in accordance with Clause 17 (*Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account)

26 ASSIGNMENT

26 1 No assignments or transfers by Chargor

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Debenture

26 2 Assignments by the Security Agent

The Security Agent may assign all or any of its rights under this Debenture. The Security Agent shall be entitled to disclose such information concerning any Chargor and this Debenture as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law

26 3 Successors

This Debenture shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Agent. References to the Security Agent shall include (i) any assignee or successor in title of the Security Agent (ii) any entity into

which the Security Agent is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Agent is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Agent under this Debenture or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Agent for all purposes under the Finance Documents)

27 DISCRETION AND DELEGATION

27 1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Debenture by the Security Agent or any Receiver may, subject to the terms and conditions of this Debenture and the Facilities Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons

27 2 Delegation

Each of the Security Agent and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Agent or the Receiver itself

28 COUNTERPARTS

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

29 GOVERNING LAW

This Debenture and all non-contractual obligations arising out of or in connection with it are governed by English law

30 JURISDICTION

30 1 English Courts

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Debenture (including a dispute relating to the existence, validity or termination of this Debenture or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Debenture)

30.2 Convenient forum

Each Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that no Chargor will argue to the contrary

30.3 Exclusive jurisdiction

Notwithstanding Clause 30.1 (*English Courts*), the Security Agent may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Agent may take concurrent proceedings in any number of jurisdictions

THIS DEBENTURE has been signed by the Security Agent and executed as a deed by each Chargor and is delivered by them as a deed on the date stated at the beginning of this Debenture

**SCHEDULE 1
THE CHARGORS**

Name and Company Number of Chargor	Jurisdiction	Address, fax number and name of relevant department or officer to receive notice
AMG Aluminum UK Limited, registration number 08269137	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Fax 01709 833773 Attention Company Secretary
AMG Superalloys UK Limited, registration number 00345279	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Fax 01709 833773 Attention Company Secretary
Metallurg Europe Limited, registration number 04057900	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Fax 01709 833773 Attention Company Secretary
AMG Alpoco UK Limited, registration number 00961050	England and Wales	FULLERTON ROAD ROTHERHAM SOUTH YORKSHIRE S60 1DL Fax 01709 833773 Attention Company Secretary

**SCHEDULE 2
SHARES**

Chargor	Name of Company	Issued Capital Share	Description and Number of Shares Held	Share Certificate Number(s)
Metallurg Europe Limited	AMG Superalloys UK Limited	£16,000,000	16,000,000	46
AMG Superalloys UK Limited	AMG Alpoco UK Limited	£436,037	436,037	26

SCHEDULE 3
MATERIAL INTELLECTUAL PROPERTY

None at the date of this Debenture

**SCHEDULE 4
INSURANCE POLICIES**

Company name	Policy number	Policy type	Policy amount	Lead Insurer	Contact details of relevant person at Insurer
AMG Superalloys UK Limited, AMG Aluminum UK Limited and AMG Alpoco UK Limited	RSAP7115255200	Property damage/business interruption	£40,000,000	Royal & Sun Alliance	Phil Roberts Fountain Precinct, Balm Green, Sheffield, S1 2JA 01142605006

SCHEDULE 5
FORM OF NOTICE OF SECURITY TO ACCOUNT BANK

To *[Account Bank/other financial institution]*

Date [•]

Dear Sirs

We give you notice that, by a Debenture dated [•] (the "**Debenture**"), we have charged by way of fixed charge to Lloyds Bank plc (the "**Security Agent**") as trustee for the Secured Parties all of our right, title and interest in and to the account[s] listed below maintained with your [bank/building society/financial institution] (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby

Account Name[s] [•]

Sort Code[s] [•]

Account No[s] [•]

[repeat list as necessary]

We irrevocably instruct and authorise you to disclose to the Security Agent without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to [the]/[any] account[s] maintained with you from time to time as the Security Agent may request you to disclose to it

[Insert the following if notifying a charge over (operating) Accounts]

We further instruct and authorise you to act only in accordance with the Security Agent's instructions following receipt by you of a notice of the occurrence of [an Event of Default] issued by the Security Agent. Until such notice is received by you, we are authorised by the Security Agent to receive, withdraw or otherwise transfer any credit balance from time to time on any Account [(other than a Control Account)] [subject to *[insert any restrictions set out in the Facilities Agreement]*]

[[Insert the following if notifying an assignment of Control Accounts]

With effect from the date of your receipt of this notice

- (a) [any existing payment instructions affecting the above account[s] (the "**Control Accounts**") are to be terminated and all payments and communications in respect of the Control Accounts should be made to the Security Agent or to its order (with a copy to us)] *[insert agreed operating procedures in relation to any Claims Account, which should be stated to be revocable at any time on notice from the Security Agent],*
and

- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Control Accounts belong to the Security Agent]]

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [•] marked for the attention of [•]

Yours faithfully,

for and on behalf of
[CHARGOR(S)]

**Form of Acknowledgement of Notice of
Security by Account Bank**

To [Security Agent] (the "Security Agent")

Date

Dear Sirs

We confirm receipt from [Enter Chargor Name] (the "**Chargor**") of a notice dated [•] of [an assignment]/[a fixed charge] upon the terms of a Debenture dated [•] (the "**Debenture**") of all the Chargor's right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following account[s] which [is/are] maintained with us and the debt or debts represented thereby

[List relevant accounts here]

(the "[Control] Account[s]")

We confirm that the balance standing to the [Control] Account[s] at today's date is [•], no fees or periodic charges are payable in respect of the [Control] Account[s] and there are no restrictions on (a) the payment of the credit balance on the [Control] Account[s] [(except, in the case of a time deposit, the expiry of the relevant period)] or (b) the creation of Security over the [Control] Account[s] in favour of the Security Agent or any third party

