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U.S. DEPARTMENT OF COMMERCE
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RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)
INEOS Commercial Services UK Limited

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: BARCLAYS BANK PLC
Internal Address: _____
Street Address: 5 The North Colonnade
Canary Wharf
City: London
State: _____
Country: United Kingdom Zip: E14 4BB
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance/Execution Date(s):
Execution Date(s) February 10, 2012

Assignment Merger
 Security Agreement Change of Name
 Joint Research Agreement
 Government Interest Assignment
 Executive Order 9424, Confirmatory License
 Other _____

4. Application or patent number(s): This document is being filed together with a new application.

A. Patent Application No.(s)
B. Patent No.(s)
7,718,811

Additional numbers attached? Yes No

5. Name and address to whom correspondence concerning document should be mailed:
Name: INEOS USA LLC
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6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40

Authorized to be charged to deposit account
 Enclosed
 None required (government interest not affecting title)

8. Payment Information
Deposit Account Number 50-3573
Authorized User Name David P. Yusko

9. Signature: David P. Yusko March 13, 2012
Signature Date
David P. Yusko
Name of Person Signing
Total number of pages including cover sheet, attachments, and documents: 51

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
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CH \$40.00 503573 771881

Execution version

SHEARMAN & STERLING LLP

Dated 10 February 2012

THE COMPANIES NAMED HEREIN
as Charging Companies

- and -

BARCLAYS BANK PLC
as Security Agent

DEBENTURE

Note: The application of recoveries under this debenture is regulated by the terms of the Intercreditor Deed, dated 12th May 2010 (as amended or amended and restated from time to time)

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THIS DEED is dated 10 February 2012

BETWEEN:

- (1) **THE COMPANIES** listed in Schedule 1 as Charging Companies (the "**Charging Companies**"); and
- (2) **BARCLAYS BANK PLC** as security trustee for itself and the other Secured Parties (the "**Security Agent**").

WHEREAS:

- (A) We refer to the indenture dated as of 10 February 2012 among the Senior Secured Note Issuer, the guarantors named therein, The Bank of New York Mellon, as trustee, and the other parties thereto pursuant to which the Senior Secured Note Issuer will issue Senior Secured Notes.
- (B) Each Charging Company hereby agrees to enter into this Deed in order to provide Transaction Security to secure liabilities and obligations arising under the Senior Facilities Agreement, the Original Senior Secured Notes, the 2019 Senior Secured Notes and any Additional Senior Secured Notes.

THE PARTIES TO THIS DEED AGREE as follows:

I. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**2019 Senior Secured Indenture**" means the indenture dated as of 10 February 2012 among the Senior Secured Note Issuer, the guarantors named therein, The Bank of New York Mellon, as trustee, and the other parties thereto (as amended, restated, supplemented and/or waived from time to time);

"**2019 Senior Secured Note Creditors**" means the 2019 Senior Secured Noteholders and the 2019 Senior Secured Note Trustee;

"**2019 Senior Secured Note Documents**" means the 2019 Senior Secured Indenture, the 2019 Senior Secured Notes, the guarantees in respect of the 2019 Senior Secured Notes granted under the 2019 Senior Secured Indenture, the Security Interests granted or to be granted for the benefit of the 2019 Senior Secured Note Creditors pursuant to the 2019 Senior Secured Note Documents and the Intercreditor Deed;

"**2019 Senior Secured Noteholders**" means the holders from time to time of the 2019 Senior Secured Notes;

"**2019 Senior Secured Notes**" means the Senior Secured Notes issued or to be issued on or about the date of this Deed under the 2019 Senior Secured Indenture;

"**2019 Senior Secured Note Trustee**" means any entity appointed as trustee for any 2019 Senior Secured Noteholders;

"**Account Bank**" means any bank or financial institution with which a Charging Company maintains a bank account in England and Wales;

"**Additional Senior Secured Indenture**" means any indenture (other than the Original Senior Secured Indenture and the 2019 Senior Secured Indenture) pursuant to which any Additional Senior Secured Notes are issued (as amended, restated, supplemented and/or waived from time to time);

"**Additional Senior Secured Note Creditors**" means any Additional Senior Secured Noteholders and any Additional Senior Secured Note Trustee;

"**Additional Senior Secured Note Documents**" means any Additional Senior Secured Indenture, any Additional Senior Secured Notes, the guarantees in respect of any Additional Senior Secured Notes granted under any Additional Senior Secured Indenture, the Security Interests granted or to be granted for the benefit of any Additional Senior Secured Note Creditors pursuant to any Additional Senior Secured Note Documents, and the Intercreditor Deed;

"**Additional Senior Secured Noteholders**" means the holders from time to time of any Additional Senior Secured Notes;

"**Additional Senior Secured Notes**" means any Senior Secured Notes issued or to be issued by any Senior Secured Note Issuer after the date of this Deed other than the 2019 Senior Secured Notes issued under the 2019 Senior Secured Indenture;

"**Additional Senior Secured Note Trustee**" means any entity appointed as trustee for any Additional Senior Secured Noteholders;

"**Administrator**" means an administrator appointed under schedule BI of the Insolvency Act 1986;

"**Assigned Agreements**" means the Acquisition Documents, the Hedging Agreements, the Insurances, the Credit Support Deed, the Master Bilateral Netting Deed, any guarantee entered into in favour of any Group Company in accordance with the Credit Support Deed, the Credit Support Side Letter and the Assigned Intercompany Loan Agreements;

"**Assigned Intercompany Loan Agreements**" means:

- (a) the Intercompany Loan Agreements; and
- (b) any other loan entered into or to be entered into by any Charging Company with any other Group Company from time to time;

"**Book Debts**" means all book and other debts and monetary claims;

"**BP Creditors**" has the meaning given to that term in the Intercreditor Deed;

"**Cash Collateral Account**" means any Holding Account, any Mandatory Prepayment Account, or any other bank account of a Group Company with Barclays Bank PLC, the Security Agent or an Issuing Lender or an Ancillary Lender that is subject to a first priority fixed Security Interest in favour of any Senior Finance Party (in form and substance satisfactory to Barclays Bank PLC, the Security Agent or (as applicable) such Issuing Lender or Ancillary Lender) and is designated as a Cash Collateral Account by the Parent or Parent Holdco;

"**Charged Account**" means any Cash Collateral Account maintained with an Account Bank and any other account which any Charging Company has, or has any interest in, with any person and includes any replacement, substitute or additional account from time to time;

"**Charged Contract**" shall mean any instrument or agreement that is charged under Clause 3.1(a)(ii)(K) (*Fixed charges*);

"**Charged Property**" means the assets mortgaged, charged or assigned to the Security Agent by this Deed;

"**Declared Default**" means an Event of Default which is continuing and in respect of which the Security Agent has given notice of intention to enforce;

"**Delegate**" means any delegate, sub-delegate, agent, attorney or co-trustee appointed, directly or indirectly, pursuant to Clause 18 (*Delegation*);

"**Distribution Rights**" means all dividends, distributions and other income paid or payable on an Investment or Subsidiary Share, together with all shares or other property derived from that Investment or Subsidiary Share and all other allotments, accretions, rights, benefits and advantages of all kinds accruing, offered or otherwise derived from or incidental to that Investment or Subsidiary Share (whether by way of conversion, redemption, bonus, preference, option or otherwise);

"**Event of Default**" means any event or circumstance specified as such in any of the Senior Facilities Agreement, the Original Senior Secured Indenture, the 2019 Senior Secured Indenture any Additional Senior Secured Indenture or any Second Secured Indenture;

"**Excluded Assets**" means (i) the BP Receivables subject to a first ranking Security Interest for the benefit of the BP Creditors granted in accordance with clause 20 (*BP Receivables*) of the Intercreditor Deed and (ii) any Underlying Agreement subject to a first ranking Security Interest for the benefit of the BP Creditors granted in accordance with clause 20 (*BP Receivables*) of the Intercreditor Deed;

"**Existing Security**" means each of the March 2011 Debenture, the May 2010 Debenture, the January 2011 Debenture and the IGH Share Charge and Security Assignment;

"**Floating Charge Asset**" means an asset charged under Clause 3.2 (*Floating charge*);

"**IGH Share Charge and Security Assignment**" means the share charge and security assignment dated 12th May 2010 entered into by INEOS Group Holdings Limited (previously INEOS Group Holdings plc) in favour of Barclays Bank PLC as Security Agent for the Secured Parties (as defined therein) (as amended, restated, supplemented and/or waived from time to time);

"**Indebtedness**" means all money or liabilities due, owing or incurred to any Secured Party by any Charging Company or any other Group Company or any other grantor of Transaction Security under any Secured Document (including, without limitation, under any amendments, supplements or restatements of any Secured Documents (including, without limitation, any amendment to extend the maturity of any Facility, increase the total commitments of the Revolving Facility or to include any additional tranches of any Facility or to alter the margin, commission or fees applicable to any Facility under the Senior Finance Documents) however fundamental (to the extent permitted under the Secured Documents) or in relation to any new or increased advances or utilisations or additional note issuances) at present or in the future, in any manner whether actual or contingent, matured or unmatured, liquidated or unliquidated, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing thereon (both before and after judgment) and including all liabilities in connection with any notes, bills or other instruments accepted by any Secured Party for or at the request of a Group Company, and all losses incurred by any Secured Party in connection with any Secured Document (including, without limitation, under any amendments, supplements or restatements of any Secured Documents however fundamental (to the extent permitted under the Secured Documents) or in relation to any new or increased advances or utilisations or additional note issuances);

"**Insurances**" means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, any Charging Company or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors and officers insurance;

"**Intellectual Property**" means the Intellectual Property Rights owned or used by any Charging Company throughout the world or the interests of any Charging Company in any of those Intellectual Property Rights, together with the benefit of all agreements entered into or the benefit of which is enjoyed by any Charging Company relating to the use or exploitation of any of those Intellectual Property Rights;

