



**Companies House**

**MR01**(ef)

**Registration of a Charge**

Company name: **REGENERIS PLC**

Company number: **05113820**

Received for Electronic Filing: **17/07/2013**



---

**Details of Charge**

Date of creation: **09/07/2013**

Charge code: **0511 3820 0012**

Persons entitled: **HSBC BANK PLC**

Brief description:

**Contains fixed charge(s).**

**Notification of addition to or amendment of charge.**

---

**Authentication of Form**

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

---

**Authentication of Instrument**

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

Certified by: **GATELEY LLP**



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

Company number: 5113820

Charge code: 0511 3820 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th July 2013 and created by REGENERIS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th July 2013 .

Given at Companies House, Cardiff on 18th July 2013



Companies House



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

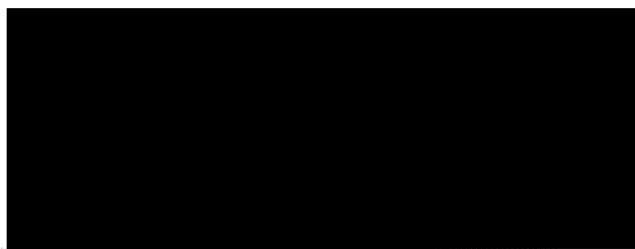
I, **Sebastian Jack Robert LABOVITCH**, Notary Public of the City of London, England, by Royal Authority duly admitted and sworn, practising in the said City,

**DO HEREBY CERTIFY AND ATTEST:**

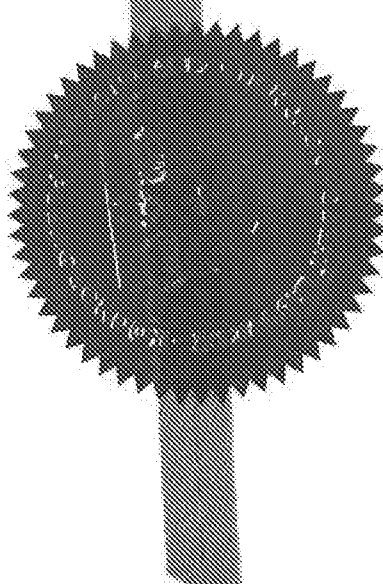
**THAT** the hereunto annexed Document has been signed in the presence of Kate Heloise SULLIVAN, the subscribing witness thereto, by **Jog DHODY**, a British citizen, born on 6<sup>th</sup> April 1978, whose personal identity I, the Notary, attest, one of the Directors of the English Company styled **"REGENERESIS PLC"**, a public limited company duly incorporated on 27<sup>th</sup> April 2004 and existing under the laws of England and Wales, registered at the Companies Record Office for England and Wales under No. **5113820** and having its Registered Office at 4<sup>th</sup> Floor 32 Wigmore Street, London W1U 2RP, England;

**AND THAT** the said Document, being so signed and attested, is validly executed by the said Company in accordance with the provisions of English law relating to companies.

**IN TESTIMONY WHEREOF** I have hereunto set my hand and affixed my Seal of Office in the City of London aforesaid, this ninth day of July in the year Two thousand and thirteen.



**Sebastian Jack Robert LABOVITCH**  
Notary Public of London, England



<b>APOSTILLE</b> (Convention de La Haye du 5 octobre 1961)	
<b>1. Country:</b> Pays/Pais	United Kingdom of Great Britain and Northern Ireland
<b>This public document</b> Le présent acte public / El presente documento público	
<b>2. Has been signed by</b> a été signé par ha sido firmado por	Sebastian Jack Robert Labovitch
<b>3. Acting in the capacity of</b> agissant en qualité de quien actúa en calidad de	Notary Public
<b>4. Bears the seal/stamp of</b> est revêtu du sceau / timbre de y está revestido del sello / timbre de	The Said Notary Public
<b>Certified</b> Attesté / Certificado	
<b>5. at</b> à / en	London
<b>6. the</b> le / el día	10 July 2013
<b>7. by</b> par / por	Her Majesty's Principal Secretary of State for Foreign and Commonwealth Affairs
<b>8. Number</b> sous no / bajo el número	J705220
<b>9. Seal / stamp:</b> Sceau / timbre: Sello / timbre:	<b>10. Signature:</b> J. Farrell Signature: Firma:



This Apostille is not to be used in the UK and only confirms the authenticity of the signature, seal or stamp on the attached UK public document. It does not confirm the authenticity of the underlying document. Apostilles attached to documents that have been photocopied and certified in the UK confirm the signature of the UK public official who conducted the certification only. It does not authenticate either the signature on the original document or the contents of the original document in any way.

If this document is to be used in a country which is not party to the Hague Convention of 5th October 1961, it should be presented to the consular section of the mission representing that country.

**edward nathan sonnenbergs**

johannesburg cape town durban stellenbosch  
1 north wharf square  
loop street foreshore cape town 8001  
p o box 2293 cape town south africa 8000  
docex 14 cape town  
tel +2721 410 2500 fax +2721 410 2555  
info@ens.co.za www.ens.co.za

---

**SECURITY CESSION AND PLEDGE**

given by

**REGENERIS PLC**

(a company incorporated and registered in England with Company Number 05113820)

(as "**Pledgor**")

in favour of

**HSBC BANK PLC**

(Company Number 00014259)

(as "**Security Agent**")

## TABLE OF CONTENTS

Clause number and description	Page
1. PARTIES.....	2
2. DEFINITIONS AND INTERPRETATION.....	2
3. INTRODUCTION .....	7
4. CESSION AND PLEDGE .....	7
5. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS.....	7
6. DELIVERY OF DOCUMENTS.....	9
7. REALISATION .....	10
8. PLEDGOR'S RIGHTS, POWERS AND PRIVILEGES TO THE SHARES AND CEDED RIGHTS.....	13
9. COMPETITION PROVISIONS .....	13
10. APPROPRIATION OF PROCEEDS .....	14
11. CONTINUING SECURITY.....	14
12. DURATION .....	15
13. ADDITIONAL SECURITY .....	15
14. POWER OF ATTORNEY.....	15
15. PLEDGOR BOUND NOTWITHSTANDING CERTAIN CIRCUMSTANCES .....	16
16. EXEMPTION FROM LIABILITY.....	16
17. INDEMNITY .....	16
18. KEEPING, INSPECTION AND DELIVERY OF RECORDS .....	17
19. CERTIFICATE OF INDEBTEDNESS .....	17
20. RENUNCIATION OF BENEFITS.....	17
21. NOTICES AND <i>DOMICILIA</i> .....	17
22. GOVERNING LAW .....	19
23. JURISDICTION.....	19
24. WARRANTY OF AUTHORITY .....	19
25. SEVERABILITY .....	19
26. GENERAL.....	19
27. COSTS.....	20
28. COUNTERPARTS .....	20
Schedule 1 .....	22
Schedule 2 .....	24

## 1. PARTIES

1.1. The Parties to this Agreement are:

1.1.1. Regeneris plc (as Pledgor); and

1.1.2. HSBC Bank plc (as Security Agent).

1.2. The Parties agree as set out below.

## 2. DEFINITIONS AND INTERPRETATION

2.1. In this Agreement, terms defined in the Facility Agreement shall, unless otherwise defined in this Agreement, bear a corresponding meaning when used in this Agreement, and, unless clearly inconsistent with or otherwise indicated by the context,:

2.1.1. **"Agreement"** means this security cession and pledge agreement and all Schedules hereto;

2.1.2. **"Ceded Rights"** means, in relation to the Pledgor, all of its rights of any nature whatsoever to and interests (if any) of any nature whatsoever in the Shares, whether actual, prospective or contingent, direct or indirect, whether a claim to the payment of money or to performance of any other obligation, and whether or not the said rights and interests were within the contemplation of the Parties at the Effective Date;

2.1.3. **"Company"** means Regeneris (South Africa) Proprietary Limited (Registration Number 2008/014263/07), a private company with limited liability duly incorporated according to the company laws of South Africa;

2.1.4. **"Continuing"** means an Event of Default that has not been remedied (in accordance with the terms of the Facility Agreement and/or any other Finance Documents and the applicable grace periods set out therein) or waived (in accordance with the terms of the Facility Agreement and/or any other Finance Documents), as the case may be, by the Lenders (as defined in the Facility Agreement);

2.1.5. **"Documents of Title"** means the share certificate/s and other documents of title referred to in clause 6.1 below;

2.1.6. **"Effective Date"** means the first date on which this Agreement has been executed by or on behalf of all of the Parties hereto;

2.1.7. **"Event of Default"** has the meaning given to it in the Facility Agreement;

- 2.1.8. **“Facility Agreement”** means the written facility agreement entered into between, amongst others, the Pledgor, HSBC Bank and the Guarantors (as defined therein) dated 11 May 2011, as amended by the amendment and restatement agreement dated 31 January 2012, as further amended and/or restated from time to time, in terms of which, *inter alia*, HSBC Bank has agreed to make available a revolving loan facility of up to £20,000,000 (twenty million pounds) to the Pledgor;
- 2.1.9. **“Finance Document”** has the meaning given to it in the Facility Agreement;
- 2.1.10. **“HSBC Bank”** means HSBC Bank plc (Company Number 00014259), a public company and registered bank duly incorporated according to the company and banking laws of England;
- 2.1.11. **“Parties”** means:
- 2.1.11.1. the Pledgor; and
- 2.1.11.2. the Security Agent,
- and **“Party”** shall, as the context requires, be a reference to any one of them;
- 2.1.12. **“Pledgor”** means Regeneris plc (Company Number 05113820), a public company duly incorporated with limited liability according to the company laws of England;
- 2.1.13. **“Secured Obligations”** means all present and future obligations, indebtedness, moneys and liabilities (whether actual or contingent) which are now, or may hereafter become, owing by the Pledgor to the Security Agent together with all damages suffered and all costs, charges and expenses reasonably incurred by the Security Agent from whatsoever cause and howsoever arising or in connection with the breach by the Pledgor of any obligations owed to the Security Agent in respect of such indebtedness, moneys and/or liabilities in terms of the Security Trust Deed, including the parallel debt obligation under and pursuant to the Security Trust Deed;
- 2.1.14. **“Security”** includes, without in any way limiting or affecting the generality thereof, mortgage and notarial bonds, cessions of claims, rights of action and receivables, cession of insurance policies, pledges of corporeals and incorporeals, liens, suretyships, guarantees, indemnities, deposits and generally all forms of intercession;



