

# MR01

## Particulars of a charge



Companies House

0004/143.

A fee is payable with this form  
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You can use the WebFiling  
Please go to [www.companieshouse.gov.uk](http://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 the  
instrument Use form MR0

FRIDAY



LD5 26/09/2014 #161  
COMPANIES HOUSE

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**

### 1 Company details

Company number 0 0 8 9 1 5 5 4

Company name in full Credit Suisse Securities (Europe) Limited ✓

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For official use

→ Filing in this form  
Please complete in typescript or in  
bold black capitals

All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date 0 1 0 9 2 0 1 4 ✓

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

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

Name LME Clear Limited ✓

Name

Name

Name

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

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

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Particulars of a charge

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**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

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**Trustee statement <sup>①</sup>**

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

☐

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

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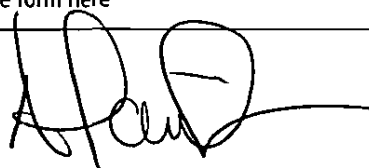
**Signature**

Please sign the form here

Signature

Signature

X



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 Anouk Gauthier

Company name LME Clear Limited

Address 56 Leadenhall Street

Post town London

County/Region

Postcode EC3A 2DX

Country United Kingdom

DX

Telephone 020 7264 5555



### 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](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.companieshouse.gov.uk)



FILE COPY

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

Company number: 891554

Charge code: 0089 1554 0064

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th September 2014 and created by CREDIT SUISSE SECURITIES (EUROPE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th September 2014.

Given at Companies House, Cardiff on 1st October 2014



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

Date

11/9 2014

Credit Suisse Securities (Europe) Limited  
as security provider

and

LME CLEAR LIMITED  
as security beneficiary

**SECURITY AGREEMENT**  
(Belgian law)  
in relation to collateral held in the Euroclear System

*Certified to be a true copy  
of the original document.*

*N.J. Baikie*

NICHOLAS J. BAIKIE

Soluitr

18/09/14

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### SCHEDULE

Letter to Euroclear Bank

This **SECURITY AGREEMENT** is dated 11/9 2014

**BETWEEN:**

- 1 Credit Suisse Securities (Europe) Limited, a company incorporated and existing under the laws of England and Wales, with its registered office at 1 Cabot Square, London, E14 4QJ, registered with Companies House under number 891554 as security provider (the "**Member**"), and
- 2 **LME Clear Limited**, a company incorporated in England and Wales (registered number 7611628) whose registered office is at 56 Leadenhall Street, London, EC3A 2DX as security beneficiary ("**LME Clear**")

**WHEREAS.**

The Member is or proposes to become a member in the clearing system operated by LME Clear and has agreed to execute this Security Agreement for the purpose of securing its obligations and liabilities to LME Clear under the Member Documentation

**THE PARTIES HAVE AGREED AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 Words and phrases defined, and principles of interpretation provided for, in the Rules shall, unless the context otherwise requires or unless otherwise redefined in this Security Agreement, have the same meaning and shall apply (as the case may be) in this Security Agreement
- 1.2 In this Security Agreement, except insofar as the context otherwise requires, the following words and phrases shall have the following meanings

**"Approved CSD"** means the Euroclear System and each other national or international central securities depository providing means for the central custody, deposit and/or transfer of Securities (or a system for the clearing or settlement of transactions in Securities), which is from time to time approved by LME Clear (pursuant to the Rules) for the holding of Securities provided to LME Clear (or its Custodian) by way of Collateral

**"Custodian"** means any person appointed from time to time by LME Clear to act as its bank, custodian, global custodian, account operator and/or other intermediary in relation to any Euroclear Collateral (including in the Euroclear System), including its branches and affiliates providing custody or similar services to LME Clear and also including any additional or substitute custodian which LME Clear may designate from time to time and any agent, nominee or sub-custodian acting for LME Clear or any such Custodian

**"EMIR"** means Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories and Commission Delegated Regulation (EU) No 153/2013 of 19 December 2012 supplementing the EMIR Level 1 Regulation with regard to regulatory technical standards on indirect clearing arrangements, the clearing obligation, the public register, access to a trading venue, non-financial counterparties, risk mitigation for OTC derivatives contracts not cleared by a CCP

**"English Security Deed"** means the security deed governed by English law made on or about the same date at this Security Agreement between the Member as chargor and LME Clear as chargee

**"Equivalent Euroclear Collateral"** means

- (a) in relation to Pledged Cash, a payment of the same amount and in the same currency, and
- (b) in relation to Pledged Securities, securities of the same issuer or debtor, forming part of the same issue or class and of the same nominal amount, currency and description

**"Euroclear Bank"** means Euroclear Bank SA/NV, a credit institution incorporated under the laws of Belgium with its registered office at 1 boulevard du Roi Albert II, 1210 Brussels, Belgium registered under number (RPR/RPM Brussels) 0429 875 591, as operator of the Euroclear System

**"Euroclear Collateral"** means each of

- (a) the Pledged Cash,
- (b) the Pledged Securities, and
- (c) all right, title and interest of the Member in and in connection with any property, countervalue or proceeds received or to be received with respect to any of the Pledged Securities (whether or not in cash or kind, whether or not resulting from interest payments, the sale, exchange, replacement, substitution or repayment of the Pledged Securities) from time to time owed to Member, including any Receivables, and standing from time to time (or in transit) to a Pledged Account

**"Euroclear Documents"** means the MPPA Terms and Conditions Acceptance Agreement, the MPPA Terms and Conditions, the Terms and Conditions Governing Use of Euroclear, the Operating Procedures of the Euroclear System and any other document from Euroclear Bank that applies to the Pledged Accounts

**"Euroclear System"** means the clearance and settlement system for internationally traded securities operated under contract by Euroclear Bank, including all services offered by Euroclear Bank in respect of securities held or recorded in any account opened by Euroclear Bank as described in the Terms and Conditions Governing Use of Euroclear or in the Operating Procedures of the Euroclear System

**"Financial Collateral Law"** means the Belgian law dated 15 December 2004 on financial collateral arrangements, as amended from time to time

**"Fungibility Law"** means each of

- (a) the Belgian co-ordinated Royal Decree No 62 of 10 November 1967 on the custody of fungible financial instruments and the settlement of transactions in respect of these instruments (as coordinated),
- (b) the Belgian Law of 2 January 1991 on the Market of Public Debt Securities and the Instruments of Monetary Policy,
- (c) the Belgian Law of 22 July 1991 on Treasury Paper and Deposit Certificates,
- (d) articles 460 and 468 to 475 of the Belgian Code of Companies,
- (e) the Belgian Law of 14 December 2005 on the suppression of bearer shares, and



- (f) the Belgian Royal Decree of 12 January 2006 on companies' dematerialised shares,

each as amended from time to time

"**ISIN**" refers to an international securities identification number

"**LME Clear**" includes any transferee or successor (whether immediate or derivative) of LME Clear and any person with which it may merge or be consolidated, whether or not it is the surviving entity

"**LME Clear Member**" means, at any time, any person that has been admitted by LME Clear as a Member of LME Clear System pursuant to the Rules and that has not withdrawn or been removed in such capacity

