



Registration of a Charge

Company name: **CAPARO MERCHANT BAR PLC**

Company number: **01860172**



X3GI0V9S

Received for Electronic Filing: **15/09/2014**

Details of Charge

Date of creation: **11/09/2014**

Charge code: **0186 0172 0012**

Persons entitled: **BANK OF BARODA**

Brief description: **THE FREEHOLD LAND SHOWN EDGED WITH RED ON THE PLAN OF THE TITLE FILED AT THE HM LAND REGISTRY AND BEING LAND AND BUILDINGS AT 1 ROD MILL, APPLEBY-FRODINGHAM WORKS, ROD MILL ROAD, SCUNTHORPE, UNITED KINGDOM WHICH IS REGISTERED AT THE HM LAND REGISTRY UNDER TITLE NUMBER HS225193.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CANDEY PARKER**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1860172

Charge code: 0186 0172 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th September 2014 and created by CAPARO MERCHANT BAR PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th September 2014 .

Given at Companies House, Cardiff on 16th September 2014

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



Companies House



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

EXECUTION COPY

DATED

11 SEPTEMBER 2014

ALL ASSET DEBENTURE

Between

CAPARO MERCHANT BAR PLC

and

BANK OF BARODA

This debenture is subject to and has the benefit of an Intercreditor Agreement dated the same date as this debenture and made between, among others, (1) the Chargor, (2) the Lender and (3) the Pension Scheme (as each such term is defined in this debenture.

CANDEY PARKERooo

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I certify that this appears to be true copy
of the original document produced to me
on 11 September 2014



Abhijit Khandeparkar, Solicitor,

CANDEY PARKER ...

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THIS DEED is dated **11** September 2014.

PARTIES

- (1) **CAPARO MERCHANT BAR PLC** incorporated and registered in United Kingdom with company number 01860172 and having its registered address at Caparo House, 103 Baker Street, London W1U 6LN, United Kingdom (hereinafter referred to as the “**Chargor**” which expression, shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).
- (2) **BANK OF BARODA** incorporated and registered in India with its Branch Office registered in the United Kingdom at 32 City Road, London EC1Y 2BD, United Kingdom, UK Establishment number BR002014 and its local branch at 213 Kenton Road, Harrow, Middlesex HA3 0HD, United Kingdom (hereinafter referred to as the “**Lender**” which expression, shall, unless it be repugnant to the subject or context thereof, include its successors and permitted assigns).

BACKGROUND

- (A) The Lender has agreed pursuant to the Facilities Agreement to provide the Chargor with loan facilities on a secured basis.
- (B) Under this debenture, the Chargor provides security to the Lender for the loan facilities made available under the Facilities Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The definitions and rules of interpretation in this clause apply in this debenture.

Wherever used in this debenture of All Asset Debenture capitalised terms shall have the meaning ascribed thereto in the Facilities Agreement dated the same date as the date of this debenture unless defined otherwise in this debenture.

Administrator: an administrator appointed to manage the affairs, business and property of the Chargor pursuant to paragraph 15 of Schedule 5.

Book Debts: all present and future book and other debts and monetary claims due or owing to the Chargor, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Chargor in relation to any of them.

Business Day: a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market.

Charged Property: all the assets, property and undertaking for the time being subject to the security interests created by this debenture (and references to the Charged Property shall include references to any part of it).

Costs: all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.

Designated Account: any account nominated by the Lender as a designated account for the purposes of this debenture.

Encumbrance: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Chargor, including any part of it and all spare parts, replacements, modifications and additions.

Event of Default and Potential Event of Default: has the meaning given to that expression in the Facility Agreement.

Facilities Agreement: the facilities agreement dated the same date as the date of this debenture between the Chargor and the Lender for the provision of the loan facilities secured by this debenture.

Financial Collateral: shall have the meaning given to that expression in the Financial Collateral Regulations.

Financial Collateral Regulations: the Financial Collateral Arrangements (No. 2) Regulations 2003 (*SI 2003/3226*).

Insurance Policies: the insurance policies referred to in clause 3.3(a).

Intellectual Property: the Chargor's present and future patents, trademarks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.

Investments: all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Chargor, including all rights accruing or incidental to those investments from time to time.

Pension Scheme: Caparo Pensions Scheme Trustees Limited.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Chargor, or in which the Chargor holds an interest (including (but not limited to) the property (the “**Property**”) which is briefly described in Schedule 1).

Receiver: a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5.

Secured Assets: all the assets, property and undertaking for the time being subject to the Security Interests created by, or pursuant to, this debenture.

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Chargor to the Lender, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity, under or in connection with the Facility Agreement or this debenture (including, without limitation, those arising under clause 12.3(b)) together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.