- 2.1.15. **"Security Agent"** means HSBC Bank, acting in its principal capacity as security trustee for the Secured Parties (as defined therein) under and pursuant to the Security Trust Deed;
- 2.1.16. **"Security Cession"** means the pledge and cession *in securitatem debiti* recorded in this Agreement;
- 2.1.17. **"Security Trust Deed"** means the security trust deed entered into between the Pledgor and others (as debtors) and HSBC Bank (as security agent, arranger, agent and lender), dated 12 May 2011, as amended on 31 January 2012, as further amended and/or restated from time to time;
- 2.1.18. **"Shares"** means all of the shares in the issued ordinary share capital of the Company legally and/or beneficially owned by the Pledgor as at the Effective Date and any Shares in the Company acquired by the Pledgor at any time thereafter; and
- 2.1.19. **"South Africa"** means the Republic of South Africa as constituted from time to time.
- 2.2. Any reference in this Agreement to:
- 2.2.1. an **"affiliate"** means, in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company;
- 2.2.2. a **"clause"** shall, subject to any contrary indication, be construed as a reference to a clause hereof;
- 2.2.3. a **"holding company"** shall be construed in accordance with the Companies Act, 2008;
- 2.2.4. **"law"** shall be construed as any law (including common or customary law) or statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;
- 2.2.5. a **"Schedule"** shall, subject to any contrary indication, be construed as a reference to a schedule hereof;
- 2.2.6. a **"subsidiary"** shall be construed in accordance with the Companies Act, 2008; and

2.2.7. a **"person"** shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

2.3. Unless inconsistent with or otherwise indicated by the context:

2.3.1. if any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it appears only in this interpretation clause, effect shall be given to it as if it were a substantive provision of this Agreement;

2.3.2. when any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day shall be the next succeeding Business Day;

2.3.3. in the event that the day for payment of any amount due in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for payment shall be the following Business Day;

2.3.4. in the event that the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance shall be the subsequent Business Day;

2.3.5. any reference in this Agreement to an enactment is to that enactment as at the Effective Date and as amended or re-enacted from time to time;

2.3.6. any reference in this Agreement to this "Agreement" or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as may have been, or may from time to time be, amended, varied, novated or supplemented;

2.3.7. no provision of this Agreement constitutes a stipulation for the benefit of any person who is not a Party to this Agreement;

2.3.8. references to day/s, month/s or year/s shall be construed as Gregorian calendar day/s, month/s or year/s; and

2.3.9. a reference to a Party includes that Party's successors-in-title and permitted assigns.

- 2.4. Unless inconsistent with the context, an expression which denotes:
- 2.4.1. any one gender includes the other genders;
  - 2.4.2. a natural person includes an artificial person and *vice versa*; and
  - 2.4.3. the singular includes the plural and *vice versa*.
- 2.5. The Schedules to this Agreement form an integral part hereof and words and expressions defined in this Agreement shall bear, unless the context otherwise requires, the same meaning in such Schedules. To the extent that there is any conflict between the Schedules to this Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 2.6. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the same meaning as ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause.
- 2.7. The rule of construction that, in the event of ambiguity, the contract shall be interpreted against the Party responsible for the drafting thereof, shall not apply in the interpretation of this Agreement.
- 2.8. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.9. This Agreement shall be binding on and enforceable by the estates, heirs, executors, administrators, trustees, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's estate, heirs, executors, administrators, trustees, permitted assigns or liquidators, as the case may be.
- 2.10. The use of any expression in this Agreement covering a process available under South African law such as winding-up (without limitation *eiusdem generis*) shall, if any of the Parties to this Agreement is subject to the law of any other jurisdiction, be construed as including any equivalent or analogous proceedings under the law of such other jurisdiction.
- 2.11. Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.12. This Agreement is designated a Finance Document.

### 3. INTRODUCTION

3.1. As security for the obligations which the Pledgor now has and may, from time to time, have to the Secured Agent arising from or out of the Secured Obligations, the Pledgor has agreed to pledge and cede *in securitatem debiti* all of the Ceded Rights to the Security Agent on the terms and conditions set out in this Agreement.

3.2. The Pledgor hereby acknowledges that the Security Agent may:

3.2.1. perform all duties and exercise all rights, powers and discretions that are specifically and expressly given to it in terms of this Agreement, together with any other incidental rights, powers and discretions; and

3.2.2. enter into this Agreement.

### 4. CESSION AND PLEDGE

4.1. With effect from the Effective Date, the Pledgor hereby pledges and cedes *in securitatem debiti* all of its Ceded Rights to the Security Agent, as a continuing general covering collateral security for the due, proper and timeous payment and performance in full of all of the Secured Obligations, on the terms and conditions set out in this Agreement, which pledge and cession *in securitatem debiti* the Security Agent hereby accepts.

4.2. For the avoidance of doubt, the Parties record that it is their intention that the pledge and security cession contemplated in clause 4.1 shall not constitute an out and out cession and the Pledgor, subject to the exercise by the Security Agent of the rights under clause 7, shall retain dominium over the Shares.

### 5. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS

5.1. On each day that this Agreement is in force, the Pledgor, for the benefit of the Security Agent:

5.1.1. warrants, represents and undertakes that, it is and will remain the sole and beneficial owner of the Ceded Rights to the exclusion of all others and no person has an option or right of refusal over the Ceded Rights;

5.1.2. warrants, represents and undertakes that, the Ceded Rights ceded to the Security Agent under this Agreement have not been ceded (either outright or as security), discounted, factored, mortgaged under notarial bond or otherwise, or otherwise disposed of or hypothecated, nor are they subject to any other rights in favour of any person (including without limitation any rights of pre-emption) other than in terms of and as may be set out in this Agreement;

- 5.1.3. warrants, represents and undertakes that, upon the pledge and cession *in securitatem debiti* of the Ceded Rights by it to the Security Agent under this Agreement, to the best of the Pledgor's knowledge, having made all appropriate enquiries, the Security Agent will have a valid security interest in the Ceded Rights;
- 5.1.4. warrants, represents and undertakes that, as of the Effective Date, no other person will have any rights of any nature whatsoever in respect of the Ceded Rights that have been ceded *in securitatem debiti* which rank prior to the Security Agent's rights in terms of this Agreement, now or at any time until the release of the cession *in securitatem debiti* in accordance with this Agreement;
- 5.1.5. warrants, represents and undertakes that, it has the necessary legal capacity to enter into and perform its obligations under this Agreement and has taken all necessary internal action to authorise the execution and performance of this Agreement and this Agreement accordingly creates legal, valid, binding and enforceable obligations of it;
- 5.1.6. warrants, represents and undertakes that, there are no material facts or circumstances relating to the Ceded Rights, other than those already in the public domain, which have not been fully and fairly disclosed to the Security Agent (unless the disclosure of such information is prohibited by statute);
- 5.1.7. warrants, represents and undertakes that, the conclusion of this Agreement will not cause it to be in breach of any other agreement to which it is a party;
- 5.1.8. waives any and all rights in respect of the Ceded Rights which it may have in conflict with the rights of the Security Agent under this Agreement;
- 5.1.9. acknowledges that it may not pledge, cede, assign or transfer or in any other manner encumber or deal with the Ceded Rights without the prior written consent of the Security Agent;
- 5.1.10. agrees that on the occurrence of any breach or default in respect of any Secured Obligation which is Continuing, it shall forthwith on demand pay over to the Security Agent any interest or other benefits of any nature accrued and/or received in respect of the Ceded Rights relating to the period after such a breach, by depositing the same into a nominated account as the Security Agent may from time to time direct in writing; and
- 5.1.11. undertakes and agrees to the extent possible to prevent any variation of the value of, or rights relating to, the Ceded Rights without the prior written consent of the Security Agent.

- 5.2. Should the Ceded Rights be subject to any right in breach of the representations, warranties and undertakings in clause 5.1.2 then, without prejudice to any other rights that the Security Agent may have, any reversionary or other interests the Pledgor may have in the Ceded Rights are also ceded to the Security Agent, and if the holder(s) of that cession or right is entitled to possession of any of the documents referred to in clause 6, and such holder(s) exercise(s) that right, then the Pledgor shall deliver photocopies of the documents to the Security Agent, and as soon as the holder of that cession or right ceases to be entitled to possession or gives up possession, the Pledgor shall deliver the relevant documents to the Security Agent.
- 5.3. It is recorded that the Security Agent has entered into this Agreement on the strength of and relying on the warranties and representations in this clause 5, each of which shall be deemed to be separate warranties and representations, given without prejudice to any other warranty or representation, and deemed to be material representations inducing the Security Agent to enter into this Agreement.

## 6. DELIVERY OF DOCUMENTS

- 6.1. The Pledgor shall deliver to the Security Agent or its nominee:
- 6.1.1. the original share certificate/s (or any replacement certificate issued in terms of the Companies Act, 2008) in respect of the Shares, such certificate/s to be duly endorsed "*non-resident*" by the South African Reserve Bank or an authorised dealer in foreign exchange mandated by the South African Reserve Bank to act as such in terms of the Currency and Exchanges Act, 1933 and the Exchange Control Regulations published pursuant to that Act;
  - 6.1.2. in respect of the Shares, share transfer forms duly signed by the Pledgor as transferor and blank as to transferee;
  - 6.1.3. a written notice and acknowledgement substantially in the form of **Schedule 1** hereto notifying the Company of the Security Cession and signed by the Company to acknowledge such Security Cession; and
  - 6.1.4. a duly signed copy of the resolution of the board of directors of the Company, attached hereto as **Schedule 2**,
- on or before the Effective Date.
- 6.2. The Security Agent shall be entitled to retain possession of the Documents of Title, and to deal with them in accordance with the provisions of this Agreement until all the Secured Obligations have been unconditionally and irrevocably finally discharged or released, as the case may be, whereupon the Documents of Title shall be returned to the Pledgor.

- 6.3. If the Ceded Rights are evidenced by a document, or when the Pledgor holds security for any obligation in respect of such Ceded Rights and the security is evidenced by a document, the Pledgor shall, if so requested by the Security Agent, immediately deliver a certified copy of that document to the Security Agent.
- 6.4. In addition to the documents referred to above, the Pledgor shall deliver to the Security Agent any other documents relating to the Ceded Rights for which the Security Agent may at any time reasonably call, which documents shall be delivered to the Security Agent within a reasonable period, as agreed between the Security Agent and the Pledgor, and, failing such agreement, within 10 (ten) Business Days.
- 6.5. A breach by the Pledgor of any obligation to deliver a document to the Security Agent or commit any other act in terms of this clause 6, shall not affect the validity or completion of the Security Cession of the Ceded Rights in this Agreement.
- 6.6. The Pledgor shall generally do everything that may be required by the Security Agent for the purposes of and to give effect to this Agreement, failing which the Security Agent may, if possible, attend thereto and recover from the Pledgor, any expenses incurred in doing so.