"**LME Clear System**" means the clearing house operated by LME Clear and the services provided by it pursuant to the Rules

"**Loss**" includes any loss, liability, damage, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise (including any loss of business, loss of goodwill, loss of profit, and business interruption or other loss)

"**Member's Agreement**" means the agreement for the time being in force between LME Clear and the Member relating to its participation in the LME Clear System, in which amongst other things the Member agrees to be bound by the Rules

"**MPPA Terms and Conditions**" means the terms and conditions entitled "Multi Pledgor Pledged Account Terms and Conditions (2006 Edition)" entered into by LME Clear and Euroclear Bank pursuant to the MPPA Terms and Conditions Acceptance Agreement, and any variations of those terms and conditions made from time to time by Euroclear Bank

"**MPPA Terms and Conditions Acceptance Agreement**" means the agreement entitled "Agreement to the Multi Pledgor Pledged Account Terms and Conditions (2006 Edition)", executed by LME Clear

"**Operating Procedures of the Euroclear System**" means the operating procedures of the Euroclear System as amended from time to time and as made available by Euroclear Bank

"**Parties**" means the Member and LME Clear and "**Party**" shall be construed accordingly

"**Pledge Agreements**" means the pledge agreement(s) and security agreement(s) made or to be made between the Member and LME Clear pursuant to clause 3.2(b) of the English Security Deed

"**Pledged Accounts**" means the Pledged Cash Account and the Pledged Securities Account

"**Pledged Cash**" means any money (*contanten/espèces*) standing from time to time to the credit of the Pledged Cash Account

"**Pledged Cash Account**" means the Cash Account (as defined in the Operating Procedures of the Euroclear System) in the Euroclear System in the name of LME Clear associated with the Pledged Securities Account including any credit or debit balance which now appears or may at any time in the future appear in any currency, as defined in the MPPA Terms and Conditions

**"Pledged Securities"** means the Securities from time to time credited to a Pledged Securities Account and all right, title and interest of the Member and LME Clear in and in connection with such securities in accordance with Belgian law

**"Pledged Securities Account"** means the Securities Clearance Account (as defined in the Operating Procedures of the Euroclear System) in the Euroclear System in the name of LME Clear, opened pursuant to the MPPA Terms and Conditions on the request of LME Clear, for the exclusive purpose of holding Collateral into which the Member has transferred or will transfer the Pledged Securities

**"powers"** means, in relation to LME Clear, its powers, discretions and rights under this Security Agreement or any other document including any Member Documentation or under general law

**"Receivables"** means all money receivable by the Member now or in the future under or by virtue of the Euroclear Collateral

**"Right of Pledge"** means any first ranking right of pledge (*pandrecht in eerste rang/gage de premier rang*) created over the Euroclear Collateral in favour of LME Clear by this Security Agreement

**"Rules"** means the rules and procedures established by LME Clear which are from time to time in force in relation to LME Clear Members, including the Member

**"Secured Obligations"** means all money and liabilities whatsoever now or in the future (whether before or after the occurrence of a Default Event) due, owing or incurred by the Member to LME Clear (whether solely or jointly, or jointly and severally, with another or others, and whether as principal or surety, and whether actual or contingent, present or future), under or in connection with the Member Documentation and also including (whether before or after any judgment) all interest, costs and other charges whatsoever

**"Securities"** means

- (a) stocks, shares, debentures, loan stock, notes, bonds, warrants and other investments, depositary receipts, government securities or other securities or financial instruments of any description, whether in registered or bearer form, including book entry securities,
- (b) all rights, benefits, money or property of a capital nature now or in the future accruing or offered in respect of the foregoing, including any bonus and any right or benefit arising from consolidation, conversion, exchange, option, preference, redemption, return of capital or in any other way, and
- (c) any interest or right (whether legal or equitable or otherwise) in relation to any of the foregoing which are now or in the future held in an Approved CSD or subject to the rules and practices of an Approved CSD

**"Security Agreement"** means this security agreement, including its recitals, as amended in accordance with its terms from time to time

**"Security Document"** means

- (a) the English Security Deed,
- (b) this Security Agreement and any other Pledge Agreement (as defined in the English Security deed),

- (c) any other agreement creating or purporting to create a Security Interest by the Member in favour of LME Clear to secure any Secured Obligation, or
- (d) any other agreement or document designated as such by the Member and LME Clear

**"Security Interest"** means

- (a) any mortgage, charge, pledge, assignment (whether or not expressed to be by way of security or as transfer of title for security purposes), hypothecation, lien, encumbrance or other priority or security interest whatsoever, howsoever created or arising,
- (b) any deferred purchase, title retention, trust, sale-and-repurchase, sale-and-leaseback, hold back or "flawed asset" arrangement or right of set-off, and
- (c) any other agreement or arrangement whatsoever having the same or a similar commercial or economic effect as security (*zekerheidsrecht/sûreté*),

and any agreement for any of the foregoing

**"this Security"** means the Security Interests (including the Right of Pledge and the Transfer of Title) created by this Security Agreement

**"Tax"** means

- (a) all forms of tax, levy, impost, contribution, duty, liability and charge in the nature of taxation and all related withholdings or deductions of any nature (including any value added tax or similar tax), and
- (b) all related fines, penalties, charges and interest

**"Terms and Conditions governing Use of Euroclear"** means the terms and conditions governing the use of Euroclear, as amended from time to time and as made available by Euroclear Bank

**"Transfer of Title"** means the transfer of title over the Pledged Cash for security purposes (*eigendomsoverdracht ten titel van zekerheid/transfert de propriété a titre de garantie*) created in favour of LME Clear by this Security Agreement

- 1 3 The provisions of Rule 1 2 (*Interpretation*) shall apply to this Security Agreement as if repeated in full in this Security Agreement with the necessary consequential changes
- 1 4 In this Security Agreement, references to **"book entry securities"** means Securities, the title to which is evidenced by entries in a register or account maintained by or on behalf of an intermediary, references to **"intermediary"** have the meaning given to the term intermediary (*intermediair/tussenpersoon/intermédiaire*) by the respective Fungibility Laws, references to **"financial instruments"** have the meaning given to the term financial instruments (*financiële instrumenten/instruments financiers*) by the Financial Collateral Law, references to **"financial collateral"** have the meaning given to the terms (i) financial instruments (*financiële instrumenten/instruments financiers*) and (ii) cash (*contanten/especes*) by the Financial Collateral Law, references to **"instructions"** means instructions given by a Party and given or purporting to have been given by another Party, including (but without limitation) all instructions received by authenticated SWIFT message or any other agreed electronic communication system, and references to **"property"** includes any interest (legal or equitable) in personal property, tangible or intangible, and any thing in action