Security Financial Collateral Arrangement: shall have the meaning given to that expression in the Financial Collateral Regulations.

Security Interest: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.

Security Period: the period starting on the date of this debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 **Interpretation**

Unless the context otherwise requires, in this debenture:

- (a) a reference to a statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this debenture;
- (b) a reference to one gender includes a reference to the other genders;
- (c) words in the singular include the plural and in the plural include the singular;

- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this debenture and references to paragraphs are to paragraphs of the relevant Schedule;
- (e) a reference to **this debenture** (or any specified provision of it) or any other document shall be construed as a reference to this debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- (f) a reference to a **person** shall include a reference to an individual, firm, corporation, unincorporated body of persons, or any state or any agency of a person;
- (g) a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
- (h) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (i) a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- (j) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
- (k) clause, schedule and paragraph headings shall not affect the interpretation of this debenture.
- (l) The recitals and schedules form part of this debenture and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the recitals and the schedules.
- (m) Terms used and not defined in this debenture shall have the meaning set out in the Facilities Agreement.

1.3 **Clawback**

If the Lender considers that an amount paid by the Chargor in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this debenture.

1.4 **Nature of security over real property**

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

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

1.5 Law of Property (Miscellaneous Provisions) Act 1989

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

1.6 Third party rights

A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this debenture.

1.7 Perpetuity period

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

1.8 Insolvency Act 1986

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

1.9 Schedules

The schedules form part of this debenture and shall have effect as if set out in full in the body of this debenture. Any reference to this debenture includes the schedules.

2. COVENANT TO PAY

The Chargor shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due.

3. GRANT OF SECURITY

3.1 Legal mortgage

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first legal mortgage, the Property specified in Schedule 1.

3.2 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender by way of first fixed charge:

- (a) all Properties acquired by the Chargor in the future;
- (b) all present and future interests of the Chargor not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold property;
- (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property;
- (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the use of any Secured Asset, and all rights in connection with them;
- (e) all its present and future goodwill;
- (f) all its uncalled capital;
- (g) all the Equipment;
- (h) all the Intellectual Property; and
- (i) all the Investments.

3.3 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy; and
- (b) the benefit of each Relevant Agreement and the benefit of any guarantee or security for the performance of the Relevant Agreement.

3.4 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender, by way of first floating charge, all the undertaking, all the Book Debts, property, assets and rights of the Chargor at any time not effectively mortgaged, charged or assigned pursuant to clause 3.1 to clause 3.3 inclusive.

3.5 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.4.

3.6 Automatic crystallisation of floating charge

The floating charge created by clause 3.4 shall automatically and immediately (without notice) be converted into a fixed charge over the assets subject to that floating charge if:

- (a) the Chargor:
 - (i) creates, or attempts to create, without the prior written consent of the Lender, a Security Interest or a trust in favour of another person over all or any part of the Secured Assets (except as expressly permitted by the terms of this debenture or the Facility Agreement); or
 - (ii) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised);
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets; or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor.

3.7 Crystallisation of floating charge by notice

The Lender may, in its sole discretion, by written notice to the Chargor, convert the floating charge created under this debenture into a fixed charge as regards any part of the Secured Assets specified by the Lender in that notice if:

- (a) an Event of Default occurs and is continuing; or
- (b) the Lender considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

3.8 Assets acquired after any floating charge has crystallised

Any asset acquired by the Chargor after any crystallisation of the floating charge created under this debenture that, but for that crystallisation, would be subject to a floating charge under this debenture, shall (unless the Lender confirms otherwise to the Chargor in writing) be charged to the Lender by way of first fixed charge.

4. LIABILITY OF THE CHARGOR

4.1 Liability not discharged

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

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
- (b) the Lender renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission, which but for this clause 4.1 might have discharged, or otherwise prejudiced or affected, the liability of the Chargor.

4.2 Immediate recourse

The Chargor waives any right it may have to require the Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this debenture against the Chargor.

5. REPRESENTATIONS AND WARRANTIES

The Chargor represents and warrants to the Lender in the terms set out in Schedule 2. The representations and warranties set out in Schedule 2 are made on the date of this debenture and shall be deemed to be made on:

- (a) the date of the Drawdown Request;
- (b) the Drawdown Date; and
- (c) the first day of each Interest Period,

with reference to the facts and circumstances then existing.

6. COVENANTS

The Chargor covenants with the Lender in the terms set out in Schedule 3.

7. POWERS OF THE LENDER

The Lender shall have the powers set out in Schedule 4.

8. ENFORCEMENT

8.1 Enforcement events

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

8.2 Discretion

After the security constituted by this debenture has become enforceable, the Lender may, in its absolute discretion, 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 Property.