## 7. REALISATION

- 7.1. On the occurrence of an Event of Default which is Continuing, the Pledgor hereby irrevocably and unconditionally authorises and empowers the Security Agent or its nominee, without any further authority or consent of any nature whatsoever required from the Pledgor and without the need for recourse to the courts of South Africa, but subject to all applicable laws, and in its name, to:
- 7.1.1. exercise all the rights, powers and privileges attaching to the Ceded Rights; and/or
  - 7.1.2. exercise (or refrain from exercising) all voting rights in respect of the Shares in the manner which it, in its sole and absolute discretion, determines; and/or
  - 7.1.3. receive payment for, delivery of and/or performance in respect of the Ceded Rights in its own name; and/or
  - 7.1.4. immediately realise the Ceded Rights or any portion thereof, whether by public auction or private treaty, for such price and subject to such terms and conditions as it, acting in its discretion, thinks fit subject to the condition that such price and such terms and conditions shall be arrived at on an arm's-length basis and shall not cause undue prejudice to the interests of the Pledgor; and/or

- 7.1.5. immediately take over the Ceded Rights or a portion thereof at the fair market value, which in the absence of agreement within 2 (two) Business Days after delivery by the Security Agent to the Pledgor of a written notice stating that the Security Agent intends to exercise its rights pursuant to this clause 7.1.5, shall be determined by an independent accountant or merchant bank agreed to by the Parties or, failing agreement within 2 (two) Business Days, appointed, at the request of either the Security Agent or the Pledgor, by the President for the time being of the Southern African Institute of Chartered Accountants (or the successor body thereto) (which independent accountant or merchant bank shall act as an expert and not as an arbitrator, shall be instructed to make his determination within 3 (three) Business Days after being requested to do so and shall determine the liability for his charges which will be paid accordingly); and/or
  - 7.1.6. institute any legal proceedings which the Security Agent may deem necessary in connection with any sale, purchase or other transfer of any of the Ceded Rights by the Security Agent or its nominee; and/or
  - 7.1.7. compromise any Ceded Rights, grant any extension or other indulgence in respect of any such Ceded Right, or agree to vary the terms of any such Ceded Right, or realise any security or suretyship held for any such Ceded Right; and/or
  - 7.1.8. generally to exercise all or any of the rights attaching or attributable to all or any portion of the Ceded Rights in such manner and to such extent as the Security Agent, in its sole and absolute discretion, considers necessary or expedient.
- 7.2. Subject to clause 7.1 the Security Agent, to the extent required by law, appoints the Pledgor as its agent to collect, at the Pledgor's sole cost and expense, amounts owing to the Pledgor in respect of the Ceded Rights. Such agency extends to the Pledgor taking legal proceedings to recover the amounts due. No fee shall be paid by the Security Agent to the Pledgor for services rendered by the Pledgor under this clause 7.2. The Security Agent shall be entitled to terminate the agency constituted by this clause 7.2 upon becoming entitled to enforce its rights under clause 7.1.
- 7.3. The Parties acknowledge and agree that:
- 7.3.1. the obligations of the Pledgor secured by the Security Cession are obligations of a commercial nature; and
  - 7.3.2. the application of the provisions of clause 7.1 will confer upon the Security Agent certain procedural advantages which, in the light of the commercial nature, of the transaction secured by the cession and pledge are fair,



reasonable and necessary to ensure that the Security Agent does not suffer unfair commercial prejudice.

- 7.4. The provisions of clause 7.1 are without prejudice to all other rights and remedies which the Security Agent may have at law and shall be severable and divisible from the other terms and conditions of this Agreement if same are found to be invalid or unenforceable. In this regard the Parties record that they would have concluded a cession and pledge on all the other terms hereof even if the *parate executie* terms included herein were not agreed upon and accordingly even if the *parate executie* terms are found to be invalid or unenforceable, the remaining provisions of this Agreement are intended to remain of full force and effect.
- 7.5. On the Security Agent taking any action in terms of clause 7.1, or terminating the agency contemplated in clause 7.2, or otherwise as required by the Security Agent, the Pledgor shall on demand by the Security Agent:
- 7.5.1. notify all persons required by the Security Agent in writing that payment for, delivery of or performance in respect of the Ceded Rights must be made to the Security Agent and that payment, delivery or performance to the Pledgor or to anyone else will not constitute valid payment, delivery or performance, and the Security Agent shall be entitled to do likewise. The Pledgor shall on demand by the Security Agent provide proof that such notification has been duly given;
  - 7.5.2. refuse to accept any payment, delivery or performance tendered in respect of the Ceded Rights and order that such payment, delivery or performance be tendered to the Security Agent;
  - 7.5.3. without charge, permit the Security Agent or anyone nominated by the Security Agent to have access to and to work at the Pledgor's premises and to use the Pledgor's facilities and personnel for the purposes of enforcing its rights under this Agreement; and
  - 7.5.4. at its own cost, carry out any directions the Security Agent may give in regard to the realisation of the Ceded Rights and sign any document or do any other act necessary to vest the Ceded Rights in the Security Agent.
- 7.6. If the Pledgor fails to fulfil promptly its obligations detailed in this Agreement, the Security Agent may cause such obligations to be fulfilled and recover from the Pledgor any expenses incurred by the Security Agent.
- 7.7. Any amount realised by the Security Agent, on the realisation of the Ceded Rights in terms of this clause 7, which is in excess of the amount owing by the Pledgor to the Security Agent in terms of the Secured Obligations, shall be repayable to the Pledgor within 10 (ten)

Business Days after the complete, unconditional and irrevocable fulfilment of all the Secured Obligations.

- 7.8. The exercise by the Security Agent of any of its rights in terms of this clause 7 shall not relieve the Pledgor from its liability to the Security Agent for the balance of the Secured Obligations to the extent that the proceeds of any realisation of the Ceded Rights may fall short of the full amount of such Secured Obligations.

## 8. **PLEDGOR'S RIGHTS, POWERS AND PRIVILEGES TO THE SHARES AND CEDED RIGHTS**

- 8.1. In so far as no Event of Default has occurred or is Continuing, the Pledgor is entitled, at its own cost to:

- 8.1.1. receive notice of every general meeting of shareholders of the Company;
- 8.1.2. attend every general meeting of the shareholders of the Company, and exercise all the votes attaching to the Shares at such meetings in a manner that is not reasonably likely to have an adverse affect on the rights and interests of the Security Agent under the this Agreement; and
- 8.1.3. receive all distributions and collect and retain and use all amounts payable in respect of, these distributions, in its own name and for its own benefit, subject to the provisions of the Finance Documents.

## 9. **COMPETITION PROVISIONS**

- 9.1. If the exercise of any of the Security Agent's rights in terms of this Agreement gives rise to a statutory obligation not to implement the exercise of those rights until approval is granted by any relevant competition authority in terms of the Competition Act 1998 ("**Competition Act**"), then, notwithstanding anything to the contrary contained or implied in this Agreement, the exercise by the Security Agent of such of those rights as may give rise to such an obligation shall be subject to the fulfilment of the suspensive condition that such approval is granted by the relevant competition authority, either unconditionally, or on terms and conditions acceptable to the Security Agent, subject to the provisions of clause 9.3.
- 9.2. The Pledgor agrees to be represented by the Security Agent and/or its nominee in any merger control proceedings in terms of the Competition Act (and shall include a statement to that effect in any relevant Statement of Merger Information) on the following basis:
- 9.2.1. the Pledgor shall not file any notice or document or make any representation to any relevant competition authority without the prior written approval of the Security Agent; and

9.2.2. the Pledgor shall co-operate with and shall provide the Security Agent or its nominee with such assistance as may be reasonably required for the purposes of participating in any merger control proceedings under the Competition Act.

9.3. The Security Agent shall be entitled to appeal against any conditional approval or prohibition of the exercise of its rights under this Agreement, and in such event the Pledgor shall in all respects co-operate with the Security Agent in all such appeal proceedings.

## 10. APPROPRIATION OF PROCEEDS

The Security Agent shall apply the net proceeds of all amounts received pursuant to the sale or other realisation of the Ceded Rights (after deducting all properly evidenced costs and expenses incurred by the Security Agent in relation to such realisation) in reduction or discharge, as the case may be, of the Pledgor's obligations under the Secured Obligations in its sole discretion as it deems fit. Any amount remaining thereafter shall be paid to the Pledgor provided that all of the Secured Obligations have been completely, unconditionally and irrevocably fulfilled.

## 11. CONTINUING SECURITY

11.1. The Ceded Rights shall constitute security for the proper and timely performance by the Pledgor of the Secured Obligations. The pledge and cession *in securitatem debiti* shall remain in full force as a continuing covering security until such time as all the Secured Obligations have been discharged or the pledge and cession *in securitatem debiti* has been released in accordance with this Agreement. This Agreement shall continue to be of full force and effect and binding on the Pledgor, and the rights, powers and remedies conferred upon the Security Agent in respect of this Agreement shall not be discharged, impaired or otherwise affected by:

- 11.1.1. the exercise by any Secured Party or the Security Agent, or the failure of any Secured Party or the Security Agent to exercise, any right, power or remedy under the Finance Documents or this Agreement and/or the legal effectiveness of any such exercise;
- 11.1.2. any of the obligations of the Pledgor under the Finance Documents or otherwise, being or becoming illegal, invalid, unenforceable or ineffective in any respect;
- 11.1.3. any amendment to, or any variation, novation, waiver or release of any of the Pledgor's obligations in terms of the Finance Documents or otherwise, other than in accordance with the express terms of any amendment, variation, novation, waiver or release of the terms of this Agreement;

- 11.1.4. any release, discharge, exchange or substitution of any security taken for the obligations of the Pledgor under the Finance Documents or otherwise;
- 11.1.5. the Pledgor being legally prevented from making any payment or transfer required to be paid or made under the Finance Documents or otherwise;
- 11.1.6. the illegality, invalidity or unenforceability of, or any defect in terms of, the obligations of the Pledgor under the Finance Documents or otherwise;
- 11.1.7. time or other indulgence being granted or agreed to be granted by the Security Agent or any Secured Party to the Pledgor;
- 11.1.8. any failure to realise or to realise fully the value of any security taken in respect of the Secured Obligations; or
- 11.1.9. any other act, event or omission which, but for this clause 11, might operate to discharge, impair or otherwise affect any of the obligations of the Pledgor in terms of the Finance Documents or otherwise or any rights, powers or remedies conferred upon the Security Agent by law.

## 12. DURATION

This Agreement is a continuing covering security and will terminate only upon the unconditional and irrevocable fulfilment of all the Secured Obligations.

## 13. ADDITIONAL SECURITY

This Agreement is in addition to and not in substitution for any other Security held or hereafter to be held by the Security Agent from any party in connection with the Secured Obligations or otherwise and the Security Agent shall, without prejudice to its rights hereunder, be entitled to release any such additional Security held by it.

## 14. POWER OF ATTORNEY

The Pledgor hereby appoints, with effect from the time when the Security Agent becomes entitled to exercise any of its rights pursuant to clause 7, any manager or director of the Security Agent irrevocably *in rem suam*, with power of substitution to be its lawful attorney and agent to sign all such documents and do all such things as may be necessary or desirable to give effect to any of the rights and powers which the Security Agent may exercise in terms of this Agreement or at law.