- 1 5 Any reference to this Security Agreement, any Member Documentation or any other document shall be construed as a reference to this Security Agreement, any Member Documentation or such other document (including their respective schedules) as the same may from time to time be amended, varied, supplemented, novated, replaced or restated and shall include any document which is supplemental to, or is expressed to be collateral to, or is entered into pursuant to or in accordance with the terms of, this Security Agreement or (as the case may be) any Member Documentation or such other document
- 1 6 Unless the context requires otherwise, any reference to a Clause shall be to a clause of this Security Agreement
2. CREATION OF THIS SECURITY
- 2 1 In order to secure any and all of the Secured Obligations, the Member hereby
- (a) grants a first ranking commercial right of pledge (*pandrecht in eerste rang*/*gage de premier rang*) over the Euroclear Collateral in favour of LME Clear and LME Clear accepts this right of pledge, and
  - (b) transfers title over the Pledged Cash to LME Clear for security purposes (*eigendomsoverdracht ten titel van zekerheid*/*transfer de propriété à titre de garantie*) in favour of LME Clear and LME Clear accepts this transfer of title for security purposes
- 2 2 The Parties acknowledge and agree that
- (a) any monies standing from time to time to the credit of the Pledged Cash Account represent a claim against Euroclear which is owed to LME Clear exclusively, and
  - (b) the Member has no proprietary or other right whatsoever against Euroclear in respect of such monies or claim. Should, however, the Member have any such right pursuant to mandatory provisions of Belgian law or otherwise, then the Member hereby pledges such rights to LME Clear as security for the Secured Obligations
- 2 3 Unless otherwise expressly provided herein, the Pledged Accounts and the Securities credited to the Pledged Securities Account, together with the Pledged Cash Account and all monies standing from time to time to the credit thereof, shall be subject to the terms of this Security Agreement and the MPPA Terms and Conditions and in particular, no securities or monies shall be transferred to or from the Pledged Accounts except pursuant to and in accordance with this Security Agreement
- 2 4 Without prejudice to the provisions of this Security Agreement (including under Clause 8 (*Negative pledge and other restrictions and undertakings*)) and any Member Documentation, any Security Interest created in the future in or over any Euroclear Collateral by the Member (except in favour of LME Clear) shall be expressed to be subject to this Security Agreement and shall rank in order of priority behind this Security
- 2 5 The Parties hereby acknowledge and confirm that this Security is governed by the applicable Fungibility Law, the Financial Collateral Law and, with respect to matters not governed by such laws, any other applicable Belgian law

### **3. RULES**

All money received or realised under the powers conferred by this Security Agreement shall be applied for the purposes and in the manner determined by LME Clear in accordance with the Rules

### **4. ADDITIONAL OR SUBSTITUTED SECURITIES**

4 1 If at any time the Member deposits or transfers any further or other Securities with or to LME Clear or to an account of LME Clear in the Euroclear System in substitution for or in addition to the Pledged Securities, such Securities will immediately become part of the Pledged Securities for all purposes of this Security Agreement, will be credited to the Pledged Securities Account and will be subject to this Security and the other provisions contained in this Security Agreement

4 2 All further or new Securities (whether by way of bonus, rights, conversion, merger, reconstruction or otherwise) which may be issued in respect of any Pledged Securities shall be deposited with LME Clear or transferred to it or credited to the Pledged Securities Account applicable to such Securities (or as it may direct) and will immediately become part of the Pledged Securities for all purposes of this Security Agreement and will be subject to this Security

### **5 PERFECTION OF SECURITY**

5 1 The Parties acknowledge that the Euroclear Collateral shall be subject to the fungibility regime organised by any Fungibility Law and the Financial Collateral Law

5 2 The Member shall, in accordance with the Rules and the English Security Deed, deliver such an amount of Securities as is required under the Rules to LME Clear and for this purpose shall transfer, or procure the transfer of, such Securities to the Pledged Securities Account

5 3 The Member falls under the definition of "Pledgor" in the MPPA Terms and Conditions Acceptance Agreement and LME Clear has been identified as the "Pledgee" in the MPPA Terms and Conditions Acceptance Agreement

5 4 For the avoidance of any doubt, the Parties agree that the Member may not and the Member undertakes that it will not deliver any instructions to Euroclear Bank to transfer Pledged Collateral into or from the Pledged Accounts without the prior agreement of LME Clear

5 5 The Parties shall treat the Pledged Accounts as special accounts specifically opened for the purpose of holding pledged or otherwise charged assets and each of the Parties undertakes that it will not use the Pledged Accounts for any other purposes

5 6 The Member shall, on demand by LME Clear, reimburse LME Clear for all reasonable charges (including commission charged on transfers of Pledged Securities) and expenses incurred by LME Clear in connection with the opening, maintenance and operation of the Pledged Accounts. Where a Pledged Account is used for holding Securities provided by the Member and other LME Clear Members, LME Clear shall allocate such charges and expenses between them on such basis as it may determine and the Member shall reimburse its allocated proportion of such charges and expenses to LME Clear

5 7 At the time of the transfer of the Securities into the Pledged Securities Account, the Member will, by authenticated SWIFT message or any other agreed electronic communication system, confirm that such Securities are pledged under this Security Agreement

## **6 VOTING RIGHTS**

If any Pledged Securities carry voting rights, then, unless and until this Security becomes enforceable or LME Clear otherwise directs in any case

- (a) such voting rights shall continue to be exercised by the Member for so long as it remains the registered owner of the relevant Pledged Securities, and
- (b) if the relevant Pledged Securities are registered in the name of LME Clear or its Custodian, such voting shall be exercised in accordance with the instructions in writing from time to time received from the Member and (in the absence of any such written instructions) the registered holder shall refrain from exercising any such rights,

provided that upon this Security becoming enforceable, or if LME Clear otherwise directs, all of the foregoing rights of the Member shall automatically cease, and LME Clear alone shall be entitled to exercise all such voting rights in lieu of the Member

## **7 COLLECTION OF RECEIVABLES**

- 7.1 All dividends, interest and other income derived from Pledged Securities shall be credited to such cash account charged or pledged in favour of LME Clear as it may direct from time to time. LME Clear may transfer any Pledged Cash to any account in which Cash Collateral (as defined in the English Security Deed) is held pursuant to the Rules
- 7.2 The Member shall collect and realise any other Receivables and pay to such account with such bank as LME Clear may direct all money which it may receive in respect of such Receivables forthwith on receipt. Each such account shall be operated by the relevant bank solely on the instructions of LME Clear
- 7.3 If the Member receives any money in respect of a Receivable, it shall immediately credit such money to such cash account charged or pledged in favour of LME Clear as LME Clear may direct from time to time

## **8 NEGATIVE PLEDGE AND OTHER RESTRICTIONS AND UNDERTAKINGS**

- 8.1 The Member shall not, without the prior written consent of LME Clear
  - (a) other than in favour of LME Clear, create, or agree or attempt to create, or permit to subsist, any Security Interest or any trust over any Euroclear Collateral, or permit any lien (other than a lien arising by operation of law in the ordinary course of the Member's business or, if applicable, the right of preference of Euroclear as contemplated in Article 31 of the Belgian law of 2 August 2002 on the supervision on the financial sector and the financial services, save with respect to the latter as expressly provided otherwise in the MPPA Terms and Conditions) to arise or subsist over any Euroclear Collateral,
  - (b) sell, transfer or otherwise dispose of any Euroclear Collateral or any of its right, title or interest therein,
  - (c) withdraw, or attempt to withdraw, any Euroclear Collateral from any Pledged Account, except if and insofar as expressly permitted by LME Clear,
  - (d) consent to any Pledged Security being consolidated, sub-divided or converted or any rights attaching to them being varied so as to deprive the Pledged Securities of their fungibility, or