8.3 Receiver's powers

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

8.4 Right of appropriation

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

9. COSTS AND INDEMNITY

9.1 Costs

The Chargor shall pay to, or reimburse, the Lender and any Receiver on demand, on a full indemnity basis, Costs reasonably incurred by the Lender and/or any Receiver in relation to:

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

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

9.2 Indemnity

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

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

10. RELEASE

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

11. ASSIGNMENT AND TRANSFER

11.1 Assignment by Lender

The Lender may:

- (a) assign any of its rights; or
- (b) transfer by novation any of its rights and obligations,

to another bank or financial institution or to a trust, fund or any other entity which is regularly engaged in or established for the purpose of recovering, making, purchasing or investing in loans, securities or other financial assets. The Lender may disclose on

a confidential basis to any actual or proposed assignee or transferee any information about the Chargor, the Secured Assets and this debenture that the Lender considers appropriate.

11.2 Assignment by Chargor

The Chargor may not assign any of its rights, or transfer any of its obligations, under this debenture or enter into any transaction which would result in any of those rights or obligations passing to another person without the written consent of the Lender.

12. FURTHER PROVISIONS

12.1 Independent security

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

12.2 Continuing security

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

12.3 Discharge conditional

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

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

12.4 Certificates

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

12.5 Rights cumulative

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

12.6 Waivers

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

12.7 Further exercise of rights

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

12.8 Delay

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

12.9 Single or partial exercise

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

12.10 Consolidation

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

12.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this debenture under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions.

12.12 Counterparts

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

13. NOTICES

13.1 Service

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

13.2 Receipt

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

- (a) if delivered personally, at the time of delivery; or
- (b) in the case of pre-paid first-class post, 5 days from the time of posting; or
- (c) in the case of a fax, when received in legible form.

13.3 Deemed receipt

If deemed receipt under clause 13.2 occurs:

- (a) before 9:00 am on a Business Day, the notice shall be deemed to have been received at 9:00 am on that day; or
- (b) after 5:00 pm on a Business Day, or on a day that is not a Business Day, the notice shall be deemed to have been received at 9:00 am on the next Business Day.

13.4 Proof of service

In proving service of a notice, it shall be sufficient to prove that the envelope containing such notice was addressed to the address of the relevant party as set out in

Schedule 7 (or as otherwise notified by that party under clause 13.1) and delivered either:

- (a) to that address; or
- (b) into the custody of the postal authorities as a pre-paid first-class letter.

14. GOVERNING LAW AND JURISDICTION

14.1 Governing law

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

14.2 Jurisdiction

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

14.3 Other service

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

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

Schedule 1 Property

The freehold land shown edged with red on the plan of the title filed at the HM Land Registry and being land and buildings at 1 Rod Mill, Appleby-Frodingham Works, Rod Mill Road, Scunthorpe, United Kingdom which is registered at the HM Land Registry under Title Number HS225193 as shown on the register of title on 30 July 2014 at 14:09:54 hrs.

Schedule 2 Representations and warranties

1. OWNERSHIP OF CHARGED PROPERTY

The Chargor is the legal and beneficial owner of the Charged Property.

2. NO ENCUMBRANCES

The Charged Property is free from any Encumbrance other than the Encumbrances created by this debenture.

3. ADVERSE CLAIMS

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

4. ADVERSE COVENANTS

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

5. NO BREACH OF LAWS

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

6. NO INTERFERENCE IN ENJOYMENT

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

7. NO OVERRIDING INTERESTS

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

8. AVOIDANCE OF SECURITY

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

9. NO PROHIBITIONS OR BREACHES

There is no prohibition on assignment in any Insurance Policies, or the relevant clauses of any of them, and the entry into this debenture by the Chargor does not and

will not constitute a breach of any Insurance Policies or any other agreement or instrument binding on the Chargor or its assets.

10. ENVIRONMENTAL COMPLIANCE

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

Schedule 3 Covenants

Part 1. General covenants

1. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Chargor shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Encumbrance on, or in relation to, the Charged Property other than this debenture; or
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, except in the ordinary course of business in the case of Charged Property which is only subject to an uncrystallised floating charge; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

2. PRESERVATION OF CHARGED PROPERTY

The Chargor shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture.

3. ENFORCEMENT OF RIGHTS

The Chargor shall use its best endeavours to:

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Chargor's counterparties; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property which the Lender may require from time to time.