## 15. **PLEDGOR BOUND NOTWITHSTANDING CERTAIN CIRCUMSTANCES**

15.1. The Pledgor agrees that on signature hereof it will be bound in terms of this Agreement to the full extent thereof, despite the fact that:

- 15.1.1. any intended additional Security from the Pledgor for the Secured Obligations may not be obtained or protected or may be released or may cease to be held for any other reason;
- 15.1.2. any variation or novation of the Finance Documents may be agreed;
- 15.1.3. the Security Agent or any Secured Party may grant any indulgence to the Pledgor or any surety or may not exercise any one or more of its rights hereunder or under the Finance Documents, either timeously or at all; and
- 15.1.4. any other fact or circumstance may arise (including any act or omission by the Security Agent) on which the Pledgor or any surety might otherwise be able to rely on a defence based on prejudice, waiver or estoppel.

15.2. If the Pledgor suffers any loss arising from any of the facts, circumstances, acts or omissions referred to above, the Pledgor will have no claim against the Security Agent or any Secured Party in respect thereof.

## 16. **EXEMPTION FROM LIABILITY**

The Security Agent and its officers, trustees, agents, beneficiaries, employees and advisors shall not be liable for any loss or damage (including but not limited to lost profits, and even if such party was advised of the likelihood of such loss or damage), whether direct, indirect, consequential, special, punitive or otherwise, suffered by the Pledgor arising from any cause in connection with this Agreement, whether the loss or damage results from any breach of contract, delict, negligence or any other cause and whether this Agreement has been terminated or not, other than as a result of the Security Agent's gross negligence or wilful misconduct.

## 17. **INDEMNITY**

Provided that there is no gross negligence on the part of the Security Agent or that the Security Agent is not in wilful default of any obligation it may have in terms of this Agreement, the Pledgor hereby absolves the Security Agent absolutely from, and indemnifies the Security Agent against any costs, including but not limited to, legal costs, taxes, loss, liability, damage, fines or reasonable expense which the Security Agent may suffer or sustain as a consequence, directly or indirectly, of the Security Agent lawfully exercising any of its rights set out herein and/or failing or omitting to protect any of the Pledgor's interests in the Ceded Rights in any way.

## 18. KEEPING, INSPECTION AND DELIVERY OF RECORDS

- 18.1. The Pledgor shall at all times keep up-to-date records of the Ceded Rights pledged and ceded as security to the Security Agent and shall comply with any reasonable directions that the Security Agent may give in regard to the keeping of those records.
- 18.2. The Security Agent or anyone authorised by the Security Agent may at any time and on reasonable notice inspect any of the Pledgor's books of account and other records, including books of account and records in the possession of a third party.
- 18.3. If the Security Agent at any time so reasonably requests, the Pledgor shall at its own cost deliver to the Security Agent certified copies (at the Security Agent's option) of any of the books and records.

## 19. CERTIFICATE OF INDEBTEDNESS

A certificate signed by any divisional director or manager of the Security Agent (whose appointment and/or authority and/or designation it shall not be necessary to prove) setting out the amount of the Pledgor's liability to the Security Agent in terms of this Agreement, in the absence of manifest error, shall be *prima facie* proof of the matter stated therein and such proof may be tendered and used for all purposes, including for the purposes of pleadings and of obtaining provisional sentence or default, summary or other judgement thereon.

## 20. RENUNCIATION OF BENEFITS

The Pledgor hereby renounces the legal benefits and exceptions of excussion, division, *non numeratae pecuniae*, *non causa debiti*, revision of accounts and *errore calculi*, the Pledgor declaring itself to be fully acquainted with the full meaning and effect of this renunciation.

## 21. NOTICES AND DOMICILIA

- 21.1. For the purposes of the giving of notices and the serving of legal process in terms of this Agreement, each of the Parties chooses a *domicilium citandi et executandi* ("domicilium") as follows :

21.1.1.	the Pledgor at:	4 <sup>th</sup> Floor, 32 Wigmore Street, London, United Kingdom, W1U 2RP
	Telefax No.:	+44 (0)203 657 7019
	E-mail:	jog.dhody@regeneris.com
	Attention:	Finance Director, currently Jog Dhody

21.1.2. the Security Agent at: 120 Edmund Street,  
Birmingham, United Kingdom,  
B3 2QZ

Telefax No.: +44 7718 41850

E-mail: stephennorth@hsbc.com

Attention: Senior Corporate Banking Manager,  
currently Stephen North

21.2. Any Party may at any time, by notice in writing to the other Party, change its domicile to any other address which is not a post office box or *post restante*.

21.3. Any notice given in connection with this Agreement shall, save where a particular form of notice is stipulated, be:

21.3.1. delivered by hand; or

21.3.2. sent by courier; or

21.3.3. transmitted by e-mail; or

21.3.4. sent by telefax (if the domicile includes a telefax number),

to the domicile chosen by the Party concerned.

21.4. A notice given as set out above shall be deemed to have been duly given (unless the contrary is proved):

21.4.1. if delivered by hand, on the date of delivery; or

21.4.2. if sent by courier, on the date of delivery by the courier service concerned; or

21.4.3. if transmitted by e-mail, on the date of sending such e-mail, provided that there is no receipt of a system notification that such e-mail is undeliverable; or

21.4.4. if sent by telefax, on the expiration of 1 (one) Business Day after the time of transmission, it being agreed that the burden of proof shall be on the sender of the relevant notice that such notice has been given and that such burden will not be discharged by a transaction report generated by the sender's facsimile machine.

21.5. Any written notice actually received by a Party shall be valid, notwithstanding that it may not have been given in accordance with the preceding provisions of this clause 21.

## **GOVERNING LAW**

The entire provisions of this Agreement shall be governed by and construed in accordance with the laws of South Africa.

## **JURISDICTION**

The Parties hereby irrevocably and unconditionally consent to the non-exclusive jurisdiction of the South Gauteng High Court, Johannesburg (or any successor to that division) in regard to all matters arising from this Agreement.

## **WARRANTY OF AUTHORITY**

Each Party warrants to the other Party that it has the power, authority and legal right to sign and perform this Agreement and that this Agreement has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Agreement.

## **SEVERABILITY**

Each provision in this Agreement is severable from all others, notwithstanding the manner in which they may be linked together or grouped grammatically, and if in terms of any judgment or order, any provision, phrase, sentence, paragraph or clause is found to be defective or unenforceable for any reason, the remaining provisions, phrases, sentences, paragraphs and clauses shall nevertheless continue to be of full force. In particular, and without limiting the generality of the foregoing, the Parties hereto acknowledge their intention to continue to be bound by this Agreement notwithstanding that any provision may be found to be unenforceable or void or voidable, in which event the provision concerned shall be severed from the other provisions, each of which shall continue to be of full force.

## **GENERAL**

- 26.1. This document constitutes the sole record of the Agreement between the Parties in regard to the subject matter thereof.
- 26.2. No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded herein.
- 26.3. No addition to, variation or consensual cancellation of this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of all the Parties.
- 26.4. No latitude, extension of time or other indulgence which may be given or allowed by any Party to any other Party in respect of the performance of any obligation hereunder or



enforcement of any right arising from this Agreement and no single or partial exercise of any right by any Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver or a novation of, or otherwise affect any of that Party's rights in terms of or arising from this Agreement or estop such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

- 26.5. The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps, as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Agreement.
- 26.6. Save as is specifically provided in this Agreement, no Party shall be entitled to cede or delegate any of its rights or obligations under this Agreement without the prior written consent of the other Parties affected by such transfer of rights or obligations, which consent may not be unreasonably withheld or delayed.
- 26.7. To the extent that there is a conflict between the provisions of the Facility Agreement and the provisions of this Agreement, the provisions of this Agreement will prevail.

## 27. COSTS

- 27.1. The costs of and incidental to the negotiation, preparation and execution of this Agreement shall be borne by the Pledgor.
- 27.2. All legal costs incurred by the Security Agent in consequence of any default of the provisions of this Agreement by the Pledgor shall be payable on demand by the Pledgor and shall include collection charges, the costs incurred by the Security Agent in endeavouring to enforce such rights prior to the institution of legal proceedings and the costs incurred in connection with the satisfaction or enforcement of any judgement awarded in favour of the Security Agent in relation to its rights in terms of or arising out of this Agreement.

## 28. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

For:

REGENERSIS PLC (AS PLEDGOR)

Signature:

who warrants that he / she is duly authorised thereto

Name:

Date:

In the presence of:

Sog Dhoody  
09/07/2013

For:

HSBC BANK PLC (AS SECURITY AGENT)

Signature:

who warrants that he / she is duly authorised thereto

Name:

Date:

In the presence of:

FORM OF NOTICE AND ACKNOWLEDGEMENT TO REGENERIS (SOUTH AFRICA) PROPRIETARY  
LIMITED

NOTICE OF CESSION AND PLEDGE

To: Regeneris (South Africa) Proprietary Limited (the "**Company**")

From: Regeneris plc (the "**Pledgor**")

The Pledgor hereby gives the Company notice of the following:

1. The Pledgor has provided a cession and pledge in security in favour of HSBC Bank plc (the "**Security Agent**"), a copy of which is attached to this notice (the "**Cession and Pledge**").
2. Terms and expressions defined in the Cession and Pledge shall bear the same meaning when used herein.
3. Pursuant to the Cession and Pledge, the Pledgor pledged all of the Shares and ceded *in securitatem debiti* all of its Ceded Rights to the Security Agent, as a continuing general covering collateral security for the due, proper and timeous payment and performance in full of all of the Secured Obligations on the terms and conditions set out in the Cession and Pledge.
4. With effect from the occurrence of an Event of Default under the Finance Documents and whilst such is continuing and until notified by the Security Agent in writing otherwise, all payments to be made to the Company in respect of the Ceded Rights shall be made by you directly to the Security Agent by payment into such bank account of which you may be notified in writing by the Security Agent from time to time.
5. Kindly acknowledge the contents of this Notice and the Cession and Pledge by signing the attached acknowledgement.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2013

For: REGENERIS PLC (AS PLEDGOR)

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

**ACKNOWLEDGEMENT**

To: Regeneris plc (the "**Pledgor**")

From: Regeneris (South Africa) Proprietary Limited (the "**Company**")

We hereby acknowledge receipt of the Notice of Cession and Pledge dated **[insert date]** 2013 by the Pledgor, advising the Security Agent of the pledge and security cession given by the Pledgor in favour of the Security Agent and hereby irrevocably and unconditionally consent to, acknowledge and agree to, the terms and conditions thereof.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2013

For: **REGENERIS (SOUTH AFRICA) PROPRIETARY LIMITED**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

**FORM OF DIRECTORS' RESOLUTION****REGENERESIS (SOUTH AFRICA) PROPRIETARY LIMITED**

(Registration Number 2008/014263/07) incorporated in South Africa

(the "**Company**")

---

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY**

---

**RESOLVED**

1. That the Company notes and gives its consent to the pledge by Regeneris plc (the "**Pledgor**") to and in favour of HSBC Bank plc (the "**Security Agent**"), of all of the issued ordinary shares which may now or in future be held by the Pledgor in the Company (the "**Pledge**").
2. Terms and expressions defined in the facility agreement entered into between, amongst others, the Pledgor, HSBC Bank plc and the Guarantors (as defined therein) dated 11 May 2011, as amended by the amendment and restatement agreement dated 31 January 2012, as further amended and/or restated from time to time ("**Facility Agreement**") shall bear the same meaning when used herein.
3. That in the event of the transfer of all or any of such shares pursuant to such Pledge and in accordance with the provisions of the Pledge, the Company will:
  - 3.1. recognise the persons to whom the shares are to be transferred in accordance with the provisions of the Pledge;
  - 3.2. approve such transfer to such person(s); and
  - 3.3. give effect thereto by, *inter alia*, instructing the company secretary to make appropriate entries in the Company's register of members.
4. To the extent permitted by law, that the resolutions set out above are passed for the benefit of the Security Agent and that the Company will not be entitled to cancel or amend any such resolutions without the prior written consent of the Security Agent.