- (e) permit any modification of the terms governing the Euroclear Collateral or take or omit to take any other action which (i) could have a material adverse impact on the rights of LME Clear under this Security Agreement or (ii) could materially adversely affect this Security

8.2 The Member shall procure that no executory seizure (*uitvoerend beslag/saisie exécution*) is made on any of the Euroclear Collateral and that any conservatory seizure (*bewarend beslag/saisie conservatoire*) is lifted within 30 days of its first being made

8.3 At the time of the entry into this Security Agreement, the Member shall authorise Euroclear Bank, in accordance with article 6 (*Pledged Securities and Pledged Cash*) of the MPPA Terms and Conditions

- (a) to accept any instructions of LME Clear with respect to the Pledged Securities Account, including instructions to deliver Pledged Securities or Pledged Cash to any account or person, whether or not outside the control of Euroclear Bank, and
- (b) to treat LME Clear as being fully and irrevocably authorised by the Member to exercise all subscription, voting and other rights with respect to the Pledged Securities, and Pledgee may exercise all such rights pursuant to such authority in accordance with, but subject to the limitations of, the MPPA Terms and Conditions,

by executing and delivering a letter, which shall be substantially in the same form as the schedule (*Letter to Euroclear Bank*) to this Security Agreement, to Euroclear Bank. The Member shall deliver proof hereof to LME Clear at the latest within 5 days of the date of this Security Agreement

## 9. REPRESENTATIONS AND WARRANTIES OF THE MEMBER

9.1 The Member represents and warrants to LME Clear that

- (a) the Member has the corporate power, and has taken all necessary action, to execute and perform this Security Agreement,
- (b) this Security Agreement constitutes legal, valid and binding obligations enforceable against the Member and creates the Security Interests expressed to be created by this Security Agreement,
- (c) this Security Agreement creates a valid, first-priority Security Interest in all present and future Euroclear Collateral, subject to no other Security Interest whatsoever (save (i) any Security Interest in favour of LME Clear and (ii) the right of preference of Euroclear as contemplated in Article 31 of the Belgian law of 2 August 2002 on the supervision on the financial sector and the financial services, save with respect to the latter as expressly provided otherwise in the MPPA Terms and Conditions),
- (d) all Securities are or will (at the time of their becoming part of the Pledged Securities) be fully paid up,
- (e) the Member has obtained all authorisations of any governmental or regulatory body required in connection with the execution and performance of this Security Agreement and such authorisations are in full force and effect,
- (f) the execution and performance of this Security Agreement has not, and will not, violate any law, ordinance, charter, by-law or rule applicable to the Member or any

agreement by which it is bound or by which any of its property or other assets are affected,

- (g) the Member is acting as principal in entering into this Security Agreement and performing its obligations under it,
- (h) all Euroclear Collateral comprises financial instruments falling under the scope of the Financial Collateral Law,
- (i) at the time of transfer of any Euroclear Collateral to LME Clear, the Member was the sole lawful owner of, and was entitled to the entire benefit in, such Euroclear Collateral or, as the case may be, will have full right and authority to make each such transfer and, upon such transfer being effected, all right, title and interest in and to such Euroclear Collateral shall stand pledged or transferred for title purposes in favour of LME Clear with full title guarantee on the terms of any Security Document, and in particular free of any interest of any kind including any Security Interest in favour of any third party (save the right of preference of Euroclear as contemplated in Article 31 of the Belgian law of 2 August 2002 on the supervision on the financial sector and the financial services, save with respect to the latter as expressly provided otherwise in the MPPA Terms and Conditions),
- (j) the Member has, and will continue to keep, in force with each of its Clients an agreement under which the Member is expressly entitled, with respect to any property or other assets from time to time held by the Member or delivered to the Member by or for the account of any such Client, to charge, mortgage or pledge such property or assets in favour of LME Clear (free of any right, title or interest in favour of such Client) to secure the discharge of the Secured Obligations, such agreement to be on such terms as LME Clear may from time to time prescribe,
- (k) neither the Member nor any Client or other person is or will be in breach of any trust or other fiduciary duty as result of the granting of this Security,
- (l) all Euroclear Collateral is (i) free from any restriction on transfer (except for the restrictions contained in this Security Agreement) (and the Member shall ensure that, as far as the Member is able, all Euroclear Collateral will at all times remain free from any restriction on transfer (except for the restrictions contained in this Security Agreement)) and (ii) capable of being pledged hereunder without the consent of any third party, and
- (m) the Member has full power and authority to grant the Security Interest

9.2 The representations and warranties stated in Clause 9.1 shall be made on the date of this Security Agreement and deemed to be repeated by the Member on each day on which any Euroclear Collateral is transferred or otherwise provided by or on behalf of the Member to LME Clear or its Custodian

#### **10. PAYMENT OF CALLS AND EXPENSES**

The Member shall promptly pay all calls, fees, charges, fines, rents, storage fees, lease payments, costs, expenses and other amounts of any kind which may become due in respect of any Euroclear Collateral. If the Member defaults in doing so, LME Clear shall be entitled to pay them and the Member shall reimburse LME Clear on demand in relation to any such payment made by LME Clear, and in any event the amount of any such payment made by LME Clear shall be added to and form part of the Secured Obligations



## 11. CONTINUING SECURITY

- 11 1 Until expressly released in accordance with Clause 32 (*Release of this Security*), this Security
- (a) shall be a continuing security for LME Clear, notwithstanding any intermediate payments or settlements of accounts or other matters whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, pledge or other rights exercisable by LME Clear against the Member or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by LME Clear,
  - (b) shall not in any way be prejudiced or affected by any time or waiver granted to, or composition with, the Member or any other person, by any novation, amendment (however fundamental) or supplement to the Member Documentation or any other document, by the taking, variation, compromise, exchange, renewal or release of or refusal or neglect to perfect or enforce any right, remedy or security over the Pledged Accounts or by anything done or omitted which but for this provision might operate to exonerate the Member, and
  - (c) shall not in any way be prejudiced or affected by any change in the articles of association (*statuten/statuts*) of the Member or any other person or by any legal limitation, disability, incapacity or other circumstances relating to the Member or any other person, or by any invalidity, illegality or enforceability of the obligations
- 11 2 The Parties agree, including (without limitation) for the purpose of article 1278 of the Belgian Civil Code, that in the event of an assignment, transfer, subrogation or novation (*schuldvernieuwing/novation*) of all or any of the rights and obligations under the Member Documentation, LME Clear shall preserve all of its rights with respect to the Euroclear Collateral, so that this Security shall be automatically transferred to the assignee or transferee or, as the case may be, remain with LME Clear