"Intellectual Property Rights" means all patents and patent applications, trade and service marks and trade and service mark applications (and all goodwill associated with any such registrations and applications), all brand and trade names, all copyrights and rights in the nature of copyright, all design rights, all registered designs and applications for registered designs, all inventions, all trade secrets, all know-how and all other intellectual property rights throughout the world;

"Intercreditor Deed" means the intercreditor deed dated 12th May 2010 between, amongst others, the Obligors referred to therein, Barclays Bank PLC as security agent and as facility agent for the Senior Lenders and Second Secured Creditors referred to therein, BP International Limited as collateral agent for the BP Creditors referred to therein and acceded to by The Bank of New York Mellon as the trustee for the Senior Secured Noteholders referred to therein and by The Bank of New York Mellon as trustee for the High Yield Noteholders referred to therein (as amended, restated, supplemented and/or waived from time to time);

"Investment" means any negotiable instrument, certificate of deposit, debenture, share or other investment (as defined in part II of Schedule 2 to the Financial Services and Markets Act 2000 as at the date of this Deed) owned (now or in the future) by any Charging Company or held by any security agent, finance party, depositary, custodian, nominee, fiduciary, investment manager or clearing system on its behalf (including, unless the context otherwise requires, the Subsidiary Shares);

"January 2011 Debenture" means the English law debenture dated 31st January 2011 entered into by INEOS Group Holdings Limited (previously INEOS Group Holdings plc), INEOS Group Limited, INEOS Limited and INEOS Holdings (Investments) Limited in favour of Barclays Bank PLC as Security Agent for the Secured Parties (as defined therein) (as amended, restated, supplemented and/or waived from time to time);

"March 2011 Debenture" means the English law debenture dated 15th March 2011 entered into by INEOS Commercial Services UK Limited, INEOS Chemicals Grangemouth Limited and INEOS Infrastructure (Grangemouth) Limited in favour of Barclays Bank PLC as Security Agent for the Secured Parties (as defined therein) (as amended, restated, supplemented and/or waived from time to time);

"May 2010 Debenture" means the English law debenture dated 12th May 2010 entered into by INEOS Holdings Limited, INEOS Europe Limited, INEOS Tenderco Limited and INEOS Finance plc in favour of Barclays Bank PLC as Security Agent for the Secured Parties (as defined therein) (as amended, restated, supplemented and/or waived from time to time);

"Original Senior Secured Indenture" means the indenture dated as of 12th May 2010, among INEOS Finance plc, the guarantors named therein, The Bank of New York Mellon, as trustee, and the other parties thereto (as amended, restated, supplemented and/or waived from time to time);

"Original Senior Secured Note Creditors" means the Original Senior Secured Noteholders and the Original Senior Secured Note Trustee;

"Original Senior Secured Note Documents" means the Original Senior Secured Indenture, the Original Senior Secured Notes, the guarantees in respect of the Original Senior Secured Notes granted under the Original Senior Secured Indenture, the Security Interests granted or to be granted for the benefit of the Original Senior Secured Note Creditors pursuant to Original Senior Secured Note Documents, and the Intercreditor Deed;

"Original Senior Secured Notes" means the EUR 300,000,000, 9¼% senior secured notes due 2015 and the \$570,000,000, 9% senior secured notes due 2015, in each case, issued or to be issued under the Original Senior Secured Indenture;

"Original Senior Secured Noteholders" means the holders from time to time of any Original Senior Secured Notes;

"Original Senior Secured Note Trustee" means The Bank of New York Mellon as trustee for the Original Senior Secured Noteholders;

"Premises" means all freehold and leasehold property from time to time owned by any Charging Company or in which any Charging Company is otherwise interested;

"Relevant Account" means a Charged Account which is not a Cash Collateral Account (including without limitation the accounts listed in Schedule 6 (*Details of Relevant Accounts*)), or any account which is designated as such by the Security Agent and the Principal Obligor;

"Relevant Secured Documents" means the Senior Facilities Agreement, the Original Senior Secured Indenture, the 2019 Senior Secured Indenture, any Additional Senior Secured Indenture and any Second Secured Indenture;

"Second Secured Indenture" means any indenture pursuant to which any Second Secured Debt is issued or is to be issued (as amended, supplemented and/or waived from time to time);

"Second Secured Liabilities" has the meaning given to that term in the Intercreditor Deed;

"Secured Documents" means, together, the Senior Finance Documents, the Senior Secured Note Documents and the Second Secured Documents;

"Secured Parties" means each Senior Finance Party, each Senior Secured Note Creditor, each Second Secured Creditor and any Receiver or Delegate;

"Security Documents" has the meaning given to that term in the Intercreditor Deed;

"Senior Facilities Agreement" means the senior facilities agreement dated 12th May 2010 made between, amongst others, INEOS Group Limited, INEOS Holdings Limited as the Principal Obligor and the Original Lenders referred to therein (as amended, restated, refinanced, replaced, supplemented and/or waived from time to time);

"Senior Secured Note Creditors" means the Original Senior Secured Note Creditors, the 2019 Senior Secured Note Creditors and any Additional Senior Secured Note Creditors;

"Senior Secured Note Documents" means the Original Senior Secured Note Documents, the 2019 Senior Secured Note Documents and any Additional Senior Secured Note Documents;

"Subsidiary Shares" means all shares owned (now or in the future) by any Charging Company in its Subsidiaries, including any specified in Schedule 3 (*Subsidiary Shares*);

"Tax" means all present and future income and other taxes, levies, assessments, imposts, deductions, charges, duties, compulsory loans and withholdings on account of tax (wherever imposed) and any charges in the nature of taxation together with interest thereon and penalties and fines in relation thereto, if any, and any payments made on or in relation thereof and **"Taxation"** shall be construed accordingly;

"Transaction Security" means the Security Interests created or expressed to be created in favour of the Security Agent or any other Secured Party pursuant to the Security Documents;

"Underlying Agreement" has the meaning given to that term in the Credit Support Deed; and

"VAT" means value added tax as provided for in the Value Added Tax Act 1994 and any other Tax of a similar nature.

1.2 Construction

In this Deed, unless a contrary intention appears, a reference to:

- (a) an "**agreement**" includes any legally binding arrangement, concession, contract, deed or franchise (in each case whether oral or written);
- (b) an "**amendment**" includes any amendment, supplement, variation, novation, modification, replacement or restatement and "**amend**", "**amending**" and "**amended**" shall be construed accordingly;
- (c) "**assets**" includes property, business, undertaking and rights of every kind, present, future and contingent (including uncalled share capital) and every kind of interest in an asset;
- (d) a "**consent**" includes an authorisation, approval, exemption, licence, order, permission or waiver;
- (e) "**including**" means including without limitation and "**includes**" and "**included**" shall be construed accordingly;
- (f) "**losses**" includes losses, actions, damages, claims, proceedings, costs, demands, expenses (including fees) and liabilities and "**loss**" shall be construed accordingly;
- (g) a "**person**" includes any person, individual, firm, company, corporation, government, state or agency of a state or any undertaking (within the meaning of section 1161(1) of the Companies Act 2006) or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (h) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law compliance with which is customary by a relevant class or category of persons) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (i) the "**winding-up**" of any person includes its dissolution and/or termination and/or any equivalent or analogous proceedings under the law of any jurisdiction in which that person is incorporated;
- (j) unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Senior Facilities Agreement have the same meanings when used in this Deed;
- (k) the terms of the documents under which the Indebtedness arises and of any side letters between any Charging Company and any Secured Party relating to the Indebtedness are incorporated in this Deed to the extent required for any purported disposition of the Charged Property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989;
- (l) the parties intend that this document shall take effect as a deed, notwithstanding that the Security Agent has executed it under hand only; and
- (m) if:
 - (i) both the Senior Discharge Date (as defined in the Intercreditor Deed) insofar as it relates to the Senior Finance Documents and the Second Secured Discharge Date (as defined in the Intercreditor Deed) insofar as it relates to Second Secured Liabilities arising under the Senior Facilities Agreement have occurred; or

- (ii) the Senior Facilities Agreement is terminated or cancelled or is for any other reason invalid, illegal or otherwise unenforceable,

then the reference in this Deed to words and expressions being as defined in the Senior Facilities Agreement is to those words and expressions as defined immediately prior to such events.

1.3 Other references

In this Deed, unless a contrary intention appears:

- (a) a reference to any person is, where relevant, deemed to be a reference to or to include, as appropriate, that person's successors and permitted assignees or transferees;
- (b) references to Clauses and Schedules are references to, respectively, clauses of and schedules to this Deed and references to this Deed include its Schedules;
- (c) a reference to (or to any specified provision of) any agreement or document is to be construed as a reference to that agreement or document (or that provision) as it may be amended from time to time, but excluding for this purpose any amendment which is contrary to any provision of any Secured Document;
- (d) a reference to a statute, statutory instrument or accounting standard or any provision thereof is to be construed as a reference to that statute, statutory instrument or accounting standard or such provision thereof, as it may be amended or re-enacted from time to time;
- (e) the index to and the headings in this Deed are inserted for convenience only and are to be ignored in construing this Deed; and
- (f) words importing the plural shall include the singular and vice versa.

1.4 Intercreditor Deed

The rights and obligations of all parties to this Deed are subject to the terms of the Intercreditor Deed.

2. COVENANT TO PAY

Each Charging Company as primary obligor covenants with the Security Agent (for the benefit of the Security Agent and the other Secured Parties) that it will on demand pay or discharge the Indebtedness when it falls due for payment.