---

**[DIRECTORS]**

---

**SECURITY CESSION AND PLEDGE**

given by

**REGENERISIS PLC**

(a company incorporated and registered in England with Company Number 05113820)

(as “**Pledgor**”)

in favour of

**HSBC BANK PLC**

(Company Number 00014259)

(as “**Security Agent**”)

## TABLE OF CONTENTS

Clause number and description	Page
1. PARTIES.....	2
2. DEFINITIONS AND INTERPRETATION.....	2
3. INTRODUCTION .....	7
4. CESSION AND PLEDGE .....	7
5. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS.....	7
6. DELIVERY OF DOCUMENTS.....	9
7. REALISATION .....	10
8. PLEDGOR'S RIGHTS, POWERS AND PRIVILEGES TO THE SHARES AND CEDED RIGHTS.....	13
9. COMPETITION PROVISIONS .....	13
10. APPROPRIATION OF PROCEEDS .....	14
11. CONTINUING SECURITY .....	14
12. DURATION .....	15
13. ADDITIONAL SECURITY .....	15
14. POWER OF ATTORNEY.....	15
15. PLEDGOR BOUND NOTWITHSTANDING CERTAIN CIRCUMSTANCES .....	16
16. EXEMPTION FROM LIABILITY.....	16
17. INDEMNITY .....	16
18. KEEPING, INSPECTION AND DELIVERY OF RECORDS .....	17
19. CERTIFICATE OF INDEBTEDNESS .....	17
20. RENUNCIATION OF BENEFITS.....	17
21. NOTICES AND <i>DOMICILIA</i> .....	17
22. GOVERNING LAW .....	19
23. JURISDICTION.....	19
24. WARRANTY OF AUTHORITY .....	19
25. SEVERABILITY .....	19
26. GENERAL.....	19
27. COSTS.....	20
28. COUNTERPARTS .....	20
Schedule 1 .....	22
Schedule 2 .....	24

## 1. PARTIES

1.1. The Parties to this Agreement are:

1.1.1. Regenersis plc (as Pledgor); and

1.1.2. HSBC Bank plc (as Security Agent).

1.2. The Parties agree as set out below.

## 2. DEFINITIONS AND INTERPRETATION

2.1. In this Agreement, terms defined in the Facility Agreement shall, unless otherwise defined in this Agreement, bear a corresponding meaning when used in this Agreement, and, unless clearly inconsistent with or otherwise indicated by the context,:

2.1.1. **“Agreement”** means this security cession and pledge agreement and all Schedules hereto;

2.1.2. **“Ceded Rights”** means, in relation to the Pledgor, all of its rights of any nature whatsoever to and interests (if any) of any nature whatsoever in the Shares, whether actual, prospective or contingent, direct or indirect, whether a claim to the payment of money or to performance of any other obligation, and whether or not the said rights and interests were within the contemplation of the Parties at the Effective Date;

2.1.3. **“Company”** means Regenersis (South Africa) Proprietary Limited (Registration Number 2008/014263/07), a private company with limited liability duly incorporated according to the company laws of South Africa;

2.1.4. **“Continuing”** means an Event of Default that has not been remedied (in accordance with the terms of the Facility Agreement and/or any other Finance Documents and the applicable grace periods set out therein) or waived (in accordance with the terms of the Facility Agreement and/or any other Finance Documents), as the case may be, by the Lenders (as defined in the Facility Agreement);

2.1.5. **“Documents of Title”** means the share certificate/s and other documents of title referred to in clause 6.1 below;

2.1.6. **“Effective Date”** means the first date on which this Agreement has been executed by or on behalf of all of the Parties hereto;

2.1.7. **“Event of Default”** has the meaning given to it in the Facility Agreement;



- 2.1.8. **“Facility Agreement”** means the written facility agreement entered into between, amongst others, the Pledgor, HSBC Bank and the Guarantors (as defined therein) dated 11 May 2011, as amended by the amendment and restatement agreement dated 31 January 2012, as further amended and/or restated from time to time, in terms of which, *inter alia*, HSBC Bank has agreed to make available a revolving loan facility of up to £20,000,000 (twenty million pounds) to the Pledgor;
- 2.1.9. **“Finance Document”** has the meaning given to it in the Facility Agreement;
- 2.1.10. **“HSBC Bank”** means HSBC Bank plc (Company Number 00014259), a public company and registered bank duly incorporated according to the company and banking laws of England;
- 2.1.11. **“Parties”** means:
- 2.1.11.1. the Pledgor; and
- 2.1.11.2. the Security Agent,
- and **“Party”** shall, as the context requires, be a reference to any one of them;
- 2.1.12. **“Pledgor”** means Regeneris plc (Company Number 05113820), a public company duly incorporated with limited liability according to the company laws of England;
- 2.1.13. **“Secured Obligations”** means all present and future obligations, indebtedness, moneys and liabilities (whether actual or contingent) which are now, or may hereafter become, owing by the Pledgor to the Security Agent together with all damages suffered and all costs, charges and expenses reasonably incurred by the Security Agent from whatsoever cause and howsoever arising or in connection with the breach by the Pledgor of any obligations owed to the Security Agent in respect of such indebtedness, moneys and/or liabilities in terms of the Security Trust Deed, including the parallel debt obligation under and pursuant to the Security Trust Deed;
- 2.1.14. **“Security”** includes, without in any way limiting or affecting the generality thereof, mortgage and notarial bonds, cessions of claims, rights of action and receivables, cession of insurance policies, pledges of corporeals and incorporeals, liens, suretyships, guarantees, indemnities, deposits and generally all forms of intercession;

- 2.1.15. **“Security Agent”** means HSBC Bank, acting in its principal capacity as security trustee for the Secured Parties (as defined therein) under and pursuant to the Security Trust Deed;
  - 2.1.16. **“Security Cession”** means the pledge and cession *in securitatem debiti* recorded in this Agreement;
  - 2.1.17. **“Security Trust Deed”** means the security trust deed entered into between the Pledgor and others (as debtors) and HSBC Bank (as security agent, arranger, agent and lender), dated 12 May 2011, as amended on 31 January 2012, as further amended and/or restated from time to time;
  - 2.1.18. **“Shares”** means all of the shares in the issued ordinary share capital of the Company legally and/or beneficially owned by the Pledgor as at the Effective Date and any Shares in the Company acquired by the Pledgor at any time thereafter; and
  - 2.1.19. **“South Africa”** means the Republic of South Africa as constituted from time to time.
- 2.2. Any reference in this Agreement to:
- 2.2.1. an **“affiliate”** means, in relation to any person, a subsidiary of that person or a holding company of that person or any other subsidiary of that holding company;
  - 2.2.2. a **“clause”** shall, subject to any contrary indication, be construed as a reference to a clause hereof;
  - 2.2.3. a **“holding company”** shall be construed in accordance with the Companies Act, 2008;
  - 2.2.4. **“law”** shall be construed as any law (including common or customary law) or statute, constitution, decree, judgment, treaty, regulation, directive, by-law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;
  - 2.2.5. a **“Schedule”** shall, subject to any contrary indication, be construed as a reference to a schedule hereof;
  - 2.2.6. a **“subsidiary”** shall be construed in accordance with the Companies Act, 2008; and

2.2.7. a “**person**” shall be construed as a reference to any person, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

2.3. Unless inconsistent with or otherwise indicated by the context:

2.3.1. if any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it appears only in this interpretation clause, effect shall be given to it as if it were a substantive provision of this Agreement;

2.3.2. when any number of days is prescribed in this Agreement, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day shall be the next succeeding Business Day;

2.3.3. in the event that the day for payment of any amount due in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for payment shall be the following Business Day;

2.3.4. in the event that the day for performance of any obligation to be performed in terms of this Agreement should fall on a day which is not a Business Day, the relevant day for performance shall be the subsequent Business Day;

2.3.5. any reference in this Agreement to an enactment is to that enactment as at the Effective Date and as amended or re-enacted from time to time;

2.3.6. any reference in this Agreement to this “Agreement” or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as may have been, or may from time to time be, amended, varied, novated or supplemented;

2.3.7. no provision of this Agreement constitutes a stipulation for the benefit of any person who is not a Party to this Agreement;

2.3.8. references to day/s, month/s or year/s shall be construed as Gregorian calendar day/s, month/s or year/s; and

2.3.9. a reference to a Party includes that Party’s successors-in-title and permitted assigns.

- 2.4. Unless inconsistent with the context, an expression which denotes:
- 2.4.1. any one gender includes the other genders;
  - 2.4.2. a natural person includes an artificial person and *vice versa*; and
  - 2.4.3. the singular includes the plural and *vice versa*.
- 2.5. The Schedules to this Agreement form an integral part hereof and words and expressions defined in this Agreement shall bear, unless the context otherwise requires, the same meaning in such Schedules. To the extent that there is any conflict between the Schedules to this Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 2.6. Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the same meaning as ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause.
- 2.7. The rule of construction that, in the event of ambiguity, the contract shall be interpreted against the Party responsible for the drafting thereof, shall not apply in the interpretation of this Agreement.
- 2.8. The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.9. This Agreement shall be binding on and enforceable by the estates, heirs, executors, administrators, trustees, permitted assigns or liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's estate, heirs, executors, administrators, trustees, permitted assigns or liquidators, as the case may be.
- 2.10. The use of any expression in this Agreement covering a process available under South African law such as winding-up (without limitation *eiusdem generis*) shall, if any of the Parties to this Agreement is subject to the law of any other jurisdiction, be construed as including any equivalent or analogous proceedings under the law of such other jurisdiction.
- 2.11. Where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail.
- 2.12. This Agreement is designated a Finance Document.