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts and security in respect of any [Control] Account[s] and similar rights (however described) which we may have now or in the future in respect of [each of] the [Control] Account[s] or the balance thereon to the extent that such rights relate to amounts owed to us by the Chargor

We confirm that we have not received notice of the interest of any third party in [any of] the [Control] Account[s] and will not, without the Security Agent's prior written consent, amend or vary any rights attaching to the [Control] Account[s]

We will act only in accordance with the instructions given by persons authorised by the Security Agent and we shall send all statements and other notices given by us relating to the [Control] Account[s] to the Security Agent

This letter and all non-contractual obligations arising out of or in connection with it are to be governed by and will be construed in accordance with English law

Yours faithfully,

for and on behalf of
[Account Bank/other financial institution]

cc [Enter Chargor Name]

SCHEDULE 6
FORM OF NOTICE OF ASSIGNMENT OF INSURANCE POLICY

To *[Insert name of Insurer]*

Date

Dear Sirs

We give you notice that, by a Debenture dated [•] (the "**Debenture**"), we have assigned to *[Enter Security Agent Name]* (the "**Security Agent**") as trustee for the Secured Parties all our right, title and interest in and to the proceeds of *[insert details of relevant insurance policy]* (the "**Policy of Insurance**")

With effect from your receipt of this notice we instruct and authorise you to, following a further notice from the Security Agent that an event of default has occurred under the Debenture

- 1 make all payments and claims under or arising from the Policy of Insurance to the Security Agent or to its order as it may specify in writing from time to time,
- 2 note the interest of the Security Agent on the Policy of Insurance, and
- 3 disclose to the Security Agent, without further approval from us, such information regarding the Policy of Insurance as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance

We will remain liable to perform all our obligations under the Policy of Insurance and the Security Agent is under no obligation of any kind whatsoever under the Policy of Insurance nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy of Insurance

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Security Agent

This letter and all non-contractual obligations arising out of or in conjunction with it are governed by and will be construed in accordance with the laws of England and Wales

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [•] marked for the attention of [•]

Yours faithfully,

for and on behalf of
[Chargor]

Form of Acknowledgement of

Assignment from Insurer

To [Enter Security Agent Name] as trustee for the Secured Parties (the "Security Agent")

Date

Dear Sirs

We acknowledge receipt of a notice dated [•] in the terms set out above and confirm that we have not received notice of

- (a) any assignment or charge of or over any of the rights, interests and benefits specified in such notice, or
- (b) the interest of any third party in any of the rights, interests and benefits specified in such notice,

and will make all payments in the manner and to the account specified in that notice. We confirm that we have made all necessary arrangements for all future payments payable under such Policy of Insurance, to be made into the account specified in the notice.

We further confirm that, following a further notice from the Security Agent that an event of default has occurred under the Debenture

- 1 no amendment, waiver or release or any such rights, interest and benefits will be effective without the prior written consent of the Security Agent,
- 2 no termination of such rights, interests or benefits will be effective unless we have given the Security Agent 21 days' written notice of the proposed termination and specifying the action necessary to avoid such termination,
- 3 the Chargor will remain liable to perform all its obligations under the Policy of Insurance and the Security Agent is under no obligation of any kind whatsoever under the Policy of Insurance nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Policy of Insurance, and
- 4 no breach or default on the part of the Chargor of any of the terms of such Policy of Insurance will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach.

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales

Yours faithfully,


for and on behalf of
[Insert name of Insurer]

cc *[Enter Chargor Name]*

EXECUTION PAGE TO DEBENTURE

THE CHARGORS

EXECUTED AS A DEED by
AMG ALUMINUM UK LIMITED
acting by a director
in the presence of

)
)
)
)


Signature of witness.

Name (in BLOCK CAPITALS).

.....TIMOTHY PALMER

Address

FULLETON ROAD, ROTHERHAM, S60 10L

EXECUTED AS A DEED by
AMG SUPERALLOYS UK LIMITED
acting by a director
in the presence of

)
)
)
)


Signature of witness

Name (in BLOCK CAPITALS)

.....TIMOTHY PALMER

Address

FULLETON ROAD, ROTHERHAM, S60 10L

EXECUTED AS A DEED by
METALLURG EUROPE LIMITED
acting by a director
in the presence of

)
)
)
)


Signature of witness

Name (in BLOCK CAPITALS)

.....TIMOTHY PALMER

Address

FULLETON ROAD, ROTHERHAM, S60 10L

EXECUTED AS A DEED by
AMG ALPOCO UK LIMITED
acting by a director
in the presence of

)
)
)
)



Signature of witness

Name (in BLOCK CAPITALS)

Address

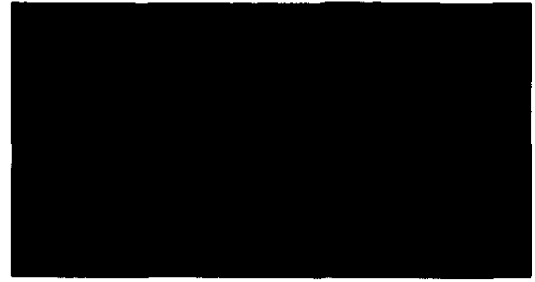
... ..TIMOTHY PALMER

.. ..FULLERTON ROAD, ROTHERHAM, S60 1DL

THE SECURITY AGENT

Signed by
LLOYDS BANK PLC
for and on its behalf
by its duly authorised
Officer

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)
)



Clifford Chance LLP

Prishi Govender

Room 26s5

Direct Dial 020 7006 3421