4. NOTICE OF BREACHES

The Chargor shall promptly on becoming aware of any of the same give the Lender notice in writing of any breach of:

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

5. TITLE DOCUMENTS

The Chargor shall, on the execution of this debenture (or, if later, the date of acquisition of the relevant Charged Property), deposit with the Lender and the Lender shall, for the duration of this debenture be entitled to hold:

- (a) all deeds and documents of title relating to the Charged Property which are in the possession or control of the Chargor (if these are not within the possession and/or control of the Chargor, the Chargor undertakes to obtain possession of all such deeds and documents of title);
- (b) all Insurance Policies and any other insurance policies relating to any of the Charged Property to which policies the Chargor is entitled to possession; and
- (c) all deeds and documents of title (if any) relating to the Book Debts as the Lender may specify from time to time.

6. NOTICES TO BE GIVEN BY THE CHARGOR

The Chargor shall within five days of the execution of this debenture:

- (a) give notice to the relevant insurers of the assignment of the Chargor's rights and interest in and under the insurance policies pursuant to clause 3.3(a) as set out in Schedule 8;
- (b) give notice to any bank, financial institution or other person (excluding the Lender) with whom the Chargor has an account of the charging to the Lender pursuant to clause 3.4 of the Chargor's rights and interests under such accounts as set out in Schedule 9.

The Chargor shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this paragraph 6.

7. FURTHER ASSURANCE

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

8. CHARGOR'S WAIVER OF SET-OFF

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

Part 2. Book Debts and insurance covenants

1. PRESERVATION OF BOOK DEBTS

The Chargor shall not (except in the ordinary course of its business and as provided by paragraph 2 of Part 2 of Schedule 3 or with the prior written consent of the Lender) release, exchange, compound, set-off, grant time or indulgence in respect of, or in any other manner deal with, all or any of the Book Debts.

2. REALISING BOOK DEBTS

Following an Event of Default or Potential Event of Default, the Chargor shall:

- (a) as an agent for the Lender, collect in and realise all Book Debts, pay the proceeds into a Designated Account immediately on receipt and, pending that payment, hold those proceeds in trust for the Lender;
- (b) not, without the prior written consent of the Lender, withdraw any amounts standing to the credit of any Designated Account; and
- (c) if called on so to do by the Lender, execute a legal assignment of the Book Debts to the Lender in such terms as the Lender may require and give notice of that assignment to the debtors from whom the Book Debts are due, owing or incurred.

3. INSURANCE COVENANT

The Chargor:

- (a) shall (if the Lender so requires) produce to, or deposit with, the Lender all Insurance Policies and the receipts for all premiums and other payments necessary for effecting and keeping up such policies; and
- (b) has not done or omitted to do, and shall not do or omit to do, any act or thing that may invalidate or otherwise prejudice the Insurance Policies.

4. INSURANCE POLICIES' PROCEEDS

All sums payable under any of the Insurance Policies at any time (whether or not the security constituted by this debenture has become enforceable) unless otherwise allowed by the Lender in writing shall:

- (a) immediately be paid,
- (b) if they are not paid directly to the Lender by the insurers, be held by the Chargor as trustee of the same for the benefit of the Lender (and the Chargor shall account for them to the Lender); and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are

received or in or towards discharge or reduction of the Secured Liabilities (but subject to paragraph 12 of Schedule 5).

Part 3. Property covenants

1. REPAIR AND MAINTENANCE

The Chargor shall keep all premises, and fixtures and fittings on the Property in good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use by others of a like nature and equal value.

2. NO ALTERATIONS

2.1 The Chargor shall not, without the prior written consent of the Lender:

- (a) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur except for the purposes of development and refurbishment of the Property; or
- (b) make or permit to be made any alterations to the Property or sever or remove or permit to be severed or removed any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with paragraph 2 of this Part 3 of Schedule 3).

2.2 The Chargor shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

3. DEVELOPMENT RESTRICTIONS

3.1 The Chargor shall not, without the prior written consent of the Lender:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out or permit or suffer to be carried out on the Property any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Property.

3.2 The Chargor shall give full particulars to the Lender of any notice, order, direction, designation, resolution or proposal given or made by any planning authority or other public body or authority (Planning Notice) that specifically applies to any Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Planning Notice, and (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any

Planning Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Planning Notice as the Lender may require.

4. INSURANCE

4.1 The Chargor shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property against:

- (a) loss or damage by fire or terrorist acts;
- (b) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor; and
- (c) any other risk, perils and contingencies as the Lender may reasonably require.

Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.

4.2 The Chargor shall, if requested by the Lender, produce to the Lender the policy, certificate or cover note relating to any such insurance required by paragraph 4.1 of this Part 3 of Schedule 3 (or where, in the case of any leasehold property, such insurance is effected by the landlord, such evidence of insurance as the Chargor is entitled to obtain from the landlord under the terms of the relevant lease).