3. CHARGING CLAUSE

3.1 Fixed charges

- (a) Subject to sub-paragraph (b) below, each Charging Company, as security for the payment of the Indebtedness, charges in favour of the Security Agent (for the benefit of the Security Agent and the other Secured Parties) with full title guarantee the following assets, both present and future, from time to time owned by it or in which it has an interest:
 - (i) by way of first legal mortgage all freehold and leasehold property (including the property specified in Schedule 2 (*Details of Properties*)) together with all buildings and fixtures (including trade fixtures) on that property;
 - (ii) by way of first fixed charge:

- (A) all the Subsidiary Shares and Investments and all corresponding Distribution Rights;
 - (B) all other interests (not charged under Clause 3.1 (a)(i) (*Fixed charges*)) in any freehold or leasehold property, the buildings and fixtures (including trade fixtures) on that property, all proceeds of sale derived therefrom and the benefit of all warranties and covenants given in respect thereof and all licences to enter upon or use land and the benefit of all other agreements relating to land;
 - (C) all plant, machinery, vehicles, computers, office, goods, personal chattels and all other equipment and the benefit of all contracts, licences and warranties relating thereto;
 - (D) all Book Debts and all rights and claims against third parties and against any security in respect of Book Debts;
 - (E) all monies standing to the credit of its accounts (including the Cash Collateral Accounts) with any bank, financial institution or other person;
 - (F) all its Intellectual Property Rights (including those set out at Schedule 5 (*Intellectual Property Rights*));
 - (G) the benefit of all consents and agreements held by it in connection with the use of any of its assets;
 - (H) its goodwill and uncalled capital;
 - (I) if not effectively assigned by Clause 3.3 (*Security assignment*), all its rights and interests in (and claims under) the Assigned Agreements, including without limitation, all its rights and interests in (and claims and remedies under) the Assigned Agreements to the extent not at any time otherwise effectively assigned under Clause 3.3(a) (*Security Assignment*);
 - (J) any interest, claim or right in each case in respect of a return of surplus assets which it has now or subsequently in respect of any pension fund or plan;
 - (K) all the rights (including, without limitation, the right to receive compensation) now or subsequently of such Charging Company (not charged under Clauses 3.1(a)(ii)(A) (*Fixed charges*) to 3.1(a)(ii)(I) (*Fixed charges*) inclusive or effectively assigned by Clause 3.3 (*Security assignment*)) in respect of (a) joint venture, partnership, distributorship, building or development or similar agreements to which it is a party, (b) any warranty, bond, guarantee, indemnity, Security Interest or letter of credit issued in its favour, and (c) any bill of exchange or any other negotiable instrument held by it; and
 - (L) all the Underlying Agreements except for the Assigned Agreements.
- (b) The parties acknowledge that the ranking of the security created pursuant to Clause 3.1(a) (*Fixed charges*) is subject to the Existing Security and the Intercreditor Deed and that the application of proceeds pursuant to this Deed and the Existing Security is provided for in the Intercreditor Deed.

3.2 Floating charge

- (a) As further security for the payment of the Indebtedness, subject to sub-paragraph (b) below, each Charging Company charges with full title guarantee in favour of the Security Agent (for the benefit of the Security Agent and the other Secured Parties) by way of first floating charge all its present and future assets not otherwise effectively mortgaged by way of first legal mortgage under Clause 3.1(a)(i) (*Fixed charges*), charged by way of first fixed charge under Clause 3.1(a)(ii) (*Fixed charges*) or assigned under Clause 3.3 (*Security assignment*) including any assets comprised within a charge which is reconverted under Clause 3.5(c) (*Automatic conversion of floating charge*), heritable property and all other assets in Scotland.

The floating charge created by each Charging Company shall:

- (i) except as otherwise agreed in writing by the Security Agent, rank in priority to any other Security Interest created by a Receiver appointed under this Deed; and
- (ii) be a qualifying floating charge for the purposes of paragraph 14 of schedule B1 to the Insolvency Act 1986.
- (b) The parties acknowledge that the ranking of the security created pursuant to Clause 3.2(a) (*Floating charge*) is subject to the Existing Security and the Intercreditor Deed and that the application of proceeds pursuant to this Deed and the Existing Security is provided for in the Intercreditor Deed.

3.3 Security assignment

- (a) On and from the date on which the Assigned Agreements are re-assigned to the relevant Charging Company under each of the March 2011 Debenture, May 2010 Debenture or January 2011 Debenture (*Covenant to Release*) or the IGH Share Charge and Security Assignment (as the case may be), as further security for the payment of the Indebtedness, each Charging Company assigns absolutely (subject to the right to reassignment on redemption pursuant to Clause 24.6 (*Covenant to Release*)) to the Security Agent all its rights, title and interest in the Assigned Agreements, together with the benefit of all its rights, claims and remedies in respect of such Assigned Agreements.
- (b) Until the occurrence of a Declared Default, but subject to Clause 8.8 (*Assigned agreements*), each Charging Company may continue to deal with the counterparties to the relevant Assigned Agreements.

3.4 Conversion of floating charge

If:

- (a) a Declared Default has occurred; or
- (b) the Security Agent is, acting reasonably, of the view that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized or otherwise in jeopardy,

the Security Agent may, by notice to any Charging Company, (provided that, in respect of any conversion of the floating charge under paragraph (b) above, the Security Agent may only specify the Floating Charge Asset in question or the group of assets into which that Floating Charge Asset falls) convert the floating charge created under this Deed into a fixed charge as regards those assets which it specifies in the notice. Each relevant Charging Company shall promptly execute a fixed charge or legal assignment over those assets in the form which the Security Agent requires.

3.5 Automatic conversion of floating charge

- (a) Notwithstanding any other provision of this Deed (and without prejudice to the circumstances in which the floating charge created under Clause 3.2 (*Floating charge*) will crystallise under general law but subject to Clause 3.5(b) below):
- (i) if any Charging Company creates (or purports to create) any Security Interest (except as permitted by the Relevant Secured Documents or with the prior consent of the Security Agent) on or over any Floating Charge Asset;
 - (ii) if any third party levies or attempts to levy any distress, attachment, expropriation, sequestration, execution or other legal process against any Floating Charge Asset;
 - (iii) a resolution is passed or a petition is presented for the winding-up or administration in relation to any Charging Company which is not discharged within 14 days (in the case of a winding-up petition) or 5 days (in the case of a petition for an administration order) or in any event before such petition is heard or a resolution is passed for a creditors' voluntary winding-up or a creditors' voluntary winding-up is commenced, or
 - (iv) an Administrator or Receiver is appointed in respect of any Charging Company or the Security Agent receives notice of an intention to appoint an Administrator pursuant to paragraphs 15 or 26 of schedule B1 of the Insolvency Act 1986 in respect of any Charging Company,

the floating charge created under this Deed will automatically (without notice) and immediately be converted into a fixed charge over the relevant Floating Charge Asset.

- (b) No floating charge created by Clause 3.2 (*Floating charge*) may be converted into a fixed charge or otherwise crystallise solely by reason of:
- (i) the obtaining of a moratorium by any Charging Company;
 - (ii) anything done with a view to obtaining a moratorium,
- under section 1A and schedule A1 of the Insolvency Act 1986 as inserted by the Insolvency Act 2000 section 1, schedule 1, paragraphs 1 and 2.
- (c) Any charge which has crystallised under Clause 3.4 (*Conversion of floating charge*) or Clause 3.5(a) above may be reconverted into a floating charge by notice given at any time by the Security Agent to the Charging Company concerned in relation to the assets specified in such notice.

3.6 Fixed and floating security

- (a) Subject to paragraph (b) below, if for any reason any Security Interest in respect of any asset created or purported to be created pursuant to this Clause 3 (*Charging clause*) as a fixed charge or assignment, does not, or ceases to, take effect as a fixed charge or assignment, then it shall take effect as a first floating charge in respect of such asset. However it is the intent of the parties that the Security Interests over other Charged Property shall remain unaffected.
- (b) The parties acknowledge that the ranking of the security created pursuant to Clause 3.6(a) (*Fixed and floating security*) is subject to the Existing Security and the Intercreditor Deed and that the application of proceeds pursuant to this Deed and the Existing Security is provided for in the Intercreditor Deed.

3.7 Excluded Assets

There shall be excluded from the fixed charge created by Clause 3.1 (*Fixed charges*), any assets that are Excluded Assets.

3.8 Leasehold interests containing prohibition on charging

- (a) Until the relevant consent has been obtained, there shall be excluded from the mortgage and charge created by Clause 3.1 (*Fixed charges*) (and from the operation of the further assurance provisions set out in Clause 5 (*Further assurance*)) any leasehold property held by a Charging Company under a lease the terms of which either preclude absolutely such Charging Company from creating any charge over its leasehold interest in such property or require the consent of any third party prior to the creation of such charge and such consent shall not have been previously obtained (each an "Excluded Property").
- (b) With regard to each Excluded Property, each relevant Charging Company undertakes to make application for the consent of the relevant third party to the creation of the charge contained in Clause 3.1 (*Fixed charges*) (or to be created pursuant to Clause 5 (*Further assurance*)) within twenty Business Days of the date of this Deed or, if later, the date of entry into such lease, and to use all reasonable endeavours to obtain such consent as soon as possible and to keep the Security Agent or its solicitors regularly informed of the progress of its negotiations with such third parties.
- (c) Forthwith, upon receipt of the relevant third party's consent as aforesaid, the relevant Excluded Property shall thereupon stand charged to the Security Agent pursuant to the terms of Clause 3.1 (*Fixed charges*) above. If required by the Security Agent at any time following receipt of such consent the relevant Charging Company will execute a valid legal mortgage in such form as the Security Agent shall reasonably require and comply with the registration requirements set out in Clause 5.2 (*Land Registry*) and the requirements as to title deeds set out in Clause 8.6 (*Title documents*).