### 3. INTRODUCTION

- 3.1. As security for the obligations which the Pledgor now has and may, from time to time, have to the Secured Agent arising from or out of the Secured Obligations, the Pledgor has agreed to pledge and cede *in securitatem debiti* all of the Ceded Rights to the Security Agent on the terms and conditions set out in this Agreement.
- 3.2. The Pledgor hereby acknowledges that the Security Agent may:
- 3.2.1. perform all duties and exercise all rights, powers and discretions that are specifically and expressly given to it in terms of this Agreement, together with any other incidental rights, powers and discretions; and
- 3.2.2. enter into this Agreement.

### 4. CESSION AND PLEDGE

- 4.1. With effect from the Effective Date, the Pledgor hereby pledges and cedes *in securitatem debiti* all of its Ceded Rights to the Security Agent, as a continuing general covering collateral security for the due, proper and timeous payment and performance in full of all of the Secured Obligations, on the terms and conditions set out in this Agreement, which pledge and cession *in securitatem debiti* the Security Agent hereby accepts.
- 4.2. For the avoidance of doubt, the Parties record that it is their intention that the pledge and security cession contemplated in clause 4.1 shall not constitute an out and out cession and the Pledgor, subject to the exercise by the Security Agent of the rights under clause 7, shall retain dominium over the Shares.

### 5. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS

- 5.1. On each day that this Agreement is in force, the Pledgor, for the benefit of the Security Agent:
- 5.1.1. warrants, represents and undertakes that, it is and will remain the sole and beneficial owner of the Ceded Rights to the exclusion of all others and no person has an option or right of refusal over the Ceded Rights;
- 5.1.2. warrants, represents and undertakes that, the Ceded Rights ceded to the Security Agent under this Agreement have not been ceded (either outright or as security), discounted, factored, mortgaged under notarial bond or otherwise, or otherwise disposed of or hypothecated, nor are they subject to any other rights in favour of any person (including without limitation any rights of pre-emption) other than in terms of and as may be set out in this Agreement;

- 5.1.3. warrants, represents and undertakes that, upon the pledge and cession *in securitatem debiti* of the Ceded Rights by it to the Security Agent under this Agreement, to the best of the Pledgor's knowledge, having made all appropriate enquiries, the Security Agent will have a valid security interest in the Ceded Rights;
- 5.1.4. warrants, represents and undertakes that, as of the Effective Date, no other person will have any rights of any nature whatsoever in respect of the Ceded Rights that have been ceded *in securitatem debiti* which rank prior to the Security Agent's rights in terms of this Agreement, now or at any time until the release of the cession *in securitatem debiti* in accordance with this Agreement;
- 5.1.5. warrants, represents and undertakes that, it has the necessary legal capacity to enter into and perform its obligations under this Agreement and has taken all necessary internal action to authorise the execution and performance of this Agreement and this Agreement accordingly creates legal, valid, binding and enforceable obligations of it;
- 5.1.6. warrants, represents and undertakes that, there are no material facts or circumstances relating to the Ceded Rights, other than those already in the public domain, which have not been fully and fairly disclosed to the Security Agent (unless the disclosure of such information is prohibited by statute);
- 5.1.7. warrants, represents and undertakes that, the conclusion of this Agreement will not cause it to be in breach of any other agreement to which it is a party;
- 5.1.8. waives any and all rights in respect of the Ceded Rights which it may have in conflict with the rights of the Security Agent under this Agreement;
- 5.1.9. acknowledges that it may not pledge, cede, assign or transfer or in any other manner encumber or deal with the Ceded Rights without the prior written consent of the Security Agent;
- 5.1.10. agrees that on the occurrence of any breach or default in respect of any Secured Obligation which is Continuing, it shall forthwith on demand pay over to the Security Agent any interest or other benefits of any nature accrued and/or received in respect of the Ceded Rights relating to the period after such a breach, by depositing the same into a nominated account as the Security Agent may from time to time direct in writing; and
- 5.1.11. undertakes and agrees to the extent possible to prevent any variation of the value of, or rights relating to, the Ceded Rights without the prior written consent of the Security Agent.

- 5.2. Should the Ceded Rights be subject to any right in breach of the representations, warranties and undertakings in clause 5.1.2 then, without prejudice to any other rights that the Security Agent may have, any reversionary or other interests the Pledgor may have in the Ceded Rights are also ceded to the Security Agent, and if the holder(s) of that cession or right is entitled to possession of any of the documents referred to in clause 6, and such holder(s) exercise(s) that right, then the Pledgor shall deliver photocopies of the documents to the Security Agent, and as soon as the holder of that cession or right ceases to be entitled to possession or gives up possession, the Pledgor shall deliver the relevant documents to the Security Agent.
- 5.3. It is recorded that the Security Agent has entered into this Agreement on the strength of and relying on the warranties and representations in this clause 5, each of which shall be deemed to be separate warranties and representations, given without prejudice to any other warranty or representation, and deemed to be material representations inducing the Security Agent to enter into this Agreement.

## 6. DELIVERY OF DOCUMENTS

- 6.1. The Pledgor shall deliver to the Security Agent or its nominee:
- 6.1.1. the original share certificate/s (or any replacement certificate issued in terms of the Companies Act, 2008) in respect of the Shares, such certificate/s to be duly endorsed "*non-resident*" by the South African Reserve Bank or an authorised dealer in foreign exchange mandated by the South African Reserve Bank to act as such in terms of the Currency and Exchanges Act, 1933 and the Exchange Control Regulations published pursuant to that Act;
  - 6.1.2. in respect of the Shares, share transfer forms duly signed by the Pledgor as transferor and blank as to transferee;
  - 6.1.3. a written notice and acknowledgement substantially in the form of **Schedule 1** hereto notifying the Company of the Security Cession and signed by the Company to acknowledge such Security Cession; and
  - 6.1.4. a duly signed copy of the resolution of the board of directors of the Company, attached hereto as **Schedule 2**,
- on or before the Effective Date.
- 6.2. The Security Agent shall be entitled to retain possession of the Documents of Title, and to deal with them in accordance with the provisions of this Agreement until all the Secured Obligations have been unconditionally and irrevocably finally discharged or released, as the case may be, whereupon the Documents of Title shall be returned to the Pledgor.

- 6.3. If the Ceded Rights are evidenced by a document, or when the Pledgor holds security for any obligation in respect of such Ceded Rights and the security is evidenced by a document, the Pledgor shall, if so requested by the Security Agent, immediately deliver a certified copy of that document to the Security Agent.
- 6.4. In addition to the documents referred to above, the Pledgor shall deliver to the Security Agent any other documents relating to the Ceded Rights for which the Security Agent may at any time reasonably call, which documents shall be delivered to the Security Agent within a reasonable period, as agreed between the Security Agent and the Pledgor, and, failing such agreement, within 10 (ten) Business Days.
- 6.5. A breach by the Pledgor of any obligation to deliver a document to the Security Agent or commit any other act in terms of this clause 6, shall not affect the validity or completion of the Security Cession of the Ceded Rights in this Agreement.
- 6.6. The Pledgor shall generally do everything that may be required by the Security Agent for the purposes of and to give effect to this Agreement, failing which the Security Agent may, if possible, attend thereto and recover from the Pledgor, any expenses incurred in doing so.

## 7. REALISATION

- 7.1. On the occurrence of an Event of Default which is Continuing, the Pledgor hereby irrevocably and unconditionally authorises and empowers the Security Agent or its nominee, without any further authority or consent of any nature whatsoever required from the Pledgor and without the need for recourse to the courts of South Africa, but subject to all applicable laws, and in its name, to:
  - 7.1.1. exercise all the rights, powers and privileges attaching to the Ceded Rights; and/or
  - 7.1.2. exercise (or refrain from exercising) all voting rights in respect of the Shares in the manner which it, in its sole and absolute discretion, determines; and/or
  - 7.1.3. receive payment for, delivery of and/or performance in respect of the Ceded Rights in its own name; and/or
  - 7.1.4. immediately realise the Ceded Rights or any portion thereof, whether by public auction or private treaty, for such price and subject to such terms and conditions as it, acting in its discretion, thinks fit subject to the condition that such price and such terms and conditions shall be arrived at on an arm's-length basis and shall not cause undue prejudice to the interests of the Pledgor; and/or



- 7.1.5. immediately take over the Ceded Rights or a portion thereof at the fair market value, which in the absence of agreement within 2 (two) Business Days after delivery by the Security Agent to the Pledgor of a written notice stating that the Security Agent intends to exercise its rights pursuant to this clause 7.1.5, shall be determined by an independent accountant or merchant bank agreed to by the Parties or, failing agreement within 2 (two) Business Days, appointed, at the request of either the Security Agent or the Pledgor, by the President for the time being of the Southern African Institute of Chartered Accountants (or the successor body thereto) (which independent accountant or merchant bank shall act as an expert and not as an arbitrator, shall be instructed to make his determination within 3 (three) Business Days after being requested to do so and shall determine the liability for his charges which will be paid accordingly); and/or
  - 7.1.6. institute any legal proceedings which the Security Agent may deem necessary in connection with any sale, purchase or other transfer of any of the Ceded Rights by the Security Agent or its nominee; and/or
  - 7.1.7. compromise any Ceded Rights, grant any extension or other indulgence in respect of any such Ceded Right, or agree to vary the terms of any such Ceded Right, or realise any security or suretyship held for any such Ceded Right; and/or
  - 7.1.8. generally to exercise all or any of the rights attaching or attributable to all or any portion of the Ceded Rights in such manner and to such extent as the Security Agent, in its sole and absolute discretion, considers necessary or expedient.
- 7.2. Subject to clause 7.1 the Security Agent, to the extent required by law, appoints the Pledgor as its agent to collect, at the Pledgor's sole cost and expense, amounts owing to the Pledgor in respect of the Ceded Rights. Such agency extends to the Pledgor taking legal proceedings to recover the amounts due. No fee shall be paid by the Security Agent to the Pledgor for services rendered by the Pledgor under this clause 7.2. The Security Agent shall be entitled to terminate the agency constituted by this clause 7.2 upon becoming entitled to enforce its rights under clause 7.1.
- 7.3. The Parties acknowledge and agree that:
- 7.3.1. the obligations of the Pledgor secured by the Security Cession are obligations of a commercial nature; and
  - 7.3.2. the application of the provisions of clause 7.1 will confer upon the Security Agent certain procedural advantages which, in the light of the commercial nature, of the transaction secured by the cession and pledge are fair,

reasonable and necessary to ensure that the Security Agent does not suffer unfair commercial prejudice.