## 12. ENFORCEABILITY

- 12 1 This Security will become immediately enforceable if
- (a) a Default Event occurs in respect of the Member, or
  - (b) the provisions for allocation of an excess loss under Rule 10 (*Default waterfall and allocation of any excess loss of the Rules*) come into operation, where and to the extent that such provisions in force from time to time permit an application of Default Fund Contributions towards the discharge of such excess loss,
- provided that the total amount recoverable from the Member under any Security Document shall not exceed (in the case of Rule 10 coming into operation under paragraph (b) above) the amount of loss allocated to the Member under such Rule. The taking of enforcement action by LME Clear on or after the occurrence of any event referred to in paragraphs (a) or (b) above shall not preclude LME Clear from taking further enforcement action on the occurrence of any other such event or events
- 12 2 If and whenever this Security becomes enforceable, LME Clear or its nominee may exercise its powers under this Security Agreement in relation to all such part of the Euroclear Collateral in such manner and at such time or times as it thinks fit (including by appropriation of any Euroclear Collateral to LME Clear itself or by sale to any other Member or third party)

- 12 3 If and whenever this Security becomes enforceable, the Member receives any proceeds relating to Euroclear Collateral, it must immediately transfer an amount equal to those proceeds to LME Clear in accordance with the Rules, if LME Clear so directs

### **13 POWERS EXERCISABLE BY LME CLEAR**

- 13 1 In addition to any statutory powers and its powers under any Member Documentation, LME Clear (or a Custodian acting on its behalf) shall be entitled at its absolute discretion without notice to the Member

- (a) to sell or procure the sale of full title to or any interest in the Euroclear Collateral and to do so for such consideration (whether payable immediately or by instalments) and on such terms as LME Clear may think fit, and also to grant any option to purchase any interest in the Euroclear Collateral,
- (b) send such messages and instructions (electronically or in writing) with respect to the Euroclear Collateral as LME Clear may think fit, including messages and instructions for the transfer of all or any Pledged Securities to such account or accounts as LME Clear may choose or for the sale of all or any of such Pledged Securities through an Approved CSD or otherwise or for the recertification of all or any of such Pledged Securities,
- (c) to apply or transfer as LME Clear thinks fit all or part of any money or interest subject to this Security at any time or times (whether on or before or after the expiry of any fixed or minimum period for which such money may have been deposited) in or towards satisfaction of all or such part of the Secured Obligations as LME Clear may determine,
- (d) to execute and deliver such documents and give such instructions as may be required to give effect to this Security Agreement, including instructions for the withdrawal of any Euroclear Collateral held by any person and/or for the use of any money or interest subject to this Security to purchase any currency or currencies required to effect such application,
- (e) to transfer or procure the transfer of the whole or any part of the Euroclear Collateral into one or more accounts in the name of LME Clear or a person nominated by LME Clear and, in connection with the exercise of any of its rights or powers, to transfer any interest in the Euroclear Collateral into the name of LME Clear or any such nominee of LME Clear, and/or
- (f) with a view to, or in connection with, the sale of the Euroclear Collateral, to enter into any transaction or arrangement which LME Clear may, in its absolute discretion, consider appropriate

- 13 2 The powers contained in Clause 13 1(a) to (f) shall be exercisable by LME Clear at any time or times in accordance with Clause 12 (*Enforceability*) without the necessity for any Default Event having occurred first or any other condition having been fulfilled first

- 13 3 LME Clear may appoint any person as its agent for the purpose of selling or otherwise disposing of any Euroclear Collateral at any time after this Security becomes enforceable on such terms as LME Clear thinks fit

- 13 4 LME Clear may place and keep for such time as it may think prudent any money received, recovered or realised under or by virtue of this Security Agreement on a separate or suspense account to the credit of LME Clear, without any intermediate obligation on its part to apply the same or any part of it in or towards the discharge of the Secured Obligations

- 13 5 This Security is in addition to, and shall neither be merged in, nor in any way exclude or prejudice, any other Security Interest, right or remedy available to LME Clear now or in the future

#### **14. RIGHT OF APPROPRIATION**

- 14 1 LME Clear may, on or at any time after this Security becomes enforceable, by notice in writing to the Member appropriate with immediate effect any Euroclear Collateral and apply it in or towards the discharge of the Secured Obligations in such manner as LME Clear may determine, whether such Euroclear Collateral is held by LME Clear, its Custodian or otherwise

- 14 2 The value of any Euroclear Collateral appropriated under Clause 14 1 shall be the market price for that Euroclear Collateral at the time of appropriation. The market price shall be calculated as follows

- (i) if the Euroclear Collateral is listed, the market price will be the average weighted stock exchange prices of the Euroclear Collateral during the ten (10) trading days immediately preceding the date of appropriation, or
- (ii) if the Euroclear Collateral is not listed, then the market price will be determined by an independent auditor based on relevant independent market price data (converted, where necessary for such valuation, into US dollars or such other currency on the basis set out in the Rules)

- 14 3 LME Clear will account to the Member for any amount by which the value of the appropriated Euroclear Collateral exceeds the Secured Obligations then due or the Member shall pay to LME Clear any amount by which the value of the appropriated Euroclear Collateral is less than the Secured Obligations then due

- 14 4 The Member agrees that (i) all Euroclear Collateral referred to in Clause 14 1 has been delivered, transferred, held, registered or otherwise designated so as to be in the possession or under the control of LME Clear or a person acting on its behalf, and (ii) the method of valuing Euroclear Collateral under Clause 14 2 is commercially reasonable

#### **15 RIGHT OF USE**

- 15 1 LME Clear may, at any time (whether before or after this Security becomes enforceable), use and/or dispose of all or any Euroclear Collateral as if LME Clear were the owner of it, including the power to assign, charge, pledge or otherwise grant a Security Interest in all or any such Euroclear Collateral in favour of any third party as if LME Clear were the owner of it for any purpose permitted by the Rules

- 15 2 If LME Clear exercises such a right of use, it will replace the original financial collateral by transferring equivalent financial collateral on or before the due date for final payment of the Secured Obligations or, if LME Clear thinks fit, it may set off the value of the equivalent financial collateral against or apply it in discharge of the relevant Secured Obligations in accordance with the terms of this Security Agreement

- 15 3 The equivalent financial collateral which is transferred in discharge of an obligation as described in Clause 15 2 shall be subject to the same terms of this Security Agreement as applicable to the original financial collateral and shall be treated as having been provided under this Security Agreement at the same time as the original financial collateral was first provided

- 15 4 If LME Clear has an outstanding obligation to replace the original financial collateral with equivalent financial collateral when a Default Event occurs, LME Clear may exercise the close-out netting provisions applicable under the Rules in relation to that obligation

#### **16. FURTHER ASSURANCE**

- 16 1 The Member shall on demand at any time and from time to time by LME Clear in writing do all such acts or execute and deliver all such documents to LME Clear at the cost of the Member and in such form as LME Clear may require for the purposes of