3.9 Intellectual Property Rights restricting charging

- (a) There shall be excluded from the charge created by Clause 3.1 (*Fixed charges*) and from the operation of Clause 5 (*Further assurance*) any Intellectual Property Right in which a Charging Company has an interest under any licence or other agreement which either precludes absolutely or conditionally (including requiring the consent of any third party) that Charging Company from creating any charge over its interest in that Intellectual Property (each an "Excluded Intellectual Property Right") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Intellectual Property Right, the relevant Charging Company undertakes to apply for the relevant consent or waiver of prohibition or condition within fourteen days of the date of this Deed or, if later, the date of acquisition of such Excluded Intellectual Property Right and, in respect of any licence or agreement which provides that the relevant third party will not unreasonably withhold its consent to charging, to use its reasonable endeavours to obtain such consent as soon as possible and to keep the Security Agent informed of the progress of its negotiations or, in any other case, to use all reasonable endeavours to obtain such consent as soon as possible.
- (c) Forthwith upon receipt of the relevant waiver or consent, the relevant formerly Excluded Intellectual Property Right shall stand charged to the Security Agent under Clause 3.1 (*Fixed charges*). At any time following receipt of that waiver or consent the relevant Charging Company will, if required by the Security Agent, forthwith execute a valid fixed charge or legal assignment in such form as the Security Agent shall require.

3.10 Contracts Containing Prohibition on Charging

- (a) There shall be excluded from the charge created by Clause 3.1 (*Fixed charges*) and from the operation of Clause 5 (*Further Assurance*), any Charged Contract in which a Charging Company has an interest under any such agreement or other instrument which either precludes absolutely or unconditionally (including requiring the consent of any third party) such Charging Company from creating any charge over its interest charging in that Charged Contract (each an "Excluded Contract") until the relevant condition or waiver has been satisfied or obtained.
- (b) For each Excluded Contract, the relevant Charging Company undertakes to use reasonable endeavours to promptly obtain the consent of the relevant third party for such rights to be charged under this Deed as soon as possible and to keep the Security Agent informed of the progress of its negotiations.
- (c) Forthwith, upon receipt of the relevant third party's waiver or consent as aforesaid, the relevant Excluded Contract shall thereupon be charged to the Security Agent pursuant to the terms of Clause 3.1 (*Fixed charges*) above. If required by the Security Agent at any time following receipt of such waiver or consent the relevant Charging Company will execute a valid fixed charge or legal assignment in such form as the Security Agent shall reasonably require.

3.11 Exceptions to the Security

The security created pursuant to this Clause 3 (*Charging clause*) shall not extend to any asset situated outside England and Wales to the extent that, and for so long as, any such security would be unlawful under the laws of the jurisdiction in which such asset is situated.

4. CONTINUING SECURITY

4.1 Continuing security

This security is to be a continuing security and will extend to the ultimate balance of sums payable by any Group Company or any other grantor of Transaction Security under the Secured Documents, notwithstanding any intermediate payment or settlement of all or any part of the Indebtedness or any other matter or thing.

4.2 Other security

This security is to be in addition and shall neither be merged in nor in any way exclude or prejudice or be affected by any other security, guarantee, or indemnity or other right which the Security Agent and/or any other Secured Party or any other person may now or after the date of this Deed hold for any of the Indebtedness, and this security may be enforced against any Charging Company without first having recourse to any other rights of the Security Agent or any other Secured Party.

5. FURTHER ASSURANCE

5.1 General

- (a) Each Charging Company will, at its own expense, promptly following request by the Security Agent, execute such deeds and other agreements and otherwise take whatever action the Security Agent may reasonably require in accordance with the Security Principles:
 - (i) to perfect and/or protect the security created (or intended to be created) by this Deed;
 - (ii) to facilitate the realisation or enforcement of such security;
 - (iii) to facilitate the exercise of any of the Security Agent's rights, powers or discretions under this Deed;

- (iv) to confer on the Security Agent security over any assets of that Charging Company (in whatever jurisdiction situated) equivalent or similar to the security intended to be conferred by this Deed; and/or
- (v) at any time after the occurrence of a Declared Default that is continuing or if the security created by this Deed has become enforceable, to confer on the Security Agent a legal fixed charge over Book Debts,

including the conversion of charges to assignments, equitable security to legal security, the execution of any transfer, conveyance, assignment or assurance whatsoever and the giving of all notices, orders, instructions and directions whatsoever.

- (b) Any Security Document required to be executed by any Charging Company under this Clause 5.1 (*General*) will contain clauses corresponding to the provisions set out in this Deed.

5.2 Land Registry

- (a) In relation to real property which is registered at the Land Registry or which is subject to a first registration application at the Land Registry and which is charged by way of legal mortgage under this Deed situated in England and Wales, each Charging Company hereby covenants to a restriction being entered on the Register of Title of all that real property under the Land Registration Act 2002 and agrees to apply for such a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Charge dated [●] in favour of [●] referred to in the Charges Register or their conveyancer".

- (b) Subject to the terms of the Senior Facilities Agreement, the Lenders are under an obligation to make further advances to Borrowers (as such terms are defined in the Senior Facilities Agreement) and this security has been made for securing, inter alia, those further advances. In relation to real property which is registered at the Land Registry and which is charged by way of a legal mortgage under this Deed which is situated in England or Wales, each Charging Company agrees to apply for such obligation to make further advances to be noted on the Register of Title of each such property.
- (c) In respect of any part of the Charged Property title to which is registered at the Land Registry or which is in the process of first registration at the Land Registry, it is certified that the security created by this Deed does not contravene any of the provisions of the memorandum or articles of association of any Charging Company.
- (d) In relation to all real property acquired by any Charging Company at any time following the date of this Deed and which shall be charged by way of legal mortgage under this Deed situated in England and Wales, such Charging Company shall, as soon as reasonably practicable following the completion of the acquisition, apply to the Land Registry for a restriction to be entered on the Register of Title to that property in the same form as the restriction set out in Clause 5.2(a) above, together with an application to the Land Registry in the form set out in Clause 5.2(b) above.
- (e) If the Security Agent gives notice to a Charging Company that the Security Agent will submit forms to the Land Registry pursuant to Clauses 5.2(a) or 5.2(b) above, that Charging Company shall provide the Security Agent with all duly completed forms reasonably requested by the Security Agent within seven days of such request together with all registration fees in connection therewith.

5.3 Register of trade marks

Each Charging Company as registered proprietor appoints the Security Agent as its agent to apply for the particulars of this Deed and of the Secured Parties' interest in its existing trade marks and trade mark applications and any future trade marks or trade mark applications registered or to be registered in the United Kingdom in the name of that Charging Company, to be entered on the Register of Trade Marks under section 25(1) of the Trade Marks Act 1994, and each Charging Company agrees to execute all documents and forms required to enable those particulars to be entered on the Register of Trade Marks.

6. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

No Charging Company may:

- (a) create or agree to create or allow to exist any Security Interest over any part of the Charged Property;
- (b) sell, lease, transfer or otherwise dispose of all or any part of the Charged Property or the right to receive or to be paid the proceeds arising on the disposal of the same, or agree or attempt to do so; or
- (c) dispose of the equity of redemption in respect of all or any part of the Charged Property,

except as permitted by the Relevant Secured Documents or with the prior written consent of the Security Agent.

7. REPRESENTATIONS AND WARRANTIES

7.1 Matters represented

Each Charging Company represents and warrants to the Security Agent (for the benefit of the Security Agent and each Secured Party) as set out in Clauses 7.2 (*Subsidiary shares*) to 7.4 (*Intellectual Property*) (inclusive) on the date of this Deed, which representations shall be repeated on the date of each Drawdown Request, on each Drawdown Date and on the first day of each Interest Period by reference to the facts and circumstances existing on the same date.

7.2 Subsidiary shares

Save to the extent it has disposed of any interest in the Subsidiary Shares identified against its name in Schedule 3 (*Subsidiary Shares*) pursuant to any disposal permitted by the Relevant Secured Documents, it is the legal and beneficial owner of the Subsidiary Shares identified against its name in Schedule 3 (*Subsidiary Shares*) and all of those Subsidiary Shares are fully paid.

7.3 Property

Schedule 2 (*Details of Properties*) identifies all freehold and leasehold property owned by it as at the date of this Deed. There are no proceedings, actions or circumstances relating to any of that property, save to the extent disposed of pursuant to any disposal permitted by the Relevant Secured Documents, which materially and adversely affect that property's value or its ability to use that property for the purpose for which it is currently used.

7.4 Intellectual Property

It is the sole legal and beneficial owner of the Intellectual Property listed against its name in Schedule 5 (*Intellectual Property Rights*) and such Schedule lists all the material patents and trademarks owned by it, in each case save to the extent disposed of pursuant to any disposal permitted by the Relevant Secured Documents.

8. UNDERTAKINGS

8.1 Duration of undertakings

Each Charging Company undertakes to the Security Agent (for the benefit of the Security Agent and each Secured Party) in the terms of this Clause 8 (*Undertakings*) from the date of this Deed and for so long as any security constituted by this Deed remains in force.

8.2 General undertakings

- (a) **Charged Property:** It will observe and perform all covenants and stipulations from time to time affecting the Charged Property, make all payments, carry out all registrations or renewals and, save as permitted by the Relevant Secured Documents, generally take all reasonable steps which are necessary to preserve, maintain and renew when necessary or desirable all the Charged Property which is material to or required in connection with its business or the business of the Group.
- (b) **Maintenance:** It will take all reasonable steps to keep all Premises, plant, machinery, fixtures, fittings, vehicles, computers and other equipment comprised in the Charged Property in repair to ensure the continuance of the effective operation of its business at the Premises comprised in the Charged Property.