- 7.4. The provisions of clause 7.1 are without prejudice to all other rights and remedies which the Security Agent may have at law and shall be severable and divisible from the other terms and conditions of this Agreement if same are found to be invalid or unenforceable. In this regard the Parties record that they would have concluded a cession and pledge on all the other terms hereof even if the *parate executie* terms included herein were not agreed upon and accordingly even if the *parate executie* terms are found to be invalid or unenforceable, the remaining provisions of this Agreement are intended to remain of full force and effect.
- 7.5. On the Security Agent taking any action in terms of clause 7.1, or terminating the agency contemplated in clause 7.2, or otherwise as required by the Security Agent, the Pledgor shall on demand by the Security Agent:
  - 7.5.1. notify all persons required by the Security Agent in writing that payment for, delivery of or performance in respect of the Ceded Rights must be made to the Security Agent and that payment, delivery or performance to the Pledgor or to anyone else will not constitute valid payment, delivery or performance, and the Security Agent shall be entitled to do likewise. The Pledgor shall on demand by the Security Agent provide proof that such notification has been duly given;
  - 7.5.2. refuse to accept any payment, delivery or performance tendered in respect of the Ceded Rights and order that such payment, delivery or performance be tendered to the Security Agent;
  - 7.5.3. without charge, permit the Security Agent or anyone nominated by the Security Agent to have access to and to work at the Pledgor's premises and to use the Pledgor's facilities and personnel for the purposes of enforcing its rights under this Agreement; and
  - 7.5.4. at its own cost, carry out any directions the Security Agent may give in regard to the realisation of the Ceded Rights and sign any document or do any other act necessary to vest the Ceded Rights in the Security Agent.
- 7.6. If the Pledgor fails to fulfil promptly its obligations detailed in this Agreement, the Security Agent may cause such obligations to be fulfilled and recover from the Pledgor any expenses incurred by the Security Agent.
- 7.7. Any amount realised by the Security Agent, on the realisation of the Ceded Rights in terms of this clause 7, which is in excess of the amount owing by the Pledgor to the Security Agent in terms of the Secured Obligations, shall be repayable to the Pledgor within 10 (ten)

Business Days after the complete, unconditional and irrevocable fulfilment of all the Secured Obligations.

- 7.8. The exercise by the Security Agent of any of its rights in terms of this clause 7 shall not relieve the Pledgor from its liability to the Security Agent for the balance of the Secured Obligations to the extent that the proceeds of any realisation of the Ceded Rights may fall short of the full amount of such Secured Obligations.

## 8. **PLEDGOR'S RIGHTS, POWERS AND PRIVILEGES TO THE SHARES AND CEDED RIGHTS**

- 8.1. In so far as no Event of Default has occurred or is Continuing, the Pledgor is entitled, at its own cost to:

- 8.1.1. receive notice of every general meeting of shareholders of the Company;
- 8.1.2. attend every general meeting of the shareholders of the Company, and exercise all the votes attaching to the Shares at such meetings in a manner that is not reasonably likely to have an adverse affect on the rights and interests of the Security Agent under the this Agreement; and
- 8.1.3. receive all distributions and collect and retain and use all amounts payable in respect of, these distributions, in its own name and for its own benefit, subject to the provisions of the Finance Documents.

## 9. **COMPETITION PROVISIONS**

- 9.1. If the exercise of any of the Security Agent's rights in terms of this Agreement gives rise to a statutory obligation not to implement the exercise of those rights until approval is granted by any relevant competition authority in terms of the Competition Act 1998 ("**Competition Act**"), then, notwithstanding anything to the contrary contained or implied in this Agreement, the exercise by the Security Agent of such of those rights as may give rise to such an obligation shall be subject to the fulfilment of the suspensive condition that such approval is granted by the relevant competition authority, either unconditionally, or on terms and conditions acceptable to the Security Agent, subject to the provisions of clause 9.3.
- 9.2. The Pledgor agrees to be represented by the Security Agent and/or its nominee in any merger control proceedings in terms of the Competition Act (and shall include a statement to that effect in any relevant Statement of Merger Information) on the following basis:
- 9.2.1. the Pledgor shall not file any notice or document or make any representation to any relevant competition authority without the prior written approval of the Security Agent; and

9.2.2. the Pledgor shall co-operate with and shall provide the Security Agent or its nominee with such assistance as may be reasonably required for the purposes of participating in any merger control proceedings under the Competition Act.

9.3. The Security Agent shall be entitled to appeal against any conditional approval or prohibition of the exercise of its rights under this Agreement, and in such event the Pledgor shall in all respects co-operate with the Security Agent in all such appeal proceedings.

## 10. APPROPRIATION OF PROCEEDS

The Security Agent shall apply the net proceeds of all amounts received pursuant to the sale or other realisation of the Ceded Rights (after deducting all properly evidenced costs and expenses incurred by the Security Agent in relation to such realisation) in reduction or discharge, as the case may be, of the Pledgor's obligations under the Secured Obligations in its sole discretion as it deems fit. Any amount remaining thereafter shall be paid to the Pledgor provided that all of the Secured Obligations have been completely, unconditionally and irrevocably fulfilled.

## 11. CONTINUING SECURITY

11.1. The Ceded Rights shall constitute security for the proper and timely performance by the Pledgor of the Secured Obligations. The pledge and cession *in securitatem debiti* shall remain in full force as a continuing covering security until such time as all the Secured Obligations have been discharged or the pledge and cession *in securitatem debiti* has been released in accordance with this Agreement. This Agreement shall continue to be of full force and effect and binding on the Pledgor, and the rights, powers and remedies conferred upon the Security Agent in respect of this Agreement shall not be discharged, impaired or otherwise affected by:

11.1.1. the exercise by any Secured Party or the Security Agent, or the failure of any Secured Party or the Security Agent to exercise, any right, power or remedy under the Finance Documents or this Agreement and/or the legal effectiveness of any such exercise;

11.1.2. any of the obligations of the Pledgor under the Finance Documents or otherwise, being or becoming illegal, invalid, unenforceable or ineffective in any respect;

11.1.3. any amendment to, or any variation, novation, waiver or release of any of the Pledgor's obligations in terms of the Finance Documents or otherwise, other than in accordance with the express terms of any amendment, variation, novation, waiver or release of the terms of this Agreement;

- 11.1.4. any release, discharge, exchange or substitution of any security taken for the obligations of the Pledgor under the Finance Documents or otherwise;
- 11.1.5. the Pledgor being legally prevented from making any payment or transfer required to be paid or made under the Finance Documents or otherwise;
- 11.1.6. the illegality, invalidity or unenforceability of, or any defect in terms of, the obligations of the Pledgor under the Finance Documents or otherwise;
- 11.1.7. time or other indulgence being granted or agreed to be granted by the Security Agent or any Secured Party to the Pledgor;
- 11.1.8. any failure to realise or to realise fully the value of any security taken in respect of the Secured Obligations; or
- 11.1.9. any other act, event or omission which, but for this clause 11, might operate to discharge, impair or otherwise affect any of the obligations of the Pledgor in terms of the Finance Documents or otherwise or any rights, powers or remedies conferred upon the Security Agent by law.

## 12. DURATION

This Agreement is a continuing covering security and will terminate only upon the unconditional and irrevocable fulfilment of all the Secured Obligations.

## 13. ADDITIONAL SECURITY

This Agreement is in addition to and not in substitution for any other Security held or hereafter to be held by the Security Agent from any party in connection with the Secured Obligations or otherwise and the Security Agent shall, without prejudice to its rights hereunder, be entitled to release any such additional Security held by it.

## 14. POWER OF ATTORNEY

The Pledgor hereby appoints, with effect from the time when the Security Agent becomes entitled to exercise any of its rights pursuant to clause 7, any manager or director of the Security Agent irrevocably in *rem suam*, with power of substitution to be its lawful attorney and agent to sign all such documents and do all such things as may be necessary or desirable to give effect to any of the rights and powers which the Security Agent may exercise in terms of this Agreement or at law.

**15. PLEDGOR BOUND NOTWITHSTANDING CERTAIN CIRCUMSTANCES**

15.1. The Pledgor agrees that on signature hereof it will be bound in terms of this Agreement to the full extent thereof, despite the fact that:

15.1.1. any intended additional Security from the Pledgor for the Secured Obligations may not be obtained or protected or may be released or may cease to be held for any other reason;

15.1.2. any variation or novation of the Finance Documents may be agreed;

15.1.3. the Security Agent or any Secured Party may grant any indulgence to the Pledgor or any surety or may not exercise any one or more of its rights hereunder or under the Finance Documents, either timeously or at all; and

15.1.4. any other fact or circumstance may arise (including any act or omission by the Security Agent) on which the Pledgor or any surety might otherwise be able to rely on a defence based on prejudice, waiver or estoppel.

15.2. If the Pledgor suffers any loss arising from any of the facts, circumstances, acts or omissions referred to above, the Pledgor will have no claim against the Security Agent or any Secured Party in respect thereof.

**16. EXEMPTION FROM LIABILITY**

The Security Agent and its officers, trustees, agents, beneficiaries, employees and advisors shall not be liable for any loss or damage (including but not limited to lost profits, and even if such party was advised of the likelihood of such loss or damage), whether direct, indirect, consequential, special, punitive or otherwise, suffered by the Pledgor arising from any cause in connection with this Agreement, whether the loss or damage results from any breach of contract, delict, negligence or any other cause and whether this Agreement has been terminated or not, other than as a result of the Security Agent's gross negligence or wilful misconduct.

**17. INDEMNITY**

Provided that there is no gross negligence on the part of the Security Agent or that the Security Agent is not in wilful default of any obligation it may have in terms of this Agreement, the Pledgor hereby absolves the Security Agent absolutely from, and indemnifies the Security Agent against any costs, including but not limited to, legal costs, taxes, loss, liability, damage, fines or reasonable expense which the Security Agent may suffer or sustain as a consequence, directly or indirectly, of the Security Agent lawfully exercising any of its rights set out herein and/or failing or omitting to protect any of the Pledgor's interests in the Ceded Rights in any way.

## 18. KEEPING, INSPECTION AND DELIVERY OF RECORDS

- 18.1. The Pledgor shall at all times keep up-to-date records of the Ceded Rights pledged and ceded as security to the Security Agent and shall comply with any reasonable directions that the Security Agent may give in regard to the keeping of those records.
- 18.2. The Security Agent or anyone authorised by the Security Agent may at any time and on reasonable notice inspect any of the Pledgor's books of account and other records, including books of account and records in the possession of a third party.
- 18.3. If the Security Agent at any time so reasonably requests, the Pledgor shall at its own cost deliver to the Security Agent certified copies (at the Security Agent's option) of any of the books and records.

## 19. CERTIFICATE OF INDEBTEDNESS

A certificate signed by any divisional director or manager of the Security Agent (whose appointment and/or authority and/or designation it shall not be necessary to prove) setting out the amount of the Pledgor's liability to the Security Agent in terms of this Agreement, in the absence of manifest error, shall be *prima facie* proof of the matter stated therein and such proof may be tendered and used for all purposes, including for the purposes of pleadings and of obtaining provisional sentence or default, summary or other judgement thereon.

## 20. RENUNCIATION OF BENEFITS

The Pledgor hereby renounces the legal benefits and exceptions of excussion, division, *non numeratae pecuniae*, *non causa debiti*, revision of accounts and *errore calculi*, the Pledgor declaring itself to be fully acquainted with the full meaning and effect of this renunciation.