4.3 The Chargor shall use its reasonable efforts to procure that a note of the Lender's interest is endorsed upon each Insurance Policy maintained by it or any person on its behalf in accordance with paragraph 4.1 of this Part 3 of Schedule 3 and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender.

5. INSURANCE PREMIUMS

The Chargor:

- (a) shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect; and
- (b) shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Chargor is entitled to obtain from the landlord under the terms of the relevant lease).

6. NO INVALIDATION OF INSURANCE

The Chargor shall not do or omit to do or permit to be done or omitted anything that may invalidate or otherwise prejudice the Insurance Policies.

7. INSURANCE POLICIES' PROCEEDS

All monies payable under any of the Insurance Policies at any time (whether or not the security constituted by this legal mortgage has become enforceable) shall:

- (a) immediately be paid to the Lender or into the Rent Account;
- (b) if they are not paid directly to the Lender by the insurers or into the Rent Account, be held, pending such payment, by the Chargor upon trust for the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities.

8. LEASES AND LICENCES AFFECTING THE PROPERTY

The Chargor shall not, without the prior written consent of the Lender:

- (a) grant, or agree to grant, any licence or tenancy affecting the whole or any part of the Property, or exercise the statutory powers of leasing (or agreeing to lease) or of accepting (or agreeing to accept) surrenders under sections 99 or 100 of the LPA; or
- (b) in any other way dispose of (or agree to dispose of), accept the surrender of (or agree to accept the surrender of), surrender (or agree to surrender) or create any legal or equitable estate or interest in the whole or any part of the Property; or
- (c) let any person into occupation of or share occupation of the whole or any part of the Property; or
- (d) grant any consent or licence under any lease or licence affecting the Property.

9. NO RESTRICTIVE OBLIGATIONS

The Chargor shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatsoever in or over the whole or any part of the Property.

10. PROPRIETARY RIGHTS

The Chargor shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender.

11. COMPLIANCE WITH AND ENFORCEMENT OF COVENANTS

The Chargor shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

12. NOTICES OR CLAIMS RELATING TO THE PROPERTY

12.1 The Chargor shall:

- (a) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a **Notice**) that specifically applies to the Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
- (b) (if the Lender so requires) immediately, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, such objections or representations in respect of any such Notice as the Lender may desire.

12.2 The Chargor shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

13. PAYMENT OF RENT AND OUTGOINGS

The Chargor shall in relation to the Property:

- (a) where the Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

14. RENT REVIEWS

The Chargor shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Lender, agree to any change in rent to less than the open market rental value of the relevant part of the Property.

15. ENVIRONMENT

The Chargor shall:

- (a) properly discharge all duties of care and responsibility placed upon it by Environmental Law and comply with the terms of any Environmental Licences;
- (b) observe and perform all the requirements of Environmental Law; and
- (c) apply for and obtain all Environmental Licences.

16. CONDUCT OF BUSINESS ON PROPERTY

The Chargor shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

17. INSPECTION

The Chargor shall permit the Lender and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice.

18. VAT OPTION TO TAX

The Chargor shall not, without the prior written consent of the Lender:

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised prior to and disclosed to the Lender in writing prior to the date of this legal mortgage.

Schedule 4 Powers of the Lender

1. POWER TO REMEDY

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

2. EXERCISE OF RIGHTS

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

3. POWER TO DISPOSE OF CHATTELS

At any time after the security constituted by this debenture has become enforceable, the Lender or any Receiver:

- (a) may dispose of any chattels or produce found on any Property as agent for the Chargor; and
- (b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Chargor against any liability arising from such disposal.

4. PRIOR ENCUMBRANCES

At any time after the security constituted by this debenture has become enforceable, or after any powers conferred by any Encumbrance having priority to this debenture shall have become exercisable, the Lender may:

- (a) redeem such or any other prior Encumbrance, or procure its transfer to itself; and
- (b) settle any account of the holder of any prior Encumbrance.

The settlement of any such account shall be conclusive and binding on the Chargor. All monies paid by the Lender to an encumbrancer in settlement of such an account shall, as from its payment by the Lender, be due from the Chargor to the Lender on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

5. CONVERSION OF CURRENCY

For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by the Lender under

this debenture (including the proceeds of any previous conversion under this paragraph 5) from their existing currencies of denomination into such other currencies of denomination as the Lender may think fit. Any such conversion shall be effected at then prevailing spot selling rate of exchange for such other currency against the existing currency. Each reference in this paragraph 5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

6. NEW ACCOUNTS

6.1 If the Lender receives notice of any subsequent Encumbrance, or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the Chargor in the Lender's books. Without prejudice to the Lender's right to combine accounts, no money paid to the credit of the Chargor in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

6.2 If the Lender does not open a new account immediately on receipt of notice under paragraph 6.1 of this Schedule 4, then, unless the Lender gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Lender shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Lender.