- (a) creating, perfecting or protecting this Security, and/or
- (b) facilitating the exercise of any rights, powers and remedies of LME Clear provided by or pursuant to this Security Agreement or the Security Documents or provided by law, and/or
- (c) facilitating the enforcement of this Security or the realisation of the Euroclear Collateral, and/or
- (d) vesting title to any Euroclear Collateral in itself or its Custodian or any purchaser

- 16 2 The Approved CSD shall be authorised to treat LME Clear as being fully and irrevocably authorised by the Member to exercise all subscription, voting (notwithstanding Clause 6 (*Voting rights*) of this Security Agreement) and other rights with respect to the Pledged Securities

#### **17. INDEMNITY**

The Member shall on demand at any time and from time to time indemnify LME Clear fully against all Loss which LME Clear or any Custodian acting for LME Clear may incur in consequence of anything done or purported to be done by or on behalf of LME Clear or such Custodian under or in connection with this Security Agreement or in exercise of any rights or powers conferred on LME Clear or such Custodian by this Security Agreement, except if and insofar as any such Loss results from LME Clear's or such Custodian's own fraud, gross negligence (*grove fout/faute grave*) or wilful default (*bedrog/dof*)

#### **18 INTEREST ON OVERDUE AMOUNTS**

Any overdue amount due under this Security Agreement or secured by this Security shall carry interest at the rate and in accordance with the terms applicable under paragraph 4 5 of Part G (*Interest, fees and charges*) of the Clearing Procedure of the Rules (or any replacement or other provision of the Rules which deals with default interest payable by a Member for late payments)

#### **19 CURRENCY INDEMNITY**

If, for any reason, any amount payable to LME Clear by the Member under this Security Agreement is paid or recovered in a currency other than that in which it is required to be paid, then, to the extent that the payment to LME Clear falls short of the amount payable in the contractual currency, the Member shall indemnify LME Clear on demand for such shortfall on the terms applicable under Rule 2 15 3 (*Currency conversion*) of the Rules

#### **20 PROTECTION OF THIRD PARTIES**

- 20 1 No Custodian or purchaser from, or other person dealing with, LME Clear shall be concerned to enquire whether any of the powers it has exercised or purported to exercise

has arisen or become exercisable, or whether the Secured Obligations remain outstanding, or whether any event or cause has happened to authorise LME Clear to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of a purchaser and the position of a Custodian or such a person shall not be affected by any of those matters

- 20 2 The receipt of LME Clear shall be an absolute and conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of LME Clear

## **21. PROTECTION OF LME CLEAR**

- 21 1 LME Clear shall not be liable to the Member for (a) any failure to obtain payment of any sums (whether of an income or capital nature or otherwise) due or becoming due in respect of any Pledged Securities, (b) any failure to pay any call or instalment which may become payable on or to accept any offer relating to any Pledged Securities, (c) any failure to notify the Member of any of such matters, or (d) any Loss which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of LME Clear's powers, except if and insofar as such Loss results from its own fraud, gross negligence (*grove fout/faute grave*) or wilful default (*bedrog/dof*)

- 21 2 Without prejudice to the generality of Clause 21 1, entry into possession of Euroclear Collateral or the sending or receiving of instructions to or from any Approved CSD on behalf of the Member with respect to any Euroclear Collateral shall not render LME Clear liable to account as mortgagee in possession or otherwise for any sum not actually received by it, except if and insofar as such liability results from its own fraud, gross negligence (*grove fout/faute grave*) or wilful default (*bedrog/dof*) If and whenever LME Clear enters into possession of any Euroclear Collateral, it shall be entitled at any time at its discretion to go out of possession or to cease so to act

- 21 3 The Member shall not have any claim against LME Clear in respect of any Loss arising out of the sale of any Euroclear Collateral effected pursuant to this Security Agreement from whatever cause and whether or not a better price could have been obtained including whether by deferring or advancing the date of such sale or otherwise, or selling to another person, except if and insofar as such Loss results from its own fraud, gross negligence (*grove fout/faute grave*) or wilful default (*bedrog/dof*)

- 21 4 LME Clear shall not be liable for any Loss sustained by the Member in consequence of the exercise of LME Clear's rights under this Security Agreement, including any loss of dividends, interest or other income caused by the appropriation, disposal or use of any Euroclear Collateral or by the fluctuation in any exchange rate at which currency may be bought or sold by LME Clear, except if and insofar as such Loss results from its own fraud, gross negligence (*grove fout/faute grave*) or wilful default (*bedrog/dof*)

## **22 POWER OF ATTORNEY**

- 22 1 For the purposes of securing the interest of LME Clear in the Euroclear Collateral and the performance of its obligations to LME Clear under the Member Documentation, the Member irrevocably and by way of security hereby appoints LME Clear and separately each Custodian acting for LME Clear to be its attorney (with full power to appoint substitutes and to sub-delegate, including power to authorise the person so appointed to make further appointments, in both cases, with regard to all or any part of the Euroclear Collateral) on behalf of the Member and in its name or otherwise

- (a) to execute any document or do any act or thing which LME Clear or such Custodian or such substitute or delegate may, in its absolute discretion, consider appropriate in connection with the exercise of any of the powers of LME Clear

conferred by this Security Agreement and any Member Documentation or which the Member is obliged by LME Clear to execute or do under this Security Agreement and any Member Documentation, and/or

- (b) to act on behalf of the Member with full authority to communicate with the operator of any Approved CSD in all matters relating to the Euroclear Collateral and, without limitation, to send and receive messages and instructions on behalf of the Member with respect to the Euroclear Collateral (including (without limitation) instructions to deliver the Pledged Securities or the Pledged Cash to any account or person, whether or not outside the control of the Approved CSD. The Approved CSD shall be authorised to accept any such instructions without being required to verify the compliance of such instructions with the terms of any agreement between the Member and LME Clear

- 22 2 The power of attorney contained in Clause 22 1 shall be exercisable by LME Clear or a Custodian acting for it at any time or times as LME Clear thinks fit in its absolute discretion (without the necessity for any Default Event or any other condition having been fulfilled first) and shall continue in force until this Security is absolutely and unconditionally released in writing by LME Clear

## **23 REIMBURSEMENT OF EXPENSES**

The Member shall reimburse or pay to LME Clear on demand (on the basis of a full indemnity) the amount of all expenses and Loss incurred by LME Clear and/or any Custodian acting for LME Clear in connection with the exercise, or the attempted or purported exercise, by or on behalf of LME Clear of any of its powers or any other action taken by or on behalf of LME Clear with a view to or in connection with the recovery of the Secured Obligations, the realisation of this Security, the preservation of the Euroclear Collateral, the release of this Security or any other purpose contemplated in this Security Agreement

## **24 STAMP DUTY, REGISTRATION FEES AND VAT**

- 24 1 The Member shall pay all present and future stamp, registration and similar Taxes or charges which may be payable in connection with the execution of this Security Agreement and the creation, maintenance and enforcement of this Security, and shall indemnify LME Clear against all Loss (including interest and penalties) resulting from any delay or omission to pay any such stamp, registration and similar Taxes or charges
- 24 2 The Member shall on demand at any time and from time to time indemnify LME Clear against any Tax which LME Clear and/or any Custodian may incur, suffer, pay or be obliged to account for in consequence of anything done or purported to be done by or on behalf of LME Clear under or in connection with
- (a) this Security Agreement or in exercise of any rights or powers conferred on LME Clear or such Custodian by this Security Agreement (including the execution of this Security Agreement), and/or
  - (b) the granting of this Security, including the creation, maintenance and enforcement of this Security and the delivery or provision of the Euroclear Collateral