8.3 Property undertakings

- (a) **Acquisitions:** It will notify the Security Agent if it intends to acquire any estate or interest in freehold, leasehold or heritable property (other than easements) and will in any event notify the Security Agent promptly in writing of the actual acquisition by it of any such freehold, leasehold or heritable property and will comply with its obligations in Clauses 5.2 (*Land Registry*) and 8.6 (*Title documents*) in respect thereto.
- (b) **Inspection:** It will permit the Security Agent and any person nominated by the Security Agent and notified to any Charging Company in writing to enter into and upon any Premises comprised in the Charged Property at all reasonable times during business hours and on not less than 24 hours' notice subject always to the reasonable security requirements of that Charging Company to view the state and condition of the Premises comprised in the Charged Property and will remedy any material defect or want of repair as soon as possible and in any event no later than four weeks after service by the Security Agent of notice of the defect or want of repair.
- (c) **Leases:** It will not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of the Premises comprised in the Charged Property or otherwise part with possession of the whole or any part of the Premises comprised in the Charged Property except:
 - (i) as permitted by the Relevant Secured Documents; or
 - (ii) with the prior written consent of the Security Agent.
- (d) **Forfeiture Notices:** It will give immediate notice to the Security Agent if it receives any notice under section 146 of the Law of Property Act 1925 or it has been notified that any proceedings are commenced against it for the forfeiture of any lease comprised in any Premises comprised in the Charged Property.

8.4 Collection of Book Debts

- (a) Each Charging Company will:

- (i) as agent for the Security Agent, collect all Book Debts and all Cash Equivalents or other securities held by way of temporary investment when the same mature, pay the proceeds into a Charged Account forthwith on receipt and, pending that payment, hold those proceeds on trust for the Security Agent;
- (ii) not charge, factor, discount or assign any of the Book Debts in favour of any other person, or purport to do so unless permitted by the Relevant Secured Documents or with the prior consent of the Security Agent;
- (iii) upon a Declared Default, give notice to the debtors of any of its Book Debts or other Charged Property referred to in Clause 8.4(a)(i) above of the Security Interests created by this Deed in such form as the Security Agent may require; and
- (iv)
 - (A) promptly deliver to the Account Bank on the date of this Deed or, if such Relevant Account is opened after the date of this Deed, as soon as reasonably practicable and in any event within five Business Days of the date on which such Relevant Account is opened, a duly completed notice in respect of each such account substantially in the form set out in Schedule 7 (*Form of Notice to Account Bank*) as applicable; and
 - (B) use all reasonable endeavours to procure that the bank with whom the Relevant Account is maintained promptly signs and delivers to the Security Agent an acknowledgement of notice substantially in the form set out in Schedule 7 (*Form of Notice to Account Bank*) as applicable.
- (b) If any Charging Company maintains an account in respect of which the acknowledgement referred to in Clause 8.4(a)(iv)(B) above has not been obtained, such Charging Company will transfer the account to an Account Bank which has returned such an acknowledgement or has agreed, in a manner satisfactory to the Security Agent, to the matters referred to in the acknowledgement.
- (c) Following a Declared Default, the Security Agent (or its Receiver) may (subject to the provisions of the Intercreditor Deed and to the payment of any claims with priority to the charges constituted by this Deed) withdraw amounts standing to the credit of the Relevant Accounts to meet any amount due and payable in respect of the Indebtedness to the Secured Parties when it is due and payable but unpaid or when the relevant Secured Parties are entitled to exercise set off rights against the relevant amounts under the terms of the relevant Secured Documents.

Until a Declared Default has occurred, each Charging Company may, subject to the provisions of the Relevant Secured Documents, operate and continue to deal with the Relevant Account.

8.5 Cash Collateral Accounts

- (a) Each Charging Company will:
 - (i) promptly deliver to the Account Bank on the date of this Deed or, if the relevant Cash Collateral Account is opened after the date of this Deed, the date on which such Cash Collateral Account is opened, a duly completed notice in respect of each such account substantially in the form set out in Schedule 7 (*Form of Notice to Account Bank*) as applicable; and
 - (ii) procure that the bank with which that Cash Collateral Account is maintained promptly signs and delivers to the Security Agent an acknowledgement of notice substantially in the form set out in Schedule 7 (*Form of Notice to Account Bank*) as applicable.

- (b) No Charging Company may withdraw all or any monies from time to time standing to the credit of any Cash Collateral Account, unless expressly permitted to do so by the Senior Facilities Agreement.
- (c) Following a Declared Default, the Security Agent (or its Receiver) may (subject to the provisions of the Intercreditor Deed and to the payment of any claims with priority to the charges constituted by this Deed) withdraw amounts standing to the credit of the Cash Collateral Accounts to meet any amount due and payable in respect of the Indebtedness to the Secured Parties when it is due and payable but unpaid or (in the case of the Senior Finance Parties) when the Senior Finance Parties are entitled to exercise set off rights against the relevant amounts under the terms of the Senior Facilities Agreement.

8.6 Title documents

Each Charging Company will promptly deposit with the Security Agent (or as it shall direct), unless such documents are already deposited with the Security Agent or held to its order in connection with the Existing Security:

- (a) all deeds and documents of title relating to all Charged Property and if those deeds and documents are with the Land Registry, will promptly deposit them with the Security Agent (or as it shall direct) upon their release;
- (b) all stocks and share certificates and other documents of title relating to the Subsidiary Shares/Investments together with stock transfer forms duly stamped, completed and executed in blank (except for the number and class of share and the transferor) and shall execute all other documents and take all further action which the Security Agent requires for the purpose of vesting title to the Subsidiary Shares/Investments in the name of the Security Agent or its nominees or any purchaser;
- (c) all policies of insurance for the time being charged under this Deed; and
- (d) all other documents relating to the Charged Property which the Security Agent from time to time requires.

8.7 Voting rights

- (a) Until a Declared Default occurs:
 - (i) all dividends, distributions and other monies paid on or derived from the Subsidiary Shares/Investments will be held for the account of the relevant Charging Company and will be promptly paid over to that Charging Company in accordance with its directions; and
 - (ii) all voting and other rights and powers attaching to the Subsidiary Shares/Investments will be exercised as the relevant Charging Company may from time to time reasonably direct, **provided that** such Charging Company shall not be entitled to direct that the voting and other rights attaching to the Subsidiary Shares/Investments be exercised in a manner which the Security Agent reasonably considers to be prejudicial to the interests of the Secured Parties under this Deed.
- (b) After a Declared Default occurs the Security Agent shall be entitled to:
 - (i) complete all instruments of transfer in relation to the Subsidiary Shares/Investments of each Charging Company on behalf of each Charging Company in favour of itself or such other person as it shall select and otherwise have any Investments registered in its name or the name of its nominee;

- (ii) receive and retain all dividends, distributions and other monies paid on the Subsidiary Shares/Investments; and
 - (iii) exercise or direct the exercise in the name of the relevant Charging Company of the voting rights and any other rights and powers attached to any Subsidiary Shares/Investments in such manner as it considers fit (including all powers given to trustees under Part II of the Trustee Act 2000.)
- (c) After a Declared Default occurs each Charging Company shall:
- (i) comply, or procure the compliance, with any directions of the Security Agent in respect of the exercise of any rights and powers exercisable in relation to its Subsidiary Shares/Investments; and
 - (ii) if the Security Agent so requests, promptly deliver to the Security Agent a form of proxy or other authority (in each case, in such form as the Security Agent shall reasonably require) appointing such person as the Security Agent shall select to be the proxy of each Charging Company or otherwise enabling such person as the Security Agent shall select to exercise such voting rights and other rights and powers as shall be specified (whether generally or specifically) in the relevant notice.
- (d) At any time when any Subsidiary Shares/Investments are registered in the name of the Security Agent or its nominee, the Security Agent will not be under any duty to ensure that any dividends, distributions or other monies payable in respect of those Subsidiary Shares/Investments are duly and promptly paid or received by it or its nominee, or to verify that the correct amounts are paid or received, or to take any action in connection with the taking up of any (or any offer of any) stocks, shares, rights, monies or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on or in respect of or in substitution for, any of those Subsidiary Shares/Investments.
- (e) Each Charging Company will promptly pay all calls or other payments which may at any time become due in respect of the Subsidiary Shares/Investments.
- (f) Each Charging Company will forward copies of all notices, documents and other communications received by it or its nominee in connection with the Subsidiary Shares/Investments to the Security Agent promptly following receipt.

8.8 Assigned agreements

Each Charging Company will:

- (a) not make or agree to make any amendments to the Assigned Agreements, waive any of its rights under the Assigned Agreements or exercise any right to terminate any of the Assigned Agreements, except (A) as permitted pursuant to the Relevant Secured Documents, (B) with the prior consent of the Security Agent or (C) (in the case of the Insurances only) any amendments to such Insurances that are of a minor or technical nature or which could not reasonably be expected to prejudice the interests of the Secured Parties; and
- (b) promptly after the execution of this Deed (or, if later, the date on which it becomes a party to the relevant Assigned Agreements), give notice to the other parties which are debtors under the Assigned Agreements to which it is a party that are not Charging Companies (or in the case of (A) the Assigned Intercompany Loan Agreements, parties that are not Holdcos or Obligor or, for the avoidance of doubt, Post Completion Date Obligor; and (B) any Credit Support Documents, parties that are not Group Companies) that it has assigned its rights under the Assigned Agreements to the Security Agent under this Deed. Such notice will be given in

substantially the form set out in Part 1 of Schedule 4 (*Forms of notice to counterparties (other than insurers) of Assigned Agreements*), except:

- (i) in the case of the Insurances where the notice will be substantially in the form set out in Part 2 of Schedule 4 (*Form of Notice of Assignment to Insurers*) (subject to such amendments as may be appropriate to accommodate (where applicable) more than one Charging Company being a party to a single notice delivered to a particular insurance company) **provided that** prior to a Declared Default, there shall be no requirement to deliver a notice in respect of Insurances other than Insurances in respect of property damage, business interruption, marine cargo, contractors' all risk and any other Insurances the Principal Obligor considers to be material; or
 - (ii) in the case of the Master Bilateral Netting Deed, the Credit Support Deed, or any guarantee entered into in favour of any Charging Company in accordance with the Credit Support Deed, where the notice will be substantially in the form set out in Part 3 of Schedule 4 (*Form of Notice to counterparties to the Master Bilateral Netting Deed, the Credit Support Deed or any guarantee entered into pursuant to the Credit Support Deed*).
- (c) Each Charging Company will use all reasonable endeavours to procure that each party served with any such notice countersigns and returns the notice to the Security Agent within 14 days of the date of the relevant notice.