## 21. NOTICES AND DOMICILIA

- 21.1. For the purposes of the giving of notices and the serving of legal process in terms of this Agreement, each of the Parties chooses a *domicilium citandi et executandi* ("domicilium") as follows :

21.1.1.	the Pledgor at:	4 <sup>th</sup> Floor, 32 Wigmore Street, London, United Kingdom, W1U 2RP
	Telefax No.:	+44 (0)203 657 7019
	E-mail:	jog.dhody@regenersis.com
	Attention:	Finance Director, currently Jog Dhody

21.1.2. the Security Agent at: 120 Edmund Street,  
Birmingham, United Kingdom,  
B3 2QZ  
Telefax No.: +44 7718 41850  
E-mail: stephennorth@hsbc.com  
Attention: Senior Corporate Banking Manager,  
currently Stephen North

21.2. Any Party may at any time, by notice in writing to the other Party, change its domicile to any other address which is not a post office box or *post restante*.

21.3. Any notice given in connection with this Agreement shall, save where a particular form of notice is stipulated, be:

21.3.1. delivered by hand; or

21.3.2. sent by courier; or

21.3.3. transmitted by e-mail; or

21.3.4. sent by telefax (if the domicile includes a telefax number),

to the domicile chosen by the Party concerned.

21.4. A notice given as set out above shall be deemed to have been duly given (unless the contrary is proved):

21.4.1. if delivered by hand, on the date of delivery; or

21.4.2. if sent by courier, on the date of delivery by the courier service concerned; or

21.4.3. if transmitted by e-mail, on the date of sending such e-mail, provided that there is no receipt of a system notification that such e-mail is undeliverable; or

21.4.4. if sent by telefax, on the expiration of 1 (one) Business Day after the time of transmission, it being agreed that the burden of proof shall be on the sender of the relevant notice that such notice has been given and that such burden will not be discharged by a transaction report generated by the sender's facsimile machine.

21.5. Any written notice actually received by a Party shall be valid, notwithstanding that it may not have been given in accordance with the preceding provisions of this clause 21.



22. **GOVERNING LAW**

The entire provisions of this Agreement shall be governed by and construed in accordance with the laws of South Africa.

23. **JURISDICTION**

The Parties hereby irrevocably and unconditionally consent to the non-exclusive jurisdiction of the South Gauteng High Court, Johannesburg (or any successor to that division) in regard to all matters arising from this Agreement.

24. **WARRANTY OF AUTHORITY**

Each Party warrants to the other Party that it has the power, authority and legal right to sign and perform this Agreement and that this Agreement has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Agreement.

25. **SEVERABILITY**

Each provision in this Agreement is severable from all others, notwithstanding the manner in which they may be linked together or grouped grammatically, and if in terms of any judgment or order, any provision, phrase, sentence, paragraph or clause is found to be defective or unenforceable for any reason, the remaining provisions, phrases, sentences, paragraphs and clauses shall nevertheless continue to be of full force. In particular, and without limiting the generality of the foregoing, the Parties hereto acknowledge their intention to continue to be bound by this Agreement notwithstanding that any provision may be found to be unenforceable or void or voidable, in which event the provision concerned shall be severed from the other provisions, each of which shall continue to be of full force.

26. **GENERAL**

26.1. This document constitutes the sole record of the Agreement between the Parties in regard to the subject matter thereof.

26.2. No Party shall be bound by any express or implied term, representation, warranty, promise or the like, not recorded herein.

26.3. No addition to, variation or consensual cancellation of this Agreement and no extension of time, waiver or relaxation or suspension of any of the provisions or terms of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of all the Parties.

26.4. No latitude, extension of time or other indulgence which may be given or allowed by any Party to any other Party in respect of the performance of any obligation hereunder or

enforcement of any right arising from this Agreement and no single or partial exercise of any right by any Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver or a novation of, or otherwise affect any of that Party's rights in terms of or arising from this Agreement or estop such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

- 26.5. The Parties undertake at all times to do all such things, to perform all such acts and to take all such steps and to procure the doing of all such things, the performance of all such actions and the taking of all such steps, as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Agreement.
- 26.6. Save as is specifically provided in this Agreement, no Party shall be entitled to cede or delegate any of its rights or obligations under this Agreement without the prior written consent of the other Parties affected by such transfer of rights or obligations, which consent may not be unreasonably withheld or delayed.
- 26.7. To the extent that there is a conflict between the provisions of the Facility Agreement and the provisions of this Agreement, the provisions of this Agreement will prevail.

## 27. COSTS

- 27.1. The costs of and incidental to the negotiation, preparation and execution of this Agreement shall be borne by the Pledgor.
- 27.2. All legal costs incurred by the Security Agent in consequence of any default of the provisions of this Agreement by the Pledgor shall be payable on demand by the Pledgor and shall include collection charges, the costs incurred by the Security Agent in endeavouring to enforce such rights prior to the institution of legal proceedings and the costs incurred in connection with the satisfaction or enforcement of any judgement awarded in favour of the Security Agent in relation to its rights in terms of or arising out of this Agreement.

## 28. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

For: **REGENERIS PLC (AS PLEDGOR)**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

Date: \_\_\_\_\_

In the presence of: \_\_\_\_\_

For: **HSBC BANK PLC (AS SECURITY AGENT)**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: DANIEL JOHN WATKINS

Date: 9 April 2013

In the presence of: \_\_\_\_\_

H. B. Carslake  
Notary Public  
1 Colmore Square  
Birmingham B4 6AA



For: REGENERSIS PLC (AS PLEDGOR)

Signature: \_\_\_\_\_

who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

Date: \_\_\_\_\_

In the presence of: \_\_\_\_\_

For: HSBC BANK PLC (AS SECURITY AGENT)



Signature: \_\_\_\_\_

who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

Date: \_\_\_\_\_

In the presence of: \_\_\_\_\_

<b>APOSTILLE</b> (Convention de La Haye du 5 octobre 1961)	
1. <b>Country:</b> Pays/Pais	United Kingdom of Great Britain and Northern Ireland
<b>This public document</b> Le présent acte public / El presente documento público	
2. <b>Has been signed by</b> a été signé par ha sido firmado por	Hugh Bampffield Carslake
3. <b>Acting in the capacity of</b> agissant en qualité de quien actúa en calidad de	Notary Public
4. <b>Bears the seal/stamp of</b> est revêtu du sceau / timbre de y está revestido del sello / timbre de	The Said Notary Public
<b>Certified</b> Atestado / Certificado	
5. <b>at</b> à / en	London
6. <b>the</b> le / el día	12 July 2013
7. <b>by</b> par / por	Her Majesty's Principal Secretary of State for Foreign and Commonwealth Affairs
8. <b>Number</b> sous no / bajo el número	J708349
9. <b>Seal / stamp:</b> Sceau / timbre: Sello / timbre:	
10. <b>Signature:</b> Signature: Firma:	A Muscella 

This Apostille is not to be used in the UK and only confirms the authenticity of the signature, seal or stamp on the attached UK public document. It does not confirm the authenticity of the underlying document. Apostilles attached to documents that have been photocopied and certified in the UK confirm the signature of the UK public official who conducted the certification only. It does not authenticate either the signature on the original document or the contents of the original document in any way.

If this document is to be used in a country which is not party to the Hague Convention of 5th October 1961, it should be presented to the consular section of the mission representing that country.

**FORM OF NOTICE AND ACKNOWLEDGEMENT TO REGENERSIS (SOUTH AFRICA) PROPRIETARY  
LIMITED**

**NOTICE OF CESSION AND PLEDGE**

To: Regeneris (South Africa) Proprietary Limited (the “**Company**”)

From: Regeneris plc (the “**Pledgor**”)

The Pledgor hereby gives the Company notice of the following:

1. The Pledgor has provided a cession and pledge in security in favour of HSBC Bank plc (the “**Security Agent**”), a copy of which is attached to this notice (the “**Cession and Pledge**”).
2. Terms and expressions defined in the Cession and Pledge shall bear the same meaning when used herein.
3. Pursuant to the Cession and Pledge, the Pledgor pledged all of the Shares and ceded *in securitatem debiti* all of its Ceded Rights to the Security Agent, as a continuing general covering collateral security for the due, proper and timeous payment and performance in full of all of the Secured Obligations on the terms and conditions set out in the Cession and Pledge.
4. With effect from the occurrence of an Event of Default under the Finance Documents and whilst such is continuing and until notified by the Security Agent in writing otherwise, all payments to be made to the Company in respect of the Ceded Rights shall be made by you directly to the Security Agent by payment into such bank account of which you may be notified in writing by the Security Agent from time to time.
5. Kindly acknowledge the contents of this Notice and the Cession and Pledge by signing the attached acknowledgement.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2013

For: **REGENERSIS PLC (AS PLEDGOR)**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

**ACKNOWLEDGEMENT**

To: Regeneris plc (the **"Pledgor"**)

From: Regeneris (South Africa) Proprietary Limited (the **"Company"**)

We hereby acknowledge receipt of the Notice of Cession and Pledge dated **[insert date]** 2013 by the Pledgor, advising the Security Agent of the pledge and security cession given by the Pledgor in favour of the Security Agent and hereby irrevocably and unconditionally consent to, acknowledge and agree to, the terms and conditions thereof.

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2013

For: **REGENERIS (SOUTH AFRICA) PROPRIETARY LIMITED**

Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto

Name: \_\_\_\_\_

**FORM OF DIRECTORS' RESOLUTION**

**REGENERSIS (SOUTH AFRICA) PROPRIETARY LIMITED**

(Registration Number 2008/014263/07) incorporated in South Africa

(the "**Company**")

---

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY**

---

**RESOLVED**

1. That the Company notes and gives its consent to the pledge by Regenersis plc (the "**Pledgor**") to and in favour of HSBC Bank plc (the "**Security Agent**"), of all of the issued ordinary shares which may now or in future be held by the Pledgor in the Company (the "**Pledge**").
2. Terms and expressions defined in the facility agreement entered into between, amongst others, the Pledgor, HSBC Bank plc and the Guarantors (as defined therein) dated 11 May 2011, as amended by the amendment and restatement agreement dated 31 January 2012, as further amended and/or restated from time to time ("**Facility Agreement**") shall bear the same meaning when used herein.
3. That in the event of the transfer of all or any of such shares pursuant to such Pledge and in accordance with the provisions of the Pledge, the Company will:
  - 3.1. recognise the persons to whom the shares are to be transferred in accordance with the provisions of the Pledge;
  - 3.2. approve such transfer to such person(s); and
  - 3.3. give effect thereto by, *inter alia*, instructing the company secretary to make appropriate entries in the Company's register of members.
4. To the extent permitted by law, that the resolutions set out above are passed for the benefit of the Security Agent and that the Company will not be entitled to cancel or amend any such resolutions without the prior written consent of the Security Agent.

---

**[DIRECTORS]**