7. LENDER'S SET-OFF RIGHTS

If the Lender has more than one account for the Chargor in its books, the Lender may at any time after:

- (a) the security constituted by this debenture has become enforceable; or
- (b) the Lender has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property,

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

8. INDULGENCE

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

9. INVESTMENTS: DIVIDENDS AND VOTING RIGHTS PRIOR TO ENFORCEMENT

Until the security constituted by this debenture becomes enforceable:

- (a) the Lender shall, on request by the Chargor, release and pay to the Chargor any cash dividends paid in respect of any of the Investments and received by the Lender or its nominee; and
- (b) the Lender shall, in exercising all voting and other rights and powers of the Lender or its nominee attaching to the Investments, act in accordance with the directions of Chargor from time to time if acting in accordance with those directions would not, in the Lender's opinion, prejudice the Lender's security under this debenture or the value of the Investments, or contravene any agreement between the Lender and the Chargor.

Schedule 5 Enforcement

1. ENFORCEMENT EVENTS

This debenture shall be enforceable if:

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

and in any such event (whether or not the event is continuing), without prejudice to any other rights of the Lender, the powers of sale under the Law of Property Act 1925

shall immediately be exercisable and the Lender may, in its absolute discretion, enforce all or any part of the security created by this debenture as it sees fit.

2. STATUTORY POWER OF SALE

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

3. EXTENSION OF STATUTORY POWERS

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

4. PROTECTION OF THIRD PARTIES

No purchaser, mortgagee or other person dealing with the Lender or any Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver is purporting to exercise has become exercisable; or
- (b) to see to the application of any money paid to the Lender or any Receiver.

5. NO LIABILITY AS MORTGAGEE IN POSSESSION

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

6. APPOINTMENT OF RECEIVER

- 6.1 At any time after the security constituted by this debenture has become enforceable, or at the request of the Chargor, the Lender may, without further notice:

- (a) appoint by way of deed, or otherwise in writing, any one or more person or persons to be a receiver, or a receiver and manager, of all or any part of the Charged Property; and
- (b) (subject to section 45 of the Insolvency Act 1986) from time to time, by way of deed, or otherwise in writing, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

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

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

7. POWER OF SALE ADDITIONAL

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

8. AGENT OF THE CHARGOR

Any Receiver appointed by the Lender under this debenture shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him.

9. POWERS OF RECEIVER

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

10. ORDER OF APPLICATION OF PROCEEDS

All monies received by the Lender or a Receiver in the exercise of any enforcement powers conferred by this debenture shall be applied:

- (a) first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Lender (and any Receiver, attorney or agent appointed by it);
- (b) second in paying the remuneration of any Receiver (as agreed between the Receiver and the Lender);
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determines; and
- (d) finally in paying any surplus to the Chargor or any other person entitled to it.

11. APPROPRIATION

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

12. SUSPENSE ACCOUNT

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

13. POWER OF ATTORNEY

At any time after this debenture has become enforceable, by way of security, the Chargor irrevocably appoints the Lender and every Receiver separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things which:

- (a) the Chargor is required to execute and do under this debenture, including execute any document required by the Lender under paragraph 6 of Part 1 of Schedule 3; and/or
- (b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this debenture or by law on the Lender or any Receiver.

14. RATIFICATION OF ACTS OF ATTORNEY

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

15. APPOINTMENT OF AN ADMINISTRATOR

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

Schedule 6 Further powers of a Receiver

1. POWER TO REPAIR AND DEVELOP PROPERTIES

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

2. POWER TO SURRENDER LEASES

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

3. POWER TO EMPLOY PERSONNEL AND ADVISORS

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

4. POWER TO MAKE VAT ELECTIONS

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

5. POWER TO CHARGE FOR REMUNERATION

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

6. POWER TO REALISE CHARGED PROPERTY

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

7. POWER TO MANAGE OR RECONSTRUCT THE CHARGOR'S BUSINESS

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

8. POWER TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Chargor in respect of which he is appointed in such manner and

generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Chargor), and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as the Receiver thinks fit and he may promote, or concur in promoting, a company to purchase the property to be sold.

9. POWER TO SELL BOOK DEBTS

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in such manner, and generally on such terms and conditions, as he thinks fit.

10. POWER TO MAKE SETTLEMENTS

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

11. POWER TO IMPROVE THE EQUIPMENT

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

12. POWER TO MAKE CALLS ON CHARGOR MEMBERS

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

13. POWER TO APPOINT

A Receiver may appoint managers, officers, servants, workmen and agents for the purposes of this Schedule 6 at such salaries, for such periods and on such terms as he may determine.