## **25 LIEN**

Without prejudice to the other rights of LME Clear under the Member Documentation and as a separate and independent stipulation, the Member agrees that, if any Secured Obligation is incurred as a result of the Member failing to perform when due its payment or delivery obligations relating to a transaction for the sale or purchase of an Underlying

Asset, LME Clear shall have a specific lien over the Underlying Assets or sale proceeds arising out of that transaction until the discharge of such Secured Obligation, subject only to the provisions of clause 4.2 of the English Security Deed

**26. SET-OFF**

- 26.1 Without prejudice to its other rights under the Member Documentation and as a separate and independent stipulation, the Member agrees that any money from time to time deposited or paid by the Member with or to LME Clear, and any payment obligation or the value of any delivery obligation owed by LME Clear to the Member may, at any time without notice to the Member, be applied and set off in or towards the discharge of the Secured Obligations or such part of them as LME Clear may select, regardless of the place of payment, delivery and/or currency of the obligation, subject only to the provisions of clause 4.2 of the English Security Deed
- 26.2 LME Clear may make any currency conversion necessary to give effect to such set-off. If any obligation is unliquidated or unascertained, LME Clear may set off an amount estimated by it in good faith to be the amount of that obligation. LME Clear will endeavour to notify the Member following the exercise of any such right of set-off but any failure to do so will not affect the validity of such right or its exercise
- 26.3 The right of set-off conferred by Clause 26.1 shall not (in the absence of a Default Event) be exercisable by LME Clear against any payment obligation or the value of any delivery obligation owed by it to the Member in the ordinary course of the settlement of a clearing contract under the Rules

**27. ACCOUNTS**

- 27.1 On receiving notice that a Member has granted a Security Interest over or otherwise encumbered or disposed of any Euroclear Collateral in contravention of this Security Agreement, LME Clear may rule off all or any of its Accounts and open one or more new Accounts with the Member
- 27.2 If LME Clear does not open a new Account immediately on receipt of such notice, it shall nevertheless be treated as if it had opened a new Account of the same type on that day unless LME Clear otherwise directs. From that day, all obligations incurred by the Member to LME Clear shall be treated as having been entered on such new Account and shall not operate to reduce the amount owing by the Member to LME Clear at the time when it received such notice

**28. RETURN OF EUROCLEAR COLLATERAL**

If any Euroclear Collateral falls to be returned to the Member pursuant to the Rules or this Security Agreement, such Euroclear Collateral shall be released from this Security Agreement automatically on the transfer of Equivalent Euroclear Collateral to the Member, to another LME Clear Member pursuant to the Porting Process or to a Client of the Member pursuant to Rule 10.5.1(c). The Security Interests over all other property and rights forming part of the Euroclear Collateral shall continue in full force and effect

**29. DETERMINATIONS AND DISCRETIONS**

- 29.1 Any certification or determination by LME Clear or its Custodian of a rate or amount under this Security Agreement shall, in the absence of manifest error, be conclusive evidence of the matters to which it relates
- 29.2 Any discretion, power or right conferred on LME Clear by this Security Agreement to make or vary any determination or to give any approval or to decide any matter or to form

any opinion or judgment shall be construed to be a discretion, power or right exercisable by LME Clear, in its sole and unfettered discretion, at any time and from time to time

### **30 TRANSFER**

30 1 LME Clear may assign or transfer the whole or any part of the benefit of this Security Agreement (or any of its rights under this Security Agreement) without the Member's consent to the extent that LME Clear, in its capacity as operator of the LME Clear System, is entitled to assign or transfer any of its rights against the Member to any person, including any successor, pursuant to the Rules

30 2 The Member may not

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

without the prior written consent of LME Clear

### **31. FORBEARANCE, SEVERABILITY, VARIATION**

31 1 No failure to exercise and no delay on the part of LME Clear in exercising any right, remedy, power or privilege under this Security Agreement and no course of dealing between the parties shall be construed or operate as a waiver of that right, remedy, power or privilege, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of it or the exercise of any other right, remedy, power or privilege. The rights and remedies provided by this Security Agreement are cumulative and are not exclusive of any rights or remedies provided by law

31 2 Each of the provisions of this Security Agreement is severable and distinct from the other and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby. In case of any such illegality, invalidity or unenforceability, the Parties shall negotiate in good faith with a view to agreeing on the replacement of such provision by a provision which is legal, valid and enforceable and which is to the extent practicable in accordance with the intents and purposes of this Security Agreement and which in its economic effect comes as close as practicable to the provision being replaced

31 3 No variation, supplement, deletion or replacement of or from this Security Agreement or any of its terms shall be effective unless made in writing and signed by or on behalf of each Party

31 4 If there is any inconsistency between the provisions of this Security Agreement and the Rules or any Member Documentation, this Security Agreement shall take precedence to the extent of the inconsistency

### **32. RELEASE OF THIS SECURITY**

32 1 This Security shall be discharged by, and only by, the express release thereof granted by LME Clear or by means of a final court decision, which can no longer be appealed, ordering the release of this Security

32 2 If the Member ceases to be an LME Clear Member, upon its written request and at its expense after all Secured Obligations have been fully and unconditionally paid or



discharged to LME Clear (or, if contingent, have wholly ceased to be capable of arising) and after the Member has become entitled under the Rules to request the release of this Security, LME Clear shall release and discharge all Euroclear Collateral from the Security Interests created by this Security Agreement and Equivalent Euroclear Collateral shall be transferred to the Member

32 3 Any discharge of this Security shall be null and void and without effect if any payment received by LME Clear and applied towards satisfaction of all or part of the Secured Obligations

- (a) is avoided or declared invalid as against the creditors of the maker of such payment, or
- (b) becomes repayable by LME Clear to a third party, or
- (c) proves not to have been effectively received by LME Clear,

and LME Clear shall be entitled upon notice to the Member to enforce this Security as if such discharge had not occurred

### 33 DEMANDS, NOTICES, ETC

Any demand or notice to the Member under this Security Agreement shall be effective only if made in writing by an officer of LME Clear and served on the Member in accordance with the Rules

### 34. CONFLICTS WITH THE ENGLISH SECURITY DEED

In case there would be a contradiction or conflict between the English Security Deed and this Security Agreement with respect to assets located in Belgium, the Belgian Pledge Agreement shall prevail and this Security created on the Collateral located in Belgium shall rank before the security interest(s) created pursuant to the English Security Deed

### 35. COUNTERPARTS

This Security Agreement may be executed in any number of counterparts and by the different Parties on separate counterparts, each of which when signed shall be an original but all counterparts shall together constitute one and the same instrument

### 36. GOVERNING LAW AND JURISDICTION

36 1 This Security Agreement and all contractual and non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, Belgian law