8.9 Retention of documents

The Security Agent may retain any document delivered to it under Clause 8.6 (*Title documents*) or otherwise until the security created by this Deed is released and, if for any reason it ceases to hold any such document before that time, it may by notice to the relevant Charging Company require that the relevant document be redelivered to it and the relevant Charging Company shall promptly comply (or procure compliance) with that notice.

8.10 Power to remedy

If a Charging Company fails to comply with any covenant set out in Clauses 8.1 (*Duration of undertakings*) to Clause 8.9 (*Retention of documents*) (inclusive) and that failure is not remedied to the satisfaction of the Security Agent within 14 days, that Charging Company will allow (and irrevocably authorises) the Security Agent or any person which the Security Agent nominates to take on its behalf any action which is necessary to ensure that those covenants are complied with.

8.11 Indemnity

Each Charging Company will indemnify the Security Agent against all losses incurred by the Security Agent as a result of a breach by any Charging Company of its obligations under Clauses 8.1 (*Duration of undertakings*) to Clause 8.9 (*Retention of documents*) (inclusive) and in connection with the exercise by the Security Agent of its rights contained in Clause 8.10 (*Power to remedy*) above. All sums the subject of this indemnity will be payable by the relevant Charging Company to the Security Agent on demand.

8.12 Revocation and other actions in relation to Intellectual Property

Without prejudice to the creation of any Security Interest pursuant to this Deed, no breach of any representation, warranty, undertaking or other provision (in each case, whether expressed or implied) under this Deed shall arise solely by reason of:

- (a) any steps taken by a third party (including any applicable intellectual property registry) to oppose the grant of, challenge the validity of, or seek to revoke any of, the Intellectual Property; or

- (b) any decision of a court of competent jurisdiction or other competent authority (including any applicable intellectual property registry) to refuse to grant, to cancel or to revoke any of the Intellectual Property,

provided in each case that any such steps or decision do not have a material adverse effect on the business, assets or financial condition of the Group and do not adversely affect the rights of the Secured Parties in any material respect.

9. **ATTORNEY**

Each Charging Company, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any person nominated for the purpose by the Security Agent or any Receiver (in writing and signed by an officer of the Security Agent or Receiver) as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed, and each Charging Company covenants with the Security Agent and each Receiver to ratify and confirm all such acts or things made, done or executed by that attorney. Such power of attorney shall only be exercisable following the occurrence of an Event of Default which is continuing or if the relevant Charging Company has failed to comply with its further assurance obligations pursuant to Clause 5 (*Further Assurance*) or a perfection obligation pursuant to this Deed.

10. **ENFORCEMENT AND POWERS OF THE SECURITY AGENT**

10.1 **Statutory restrictions**

The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the Law of Property Act 1925 shall not apply to the security constituted by this Deed.

10.2 **Enforcement powers**

- (a) Notwithstanding the provisions of this Deed,
- (i) the Indebtedness is deemed for the purposes of section 101 of the Law of Property Act 1925 to have become due within the meaning of section 101 of the Law of Property Act 1925; and
 - (ii) the power of sale and other powers conferred on mortgagees by the Law of Property Act 1925 as varied or extended by this Deed including the power to appoint a Receiver shall arise, in each case immediately on execution of this Deed. The Security Agent may take possession of any Charged Property at any time after the Security Interests constituted by this Deed have become enforceable.
- (b) Save as provided in paragraph (c) below, the Security Interests constituted by this Deed given by each Charging Company shall become enforceable upon:
- (i) a Declared Default; or
 - (ii) the making of an application or the presentation of a petition for an administration order in relation to any Charging Company or the giving or filing by any person of a notice in relation to the appointment of an Administrator, liquidator or provisional liquidator of any Charging Company; or
 - (iii) the relevant Charging Company requesting the Security Agent to appoint a Receiver or Administrator or the Security Agent appointing a Receiver or Administrator.

(c) The Security Interests constituted by this Deed will not become enforceable solely as a result of:

- (i) the obtaining of a moratorium by any Charging Company; or
- (ii) anything done with a view to obtaining a moratorium,

under Section 1A and schedule A1 of the Insolvency Act 1986, as inserted by the Insolvency Act 2000, section 1, schedule 1, paragraphs 1 and 2.

10.3 Statutory powers

The powers conferred on mortgagees, Receivers or Administrators by the Law of Property Act 1925 and the Insolvency Act 1986 (as the case may be) shall apply to the security created by this Deed, unless they are expressly or impliedly excluded. If there is ambiguity or conflict between the powers contained in those Acts and those contained in this Deed, those contained in this Deed shall prevail. Such powers shall be extended so as to authorise mortgagees, Receivers or Administrators to lease, make arrangements for leases, accept surrenders of leases and grant options as they think fit and without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925 and any lease granted will bind any holder of a subsequent Security Interest deriving title under the mortgagees, Receivers or Administrators.

10.4 Fixtures

After the occurrence of a Declared Default, the Security Agent may sever any fixtures from the property to which they are attached and sell them separately from that property.

10.5 Appointment of Receivers and Administrators

- (a) If:
 - (i) so requested by a Charging Company; or
 - (ii) at any time after a Declared Default has occurred,

the Security Agent may, subject to paragraph (e) below, by deed under seal or in writing under the hand of any officer of the Security Agent appoint any one or more persons to be Receiver of any Charged Property of that Charging Company or, when permitted by law, may appoint an Administrator of that Charging Company pursuant to paragraph 14 of schedule B1 of the Insolvency Act 1986.

- (b) The Security Agent may by writing under hand (except subject to any requirement for a court order under the Insolvency Act 1986 or any other applicable insolvency law) similarly remove any Receiver.
- (c) If more than one person is appointed Receiver or Administrator of any assets, each Receiver or Administrator may act either jointly or severally unless the document of appointing him states otherwise.
- (d) Section 109(1) of the Law of Property Act 1925 shall not apply to this Deed.
- (e) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 1986, except with the leave of the court.
- (f) The Security Agent is not entitled to appoint an administrative receiver if prohibited from doing so under section 72A of the Insolvency Act 1986.

10.6 Powers of leasing

The Security Agent may at any time on or after the Security Interests constituted by this Deed have become enforceable lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 of the Law of Property Act 1925.

10.7 Exercise of powers

All or any of the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this Deed, and all or any of the rights and powers conferred by this Deed on a Receiver (whether expressly or impliedly), may be exercised by the Security Agent without further notice to any Charging Company at any time after the Security Interests constituted by this Deed have become enforceable, irrespective of whether the Security Agent has taken possession or appointed a Receiver of the Charged Property.

10.8 Appropriations

Until all Indebtedness has been irrevocably and unconditionally paid and discharged in full, each Secured Party (or any trustee or agent on its behalf) may, subject to the terms of the Intercreditor Deed and without affecting the liability of any Charging Company under this Deed:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Charging Company shall be entitled to the benefit of the same;
- (b) to the extent that any of the Charged Property constitute "financial collateral" and this Deed and the obligations of any Charging Company hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003 No. 3226) (the "Regulations")) the Security Agent shall have the right once the security constituted by this Deed becomes enforceable to appropriate all or any part of such financial collateral in or towards discharge of the Indebtedness. For this purpose, the parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the Charged Accounts, together with any accrued but un-posted interest, at the time the right of appropriation is exercised; and (b) in the case of Investments, the market price of such Investments determined by the Security Agent by reference to a public index or by such other process as the Security Agent may select, including independent valuation. In each case, the parties agree that the method of valuation provided for in the Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations; and
- (c) hold in an interest-bearing suspense account any monies received from any Charging Company or on account of such Charging Company's liability under this Deed.

10.9 Security Agent's Duties

The Security Agent shall, following the occurrence of a Declared Default exercise all its rights, powers and discretions under this Deed in accordance with the Intercreditor Deed.