14. POWER TO INSURE

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

15. POWERS UNDER LAW OF PROPERTY ACT 1925

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

16. POWER TO BORROW

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

17. POWER TO REDEEM PRIOR ENCUMBRANCES

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

18. INCIDENTAL POWERS

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

19. SCOPE OF POWERS

Any exercise of any of the powers given by this Schedule 6 may be on behalf of the Chargor, the directors of the Chargor (in the case of the power contained in paragraph 12 of this Schedule 6) or himself.

Schedule 7 Notice details

The Chargor:

CAPARO MERCHANT BAR PLC

Caparo House

103 Baker Street

London W1U 6LN

Fax: 0207 487 2666

Attention: Derek O'Reilly

The Lender:

Bank of Baroda,

Kenton Branch

213 Kenton Branch

Harrow

Middlesex HA3 0HD

United Kingdom

Fax: +44 208 907 1358

For the attention of: Chief Manager

Schedule 8 Form of Notice for Insurance Policies

To: [Insurer]

Copy: Bank of Baroda as Lender

Date: 2014

Dear Sirs,

1. We hereby give you notice that we have assigned to Bank of Baroda (the **Lender**) pursuant to a debenture dated 2014 entered into by us in favour of the Lender, all of our right, title and interest in (i) the insurance policies identified in the schedule to this letter and (ii) to any other insurance policies taken out with you by us or on our behalf or under which we have a right to a claim, insofar as such rights in such insurance policies relate to the plant and machinery of Caparo Merchant Bar plc (the **Insurance Policies**).
2. We will remain liable under the Insurance Policies to perform all obligations imposed on us under the Insurance Policies and none of the Lender, its agents, any receiver, administrator or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance Policies.
3. We will remain entitled to exercise all of our rights under the Insurance Policies and you should continue to give notices under the Insurance Policies to us, until such time as the Lender provides written notification to the contrary. Thereafter:
 - (i) all amounts payable under the Insurance Policies should be paid to the Lender or as it directs; and
 - (ii) all rights in respect of the Insurance Policies will be exercisable by the Lender and notices under the Insurance Policies should be given to the Lender or as it directs.
4. You are authorised and instructed (without requiring further approval from us) to provide the Lender with such information relating to the Insurance Policies as it may from time to time request.
5. These instructions may not be revoked without the prior written consent of the Lender.
6. Please note the interest of the Lender on the Insurance Policies and show the Lender as loss payee and first priority assignee.
7. Please sign and return the enclosed copy of this notice to the Lender (with a copy to us) to confirm (by way of undertaking in favour of the Lender) that:

- (i) you agree to the terms of this notice and to act in accordance with its provisions;
- (ii) you have not received notice of the interest of any third party in any of the Insurance Policies;
- (iii) you have noted the interests of the Lender on the Insurance Policies;
- (iv) you will not cancel, avoid, release or otherwise allow the Insurance Policies to lapse without giving the Lender at least 30 days' prior written notification;
- (v) you have not and will not claim, exercise or enforce any right of set-off, counterclaim or similar right in respect of the Insurance Policies without the consent of the Lender;
- (vi) you will notify the Lender of any breach by us of the terms of any Insurance Policy and will allow the Lender to remedy that breach; and
- (vii) the Lender shall not in any circumstances be liable for the premium in relation to the Insurance Policies (but may elect to pay it).

8. This notice and any non-contractual obligations arising out of or in relation to this notice are governed by English law.

Yours faithfully,

.....

for and on behalf of

CAPARO MERCHANT BAR PLC

.....

for and on behalf of

BANK OF BARODA as Lender

SCHEDULE OF INSURANCE POLICIES

[Insurance Policy Details]

[On acknowledgement copy]

To: Bank of Baroda as Lender

c/o Candey Parker, 4-8 Ludgate Circus, First Floor, London EC4M 7LF.

Copy to: Caparo Merchant Bar plc c/o Emma Hopkinson DLA Piper UK LLP, Victoria

Square House, Victoria Square House, Birmingham B2 4DL.

We acknowledge receipt of the above notice and agree to and confirm the matters set out in it.

.....

for and on behalf of

[Insurer]

Date:

Schedule 9 Form of Account Bank Notice

To: *[insert name and address of Account Bank]*

Dated: [◆]] 2014

Dear Sirs

RE:	ACCOUNT HOLDER: CAPARO MERCHANT BAR (THE "CHARGOR")
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1. We give notice that, by a debenture dated [◆]] 2014 (the "**Debenture**"), we have charged, by way of floating charge, to Bank of Baroda (the "**Lender**") all our present and future right, title and interest in and to:

- (a) the Accounts (as defined in the schedule to this letter), all monies standing to the credit of the Accounts and all additions to or renewals or replacements thereof (in whatever currency); and
- (b) all other accounts from time to time maintained with you by each Chargor and all monies at any time standing to the credit of such accounts,

(together the "**Charged Accounts**") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.