36 2 The Member hereby irrevocably submits to the jurisdiction of the competent court in Brussels, Belgium in connection with any disputes arising under this Security Agreement, without prejudice to the rights of LME Clear as set out in the Member's Agreement

36 3 The Member elects domicile in Belgium at TMF Group, Tour & Taxis, Havenlaan 86C, Bus 204, 1000 Brussels, Belgium, being the office of the Service Agent (as defined below) for the purpose of any proceeding, suit or action in Belgium arising out of or relating to this Security Agreement

36 4 The Member shall at all times appoint and maintain an agent for service of process in Belgium ("**Service Agent**") if its registered seat is not located Belgium. The Member shall not revoke the authority of a Service Agent unless it has first notified LME Clear of its replacement Service Agent. If a Service Agent ceases to be able to act as such or


ceases to have an address within the jurisdiction of the courts of Brussels (Belgium), the Member shall promptly appoint another Service Agent (with an address for service within the jurisdiction of the courts of Brussels (Belgium)). This shall not affect the right of LME Clear to serve process in any other manner permitted by law. The Member shall ensure that LME Clear is at all times in receipt of the full name and address of such Service Agent. The Member shall not revoke the authority of a Service Agent unless it has first notified LME Clear of its replacement Service Agent. The Member agrees that failure by any agent for service of notice to notify the Member of any letter, writ of summons or any other type of document addressed to the Member at the address as provided in the Member's Agreement will not invalidate the proceedings concerned.

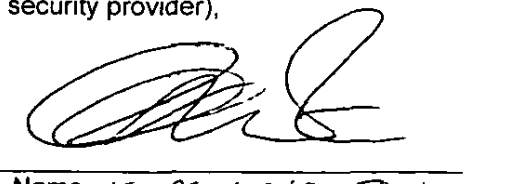
- 36.5 Without prejudice to any other mode of service or of notification to any other address allowed under any relevant law, the Member consents to the service of any and all process, notices or other documents which may be served in any proceeding, suit or action arising out of (including any notices in relation to any proceedings before any court) in connection with this Security Agreement either
- (a) by sending a copy thereof to its address set forth at the beginning of this Security Agreement by registered mail, or
  - (b) by serving a copy thereof at its domicile in Belgium and sending a copy thereof to its address set forth at the beginning of this Security Agreement by registered mail.
- 36.6 The provisions relating to waiver of immunity, and waiver of objection to proceedings on the basis of inconvenient forum set out in the Member's Agreement shall apply to this Security Agreement as if repeated in full in this Security Agreement with the necessary consequential changes.

\*\*\* Intentionally left blank – signatures follow on next page \*\*\*

This Security Agreement has been executed outside Belgium in two originals and take effect on the date stated below (being the date on which it is accepted and executed by LME Clear) Each Party acknowledges receipt of one signed original

On behalf of Credit Suisse Securities (Europe) Limited (as security provider),

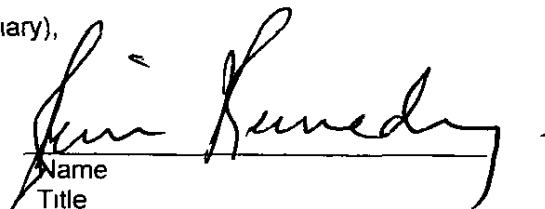
  
Name MD  
Title MD

  
Name KAREN NEWTON  
Title MANAGING DIRECTOR

Accepted by **LME CLEAR LIMITED** on 11/9 20 19

On behalf of **LME CLEAR LIMITED** (as security beneficiary),

  
Name Trevor Spanner  
Title Director  
LME Clear

  
Name Jernie Kennedy  
Title Head of Business Development  
and Relationship Management  
LME Clear

**SCHEDULE**

**Letter to Euroclear Bank**

TO **Euroclear Bank SA/NV**  
Attention Client Service Administration  
1 Boulevard du Roi Albert II  
1210 Brussels  
Belgium

FROM [MEMBER]  
Attention [\*\*\*]  
[ADDRESS]

*Credit Suisse Securities (Europe) Limited*  
*1 Cabot Square*  
*London E17 4BT*

COPY TO **LME Clear Limited**  
Attention The Chief Legal and Compliance Officer  
LME Clear Limited  
56 Leadenhall Street  
London, EC3A 2DX  
United Kingdom

**BY REGISTERED MAIL WITH ACKNOWLEDGMENT OF RECEIPT**

RE: **SECURITY AGREEMENT (BELGIAN LAW) IN RELATION TO COLLATERAL HELD IN THE EUROCLEAR SYSTEM - AUTHORISATION**

[DATE]

Dear Madam or Sir,

We refer to

- (a) the security agreement (Belgian law) in relation to collateral held in the Euroclear System dated [DATE] and entered into between us as the security provider and LME Clear Limited as the security beneficiary,
- (b) the terms and conditions entitled "Multi Pledgor Pledged Account Terms and Conditions (2006 Edition)" (the "**MPPA Terms and Conditions**") entered into by LME Clear as the pledgee and you pursuant to an agreement entitled "Agreement to the Multi Pledgor Pledged Account Terms and Conditions (2006 Edition)" (the "**MPPA Terms and Conditions Acceptance Agreement**"), executed by LME Clear Limited, and
- (c) the Pledged Securities Account and the Pledged Cash Account opened pursuant to the MPPA Terms and Conditions Acceptance Agreement

Words and phrases defined, and principles of interpretation provided for, in the MPPA Terms and Conditions shall, unless the context otherwise requires or unless otherwise redefined in this letter, have the same meaning and shall apply (as the case may be) in this letter

We hereby authorise you, in accordance with article 6 (*Pledged Securities and Pledged Cash*) of the MPPA Terms and Conditions

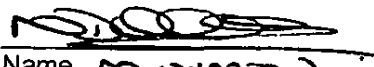
- (a) to accept any instructions of LME Clear Limited with respect to the Pledged Securities Account, including instructions to deliver Pledged Securities or Pledged Cash to any account or person, whether or not outside your control, and
- (b) to treat LME Clear Limited as being fully and irrevocably authorised by us to exercise all subscription, voting and other rights with respect to the Pledged Securities, and LME Clear Limited may exercise all such rights pursuant to such authority in accordance with, but subject to the limitations of, the MPPA Terms and Conditions

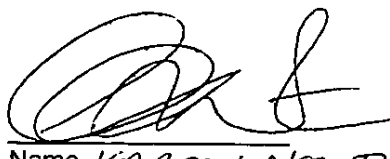
We acknowledge that you shall not have any responsibilities for the compliance of any such instructions with the terms of any pledge or other agreement between us and LME Clear Limited and may disregard any notice or knowledge of non-compliance

The provisions relating to applicable law, and jurisdiction set out in the MPPA Terms and Conditions shall apply to this letter as if repeated in full in this letter with the necessary consequential changes

Yours faithfully,

On behalf of Credit Suisse Securities (Europe) Limited,

  
Name M. SHAROV  
Title MD.

  
Name KAREN NEWTON  
Title MANAGING DIRECTOR