11. STATUS, POWERS, REMOVAL AND REMUNERATION OF RECEIVER

11.1 Receiver as agent

Each Receiver shall be the agent of the relevant Charging Company which shall be solely responsible for his acts or defaults, and for his remuneration, and be liable on any agreements or engagements

made or entered into by him. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

11.2 Powers of Receiver

Each Receiver appointed under this Deed shall, in relation to the Charged Property, have all the powers conferred from time to time on Receivers by the Law of Property Act 1925 and the Insolvency Act 1986 (each of which is deemed incorporated in this Deed), and any other applicable law so that the powers set out in schedule 1 to the Insolvency Act 1986 shall extend to every Receiver, whether or not an administrative receiver. In addition, notwithstanding any liquidation of the relevant Charging Company, each Receiver shall have power to:

- (a) take possession of, collect and get in any of the Charged Property and, for that purpose, take any proceedings in the name of the relevant Charging Company or otherwise;
- (b) generally manage the Charged Property and manage or carry on, develop, reconstruct, amalgamate, diversify or concur in carrying on all or any part of the business of the relevant Charging Company;
- (c) make any arrangement or compromise or enter into or cancel any contracts;
- (d) raise or borrow money or incur any other liability on any terms, whether secured or unsecured, and whether to rank for payment in priority to this security or not;
- (e) sell, let or lease or concur in selling, letting or leasing, and vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over, or otherwise dispose of or deal with, all or any of the Charged Property, without being responsible for loss or damage. Any such sale, lease or disposition may be made for cash payable by instalments, loan stock, other debt obligations, shares or securities of another company, or other valuable consideration;
- (f) establish subsidiaries to acquire interests in any of the Charged Property and/or arrange for those subsidiaries to trade or cease to trade and acquire any of the Charged Property on any terms and conditions, whether or not including payment by instalments, secured or unsecured;
- (g) make and effect all repairs, renewals and improvements to any of the Charged Property and maintain, renew, take out or increase insurances;
- (h) exercise all voting and other rights attaching to the Investments and stocks, shares and other securities owned by the relevant Charging Company and comprised in the Charged Property;
- (i) redeem any prior Security Interests on or relating to the Charged Property and settle and pass the accounts of the person entitled to those prior Security Interests, so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Charging Company and the money so paid shall be deemed to be an expense properly incurred by the Receiver;
- (j) appoint and discharge employees, officers, managers, agents, professionals and others for any of the purposes of this Deed and/or to guard or protect the Charged Property upon terms as to remuneration or otherwise as he may think fit;
- (k) settle, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the relevant Charging Company or relating to any of the Charged Property;
- (l) bring, prosecute, enforce, defend and discontinue all actions and proceedings or submit to arbitration in relation to all or any of the Charged Property;

- (m) sever and sell plant, machinery or other fixtures sold separately from the property to which they may be annexed;
- (n) implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any real property comprised in the Charged Property;
- (o) purchase or acquire any land or any interest in or right over land;
- (p) make calls conditionally or unconditionally on the members of the relevant Charging Company in respect of uncalled capital;
- (q) exercise on behalf of the relevant Charging Company, and without the consent of or notice to such Charging Company, all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Premises comprised in the Charged Property; and
- (r) do all other acts and things (including signing and executing all documents and deeds) as the Receiver considers to be incidental or conducive to any of the matters or powers in this Clause 11.2 (*Powers of Receiver*), or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property.

and in each case may use the name of the relevant Charging Company and exercise the relevant power in any manner which he may think fit.

11.3 Removal of Receiver

The Security Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated, for whatever reason.

11.4 Section 109 Law of Property Act 1925

- (a) The Security Agent may from time to time fix the remuneration of any Receiver appointed by it and the maximum rate specified in Section 109(6) of the Law of Property Act 1925 will not apply.
- (b) Section 109(8) of the Law of Property Act 1925 will not apply to a Receiver appointed under this Deed.

11.5 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

12. APPLICATION OF MONIES AND INTERCREDITOR DEED

12.1 Order of application

All monies received by the Security Agent or any Receiver appointed under this Deed shall be held on trust for the Secured Parties and applied in the following order:

- (a) in payment of the costs and losses incurred, and payments made, by the Security Agent and/or any Receiver (including the payment of preferential debts);

- (b) in payment of remuneration to the Receiver at such market rates as may be agreed between him and the Security Agent (acting reasonably) at or any time after his appointment;
- (c) in or towards satisfaction of the Indebtedness in accordance with Clause 12.3 (*Intercreditor Deed*); and
- (d) the surplus (if any) shall be paid to the relevant Charging Company or other person entitled to it.

12.2 **Suspense account**

Until the Indebtedness is paid in full, the Security Agent may place and keep (for such time as it shall determine) any money received pursuant to this Deed or on account of any Charging Company's liability in respect of the Indebtedness in an interest bearing separate suspense account (to the credit of either the relevant Charging Company or the Security Agent as the Security Agent shall think fit) and the Receiver may retain the same for the period which he and the Security Agent consider expedient without having any obligation to apply all or any part of that money in or towards discharge of the Indebtedness.

12.3 **Intercreditor Deed**

The order of application of monies arising as a result of enforcement of this Deed as between the Secured Parties is governed by the terms of the Intercreditor Deed.

13. **PROTECTION OF THIRD PARTIES**

13.1 **No obligation to enquire**

No purchaser from, or other person dealing with, the Security Agent or any Receiver (or their agents) shall be obliged or concerned to enquire whether:

- (a) the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- (b) any of the Indebtedness remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

13.2 **Receipt conclusive**

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

13.3 **Statutory protection**

- (a) All the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.
- (b) Each Senior Finance Party shall comply with its obligations under the Senior Finance Documents (including any obligations to make further advances).

14. PROTECTION OF SECURITY AGENT AND RECEIVER

14.1 No liability

Neither the Security Agent nor any Receiver shall be liable in respect of any of the Charged Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless caused by its or his gross negligence or wilful default.

14.2 Possession of Charged Property

Without prejudice to Clause 14.1 (*No liability*), if the Security Agent or any Receiver enters into possession of the Charged Property, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

14.3 Liability of the Charging Companies

Each Charging Company shall be deemed to be a principal debtor and the sole, original and independent obligor for the Indebtedness and the Charged Property shall be deemed to be a principal security for the Indebtedness. The liability of each Charging Company under this Deed and the charges contained in this Deed shall not be impaired by any forbearance, neglect, indulgence, extension of time, release, surrender or loss of securities, dealing, variation or arrangement by the Security Agent or any other Secured Party, or by any other act, event or matter whatsoever whereby the liability of any Charging Company (as a surety only) or the charges contained in this Deed (as secondary or collateral charges only) would, but for this provision, have been discharged.

14.4 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Group Company, any other grantor of Transaction Security or other person or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Charging Company under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

14.5 Waiver of defences

The obligations of each Charging Company under this Deed will not be affected by an act, omission, matter or thing which, but for this Deed, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Group Company, any other grantor of Transaction Security or other person;
- (b) the release of any Group Company, any other grantor of Transaction Security or any other person under the terms of any composition or arrangement with any creditor of any Group Company or any grantor of Transaction Security;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Group Company, any other grantor of Transaction Security or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Group Company, any other grantor of Transaction Security or any other person;

- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Secured Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Secured Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Secured Document or any other document or security; or
- (g) any insolvency or similar proceedings.

14.6 Immediate recourse

Each Charging Company waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Charging Company under this Deed. This waiver applies irrespective of any law or any provision of a Secured Document to the contrary.

14.7 Deferral of Charging Companies' rights

Until all amounts which may be or become payable by any Group Company or any other grantor of Transaction Security under or in connection with the Secured Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, no Charging Company will exercise any rights which it may have by reason of performance by it of its obligations under the Secured Documents:

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

If a Charging Company receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by any Group Company or any other grantor of Transaction Security under or in connection with the Secured Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 12.1 (*Order of Application*).

14.8 Security Agent

The provisions set out in clause 23 (*Appointment and Duties of Senior Security Agent*) of the Intercreditor Deed shall govern the rights, duties and obligations of the Security Agent under this Deed.

15. COSTS, EXPENSES, TAXES AND STAMP DUTY**15.1 Transaction Expenses**

Each Charging Company shall promptly within three Business Days of written demand pay the Security Agent (or procure that the Security Agent is paid) the amount of all costs and expenses reasonably incurred by the Security Agent, any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of this Deed.

15.2 Enforcement and preservation costs

Each Charging Company shall, within three Business Days of written demand, pay to (or procure payment to) the Security Agent the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of its rights under this Deed and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the security created under the Deed or enforcing these rights.

15.3 Stamp duties, etc.

Each Charging Company shall, within three Business Days of demand, indemnify each of the Security Agent and the other Secured Parties from and against any cost, loss or liability for any stamp, stamp duty land tax, documentary, filing and other similar duties and Taxes (if any) which are or may become payable in connection with this Deed other than in connection with any assignment or transfer by the Security Agent.

15.4 Interest Calculation

All interest under this Deed which accrues and is payable in arrear will accrue on a daily basis and will be calculated by reference to a 360 day year and the actual number of days elapsed (or on any other basis required by market practice).

15.5 Security Agent's ongoing costs

- (a) In the event an Event of Default is continuing, each Charging Company shall pay to (or procure payment to) the Security Agent any reasonable costs in respect of the investigation of such Event of Default that may be agreed between them.
- (b) If the Security Agent and the Charging Companies fail to agree upon such amount, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Charging Companies or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Charging Companies) and the determination of any investment bank shall be final and binding upon the parties to this Deed.

15.6 Amendment costs

If any Charging Company requests an amendment, waiver or consent in relation to this Deed, that Charging Company shall, within three Business Days of written demand, reimburse (or procure the reimbursement of) each of the Facility Agent, the Security Agent and the Original Senior Secured Note Trustee for the amount of all reasonable costs and expenses (including reasonable legal fees) incurred by the Facility Agent, the Security Agent, the Original Senior Secured Note Trustee, any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

15.7 Taxes

All sums payable by or on behalf of each Charging Company under this Deed shall be paid free and clear of all deductions or withholdings (including for or on account of Tax) unless the deduction or withholding is required by law, in which event the relevant Charging Company shall (i) pay such additional amounts as shall be required to ensure that the net amount received and retained (after deduction or withholding) by the person receiving the payment will equal the full amount which would have been received and retained by it had no such deduction or withholding been required to be made, and (ii) remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law.

15.8 **VAT**

All sums payable by each Charging Company under this Deed are exclusive of any applicable VAT and the relevant Charging Company shall pay an amount equal to any such VAT in addition to and at the same time as the sum otherwise payable under this Deed.