2. The Lender, by its countersignature of this notice, agrees that:

- (a) the Chargor may continue to withdraw monies from its Accounts; and
- (b) you may debit from any Account amounts due to you from the Chargor,

until you receive notice from the Lender that an Event of Default or Potential Event of Default has occurred and is continuing and that it or you may no longer do so.

3. We irrevocably authorise and instruct you upon receiving notice from the Lender that an Event of Default or Potential Event of Default has occurred and is continuing pursuant to paragraph 2:

- (a) unless the Lender so authorises you in writing, not to permit withdrawals from the Accounts or any other Charged Account except to the extent that any withdrawal is expressly permitted by this notice or any notice given pursuant to paragraph 2 and such permissions have not been withdrawn;
- (b) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Lender;
- (c) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect; and

- (d) to disclose to the Lender such information relating to the Chargor and the Charged Accounts as the Lender may from time to time request you to provide.
4. We agree that you are not bound to enquire whether the right of the Lender to withdraw any monies from any Charged Account has arisen or be concerned with (a) the propriety or regularity of the exercise of that right or (b) notice to the contrary or (c) to be responsible for the application of any monies received by the Lender.
 5. We represent and warrant to you and Lender that we have not assigned or granted a security interest in the Charged Account or any funds deposited in the Charged Account, except to Lender.
 6. We irrevocably authorise and instruct you that the Charged Account should not become subject to any other pledge, assignment, lien, charge or encumbrance of any kind save for your fees and charges relating to the Charged Account.
 7. This notice may only be revoked or amended with the prior written consent of the Lender.
 8. Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to the Chargor) that you agree to the above and that:
 - (a) you accept the authorisations and instructions contained in this notice and you undertake to comply with this notice; and
 - (b) you have not, at the date this notice is returned to the Lender, received notice of any assignment or charge of or claim to the monies standing to the credit of any Charged Account or the grant of any security or other interest over those monies or any Charged Account in favour of any third party and you will notify the Lender promptly if you should do so in the future.
 9. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
CAPARO MERCHANT BAR PLC

Name: _____

Title: _____

Countersigned by

for and on behalf of
BANK OF BARODA

Name: _____

Title: _____

SCHEDULE

Accounts (each an "Account")		
Account holder	Account number	Account Bank branch address and sort code
[♦]	[♦]	[♦]
[♦]	[♦]	[♦]
[♦]	[♦]	[♦]

[On copy]

To: **BANK OF BARODA**
32 City Road
London
EC1Y 2BD

Copy to: **CAPARO MERCHANT BAR PLC**

We acknowledge receipt of the above notice. We confirm and agree:

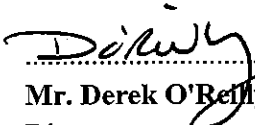
- (a) that the matters referred to in it do not conflict with the terms which apply to any Charged Account; and
- (b) the matters set out in paragraph 8 of the above notice.

for and on behalf of
[Name of Account Bank]

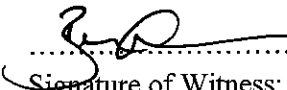
Dated: [◆] 20[◆]

WARNING: THIS IS A LEGAL DOCUMENT AND CREATES LIABILITIES ON YOUR PART WHICH IF NOT FULFILLED MIGHT LEAD TO YOUR LOSING YOUR PROPERTY. YOU ARE STRONGLY ADVISED TO CONSULT A SOLICITOR OF YOUR OWN CHOICE AND TAKE HIS ADVICE BEFORE SIGNING THIS DOCUMENT.

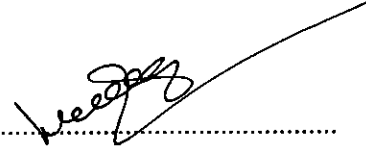
Executed as a deed by **Caparo Merchant Bar PLC** acting by director **Mr. Derek O'Reilly**


.....
Mr. Derek O'Reilly
Director

In the presence of:


.....
Signature of Witness:
Name: **BEN TUMELTY**
Address: **DIA OPER WALLS, BL 4DL**
Occupation: **SOLICITOR**

Executed as a deed by **Bank of Baroda** acting by **Mr. Parsottam Bhaliya**


.....
Mr. Parsottam Bhaliya
Deputy Chief Executive