16. **CUMULATIVE POWERS AND AVOIDANCE OF PAYMENTS**

16.1 **Cumulative powers**

The powers which this Deed confers on the Security Agent, the other Secured Parties and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent, the other Secured Parties or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent, the other Secured Parties and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

16.2 **Amounts avoided**

If any amount paid by any Charging Company in respect of the Indebtedness is capable of being avoided or set aside on the liquidation or administration of that Charging Company or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

16.3 **Discharge conditional**

Any settlement or discharge between any Charging Company and any Secured Party shall be conditional upon no security or payment to the Secured Party by that Charging Company or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Secured Party under this Deed) the Secured Party shall be entitled to recover from that Charging Company the value which that Secured Party has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

17. **RULING OFF ACCOUNTS**

If the Security Agent or any other Secured Party receives notice of any subsequent Security Interest or other interest affecting any of the Charged Property (except as permitted by the Relevant Secured Documents) it may open a new account for the relevant Charging Company in its books. If it does not do so then (unless it gives express notice to the contrary to the Principal Obligor), as from the time it receives that notice, all payments made by that Charging Company to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of that Charging Company and not as having been applied in reduction of the Indebtedness.

18. **DELEGATION**

The Security Agent may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by it under this Deed to any person

or persons upon such terms and conditions (including the power to sub-delegate) as it may think fit. The Security Agent will not be liable or responsible to any Charging Company or any other person for any losses arising from any act, default, omission or misconduct on the part of any Delegate.

19. **REDEMPTION OF PRIOR CHARGES**

The Security Agent may, at any time after a Declared Default has occurred, redeem any prior Security Interest on or relating to any of the Charged Property or procure the transfer of that Security Interest to itself, and may settle and pass the accounts of any person entitled to that prior Security Interest. Any account so settled and passed shall (subject to any manifest error) be conclusive and binding on each Charging Company. Each Charging Company will on demand pay to (or procure payment to) the Security Agent all principal monies and interest and all losses incidental to any such redemption or transfer.

20. **SET-OFF**

A Senior Finance Party may at any time whilst an Event of Default is continuing set off any matured obligation due from any Charging Company in respect of the Indebtedness (to the extent beneficially owned by that Senior Finance Party) against any matured obligation owed by that Senior Finance Party to that Charging Company, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Senior Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

21. **NOTICES**

Any communication to be made under or in connection with this Deed shall be made in accordance with clause 26 (*Notices*) of the Intercreditor Deed.

22. **CHANGES TO PARTIES**

22.1 **Assignment by the Security Agent**

The Security Agent may at any time assign or otherwise transfer all or any part of its rights under this Deed in accordance with and subject to clause 23 (*Appointment and Duties of Senior Security Agent*) of the Intercreditor Deed.

22.2 **Changes to parties**

Each Charging Company authorises and agrees to changes to parties under clause 26 (*Changes to Parties*) of the Senior Facilities Agreement and clause 24 (*Change of party*) of the Intercreditor Deed and authorises the Security Agent to execute on its behalf any document required to effect the necessary transfer of rights or obligations contemplated by those provisions.

23. **CURRENCY CLAUSES**

23.1 **Conversion**

All monies received or held by the Security Agent or any Receiver under this Deed may be converted into any other currency which the Security Agent considers necessary to cover the obligations and liabilities comprised in the Indebtedness in that other currency at the Security Agent's spot rate of exchange then prevailing for purchasing that other currency with the existing currency.

23.2 **No discharge**

No payment to the Security Agent (whether under any judgement or court order or otherwise) shall discharge the obligation or liability of the relevant Charging Company in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation

or liability was incurred. To the extent that the amount of any such payment shall on actual conversion into that currency fall short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against the relevant Charging Company and shall be entitled to enforce the security constituted by this Deed to recover the amount of the shortfall.

24. MISCELLANEOUS

24.1 Certificates conclusive

A certificate, determination, notification or opinion of the Security Agent stipulated for in this Deed or as to any rate of interest or any other amount payable under this Deed will be conclusive and binding on each Charging Company, except in the case of manifest error.

24.2 Invalidity of any provision

If any provision of this Deed is or becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired in any way.

24.3 Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.

24.4 Failure to execute

Failure by one or more parties ("Non-Signatories") to execute this Deed on the date hereof will not invalidate the provisions of this Deed as between the other parties who do execute this Deed. Such Non-Signatories may execute this Deed (or a counterpart thereof) on a subsequent date and will thereupon become bound by its provisions.

24.5 Third party rights

Unless expressly provided to the contrary in this Deed a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

24.6 Covenant to Release

Once the Security Agent is satisfied, acting reasonably, that all the Indebtedness has been paid in full and none of the Security Agent nor any other Secured Party has any contingent liability under any Secured Document to advance further monies to, or incur liability on behalf of, any Charging Company, the Security Agent and each other Secured Party shall, at the request and cost of each Charging Company, take any action which may be necessary to release the Charged Property from the security constituted by this Deed and procure the reassignment of any assets assigned to the Security Agent pursuant to this Deed.

25. GOVERNING LAW AND SUBMISSION TO JURISDICTION

25.1 Governing law

This Deed and any non-contractual obligations arising out of or in connection with it are governed by, and shall be construed in accordance with, English law.

25.2 Submission to jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- (c) This Clause 25.2 (*Submission to jurisdiction*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

IN WITNESS whereof this Deed has been duly executed on the date first above written.

SCHEDULE 1

Charging Companies

Charging Company	Jurisdiction of Incorporation	Registered number
INEOS Holdings Limited	England and Wales	4215887
INEOS Finance plc	England and Wales	7084307
INEOS Tenderco Limited	England and Wales	7185465
INEOS Holdings (Investments) Limited	England and Wales	7497205
INEOS Group Limited	England and Wales	3534631
INEOS Group Holdings Limited	England and Wales	4215862
INEOS Limited	England and Wales	6576859
INEOS Commercial Services UK Limited	England and Wales	7445497
INEOS Chemicals Grangemouth Limited	England and Wales	6981897

SCHEDULE 2

Details of Properties

Registered Land

REDACTED

SCHEDULE 3

Subsidiary Shares

REDACTED

SCHEDULE 4

Part 1

Forms of notice to counterparties (other than insurers) of Assigned Agreements

REDACTED

36 and 37

SCHEDULE 4

Existing Security

REDACTED

Registered Proprietor/Applicant	Country/place where registered	Patent Number
INEOS Commercial Services UK Limited	United Kingdom	EP1149134
INEOS Commercial Services UK Limited	United Kingdom	EP1240217
INEOS Commercial Services UK Limited	United Kingdom	EP1263809
INEOS Commercial Services UK Limited	United Kingdom	EP1290085
INEOS Commercial Services UK Limited	United Kingdom	EP1155059
INEOS Commercial Services UK Limited	United Kingdom	EP1484344
INEOS Commercial Services UK Limited	United Kingdom	EP1135420
INEOS Commercial Services UK Limited	United Kingdom	EP1381634
INEOS Commercial Services UK Limited	United Kingdom	EP1414870
INEOS Commercial Services UK Limited	United Kingdom	EP1490415
INEOS Commercial Services UK Limited	United Kingdom	EP1578811
INEOS Commercial Services UK Limited	United Kingdom	EP1644423
INEOS Commercial Services UK Limited	United Kingdom	EP156420
INEOS Commercial Services UK Limited	United States	7276639
INEOS Commercial Services UK Limited	United States	6887957
INEOS Commercial Services UK Limited	United States	7718811
INEOS Commercial Services UK Limited	United States	6852811

SCHEDULE 6

Details of Relevant Accounts

REDACTED

53 AND 54

SCHEDULE 7

Part 1

Form of Notice for a Relevant Account to Account Bank

REDACTED

55 to 59

APPENDIX A
SCHEDULE 1 NOTICE
SCHEDULE 2 - SIGNATORYLIST

REDACTED

60 to 62

PART 2

Form of Notice for a Holding Account to Account Bank

Form of Acknowledgement of Notice for a Holding Account to Account Bank

REDACTED

SIGNATORIES TO DEBENTURE

THE CHARGING COMPANIES

EXECUTED AS A DEED by)
INEOS GROUP HOLDINGS LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

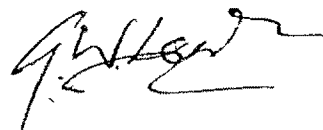
Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS GROUP LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

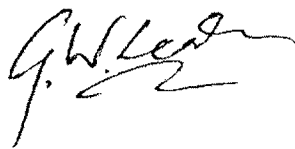
Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS HOLDINGS (INVESTMENTS))
LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

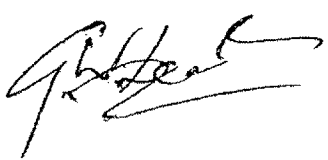
Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS HOLDINGS LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

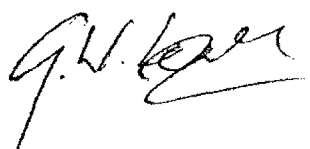
Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS FINANCE PLC)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

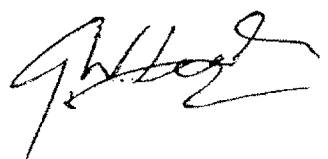
Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS TENDERCO LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
INEOS COMMERCIAL SERVICES)
UK LIMITED)
acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
ONE BUNHILL ROW
LONDON EC1Y 8YY

EXECUTED AS A DEED by)
 INEOS CHEMICALS)
 GRANGEMOUTH LIMITED)
 acting by a director in the presence of:)



Witness's signature: *Claire Cooke*

Name (print): *Claire Cooke*

Occupation: *Trainee Solicitor*

Address:

SLAUGHTER AND MAY
 ONE BUNHILL ROW
 LONDON EC1Y 8YY

THE SECURITY AGENT

EXECUTED AS A DEED by)
BARCLAYS BANK PLC)
acting by ANTONY GIRLING)
in the presence of)

Abdony

Witness's signature: *[Signature]*

Name (print): *Jackson Lam*

Occupation: *Lawyer*

Address: *9 Appold Street, London EC2A 2AP*

Notice Details

Address: 5 The North Colonnade

Canary Wharf

London E14 4BB

Fax: +44 (0) 20 7773 4893

Attention: Antony Girling