



Registration of a Charge

Company name: **WOCKHARDT UK LIMITED**

Company number: **05835570**



X5AABIPC

Received for Electronic Filing: **01/07/2016**

Details of Charge

Date of creation: **27/06/2016**

Charge code: **0583 5570 0005**

Persons entitled: **MADISON PACIFIC TRUST LIMITED**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5835570

Charge code: 0583 5570 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th June 2016 and created by WOCKHARDT UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st July 2016 .

Given at Companies House, Cardiff on 4th July 2016

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



Companies House



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

Confidential

EXECUTION VERSION

Date 27 June 2016

WOCKHARDT UK LIMITED
as Chargor

MADISON PACIFIC TRUST LIMITED
as Global Security Trustee

I certify that, save for material
redacted pursuant to s.859G
of the Companies Act 2006,
this copy instrument is a correct copy
of the original instrument.

Sign & Dated Norton Rose Fulbright LLP
29 June 2016

SECOND DEBENTURE

 NORTON ROSE FULBRIGHT

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Deed dated 27 June 2016

PARTIES

Chargor	Wockhardt UK Limited, a company incorporated in England and Wales with its registered address at Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom with company registration no. 05835570
Global Trustee	Security Madison Pacific Trust Limited

SUMMARY

Chargor	Wockhardt UK Limited
Chargee	Madison Pacific Trust Limited, as security trustee for the Finance Parties from time to time
Charged Assets	all fixed and current assets (including immoveable assets) of the Chargor from time to time but, excluding the Excluded Assets
Secured Obligations	all Obligations from time to time incurred by the Borrower under or in connection with the Finance Documents (which include the Facility Agreement dated 18 April 2016, between, amongst others, the Borrower and the Guarantor and the Finance Parties (as amended or replaced from time to time)) when they become due for payment or discharge
Type of security	fixed and floating charges
Law	English law

IT IS AGREED as follows:

Interpretation

1 Definitions and interpretation

Definitions

1.1 *In this Deed:*

Administrative Party means each of the Agent and the Security Trustees

Administrative Receiver means one or more administrative receivers appointed, or to be appointed, under this Deed

Administrator means one or more administrators appointed, or to be appointed, under this Deed

Agent has the meaning given to it in the Facility Agreement

Authorisation has the meaning given to it in the Facility Agreement

Borrower means Wockhardt Bio AG, a company incorporated in Switzerland with the company registration number CHE-112.576.164 and registered address at Grafenauweg 6, 6300 Zug, Switzerland

Charged Assets means the Fixed Charge Assets and the Floating Charge Assets but excluding the Excluded Assets

Companies House means the registrar of companies in the United Kingdom

Companies Registry means the register of companies maintained by the Companies House in the United Kingdom

Debt means a monetary claim of any kind (whether present, future or contingent and whether originally owing to the person entitled to it or acquired by that person from someone else) and all Rights (including Security) connected with it

Default Rate means the rate specified in clause 8.3 of the Facility Agreement

Disclosure Letter has the meaning given to it in the Facility Agreement

Disposal means any transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right over an asset in favour of another person, but not the creation of Security

Enforcement Time means any time at which:

- (a) any amount owing by the Borrower or the Chargor under a Finance Document is payable but has not been paid;

- (b) an Event of Default has occurred; or
- (c) any step is being taken by any person to put the Borrower or the Chargor into administration

Equipment means:

- (a) the equipment of which a brief description is contained in Schedule 2 (*Equipment*);
- (b) any equipment that replaces any equipment described in Schedule 2 (*Equipment*), and
- (c) all other plant, machinery, vehicles and other equipment used in a business, except equipment of a type which is disposed of in the ordinary course of trading,

and all warranties and other Rights relating to them

Event of Default has the meaning given to it in the Facility Agreement

Excluded Assets means the Intangible Assets, shares, stocks, equity interest and such similar instruments

Facility Agreement means the facility agreement dated 18 April 2016 between, amongst others, the Borrower, the Guarantor and the Global Security Trustee, as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties)

Finance Document has the meaning given to it in the Facility Agreement

Finance Party means an Administrative Party or a Lender

Finance Party Security means the Security created by this Deed and any other existing or future Security granted by the Chargor to the Global Security Trustee to secure the payment and discharge of Secured Obligations

Finance Party Security Document means a document creating or evidencing Finance Party Security

Fixed Charge Assets means those assets which are from time to time the subject of clauses 3.2

Floating Charge Assets means those assets which are from time to time the subject of clause 3.3

Guarantor means Wockhardt Limited, a company incorporated in India with the company identification number L24230MH1999PLC120720 and registered address at D-4, MIDC, Chikalthana, Aurangabad- 431006 and corporate address at Global Headquarters, Wockhardt Towers, Bandra - Kurla Complex, Bandra (East), Mumbai-400 051

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or
- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation

Intangible Assets means the intangible assets of the Chargor including, but not limited to goodwill, intellectual property and confidential information

Key Account means:

- (a) an account described in Schedule 3 (*Key Accounts*);
- (b) any account that replaces an account described in Schedule 3 (*Key Accounts*);
- (c) any account established after the date of this Deed which is designated as a Key Account by the Chargor and the Global Security Trustee at or about the time of its establishment; and
- (d) any other account with a bank or financial institution which cannot be drawn on by the account holder in the ordinary course of its trading without the consent of the Global Security Trustee

Land means:

- (a) freehold, leasehold or commonhold land;
- (b) any estate or interest in, and any Rights attaching or relating to, that land; and

- (c) any buildings, fixtures and fittings (including trade fixtures and fittings) and other equipment attached to, situated on or forming part of that land

Lenders means the persons defined as such in the Facility Agreement

Obligations, in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;
- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else

Obligor has the meaning given to it in the Facility Agreement

Officer, in relation to a person, means any officer, employee or agent of that person

Permitted Security means any Security described in Schedule 4 (*Permitted Security*)

Receiver means an Administrative Receiver or a Specific Receiver

Right means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary

Secured Obligations means all the Obligations from time to time incurred by the Borrower under or in connection with the Finance Documents (which include the Facility Agreement dated 18 April 2016 between, amongst others, the Borrower and the Guarantor and the Finance Parties (as amended or replaced from time to time)) when they become due for payment or discharge

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Trustee has the meaning given to it in the Facility Agreement

Specific Receiver means one or more receivers or managers appointed, or to be appointed, under this Deed who is not an Administrative Receiver

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999

VAT means value added tax.

Interpretation

1.2 In this Deed:

- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;
- (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
- (c) references to the Facility Agreement, any Finance Document or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;
- (e) references to a person include its successors in title, permitted assignees and permitted transferees;
- (f) words importing the plural include the singular and vice versa; and
- (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Global Security Trustee, after consultation with the Chargor, determines to be necessary in order to preserve the intended effect of this Deed.

- 1.3 Where this Deed imposes an obligation on the Chargor to do something if required or requested by the Global Security Trustee, it will do so as soon as practicable after it becomes aware of the requirement or request.
- 1.4 It is intended that this document takes effect as a deed even though the Global Security Trustee may only execute it under hand.
- 1.5 This Deed may be executed in counterparts.
- 1.6 The provisions of any other Finance Document relating to:
- (a) any disposition of an interest in land; or
 - (b) any obligation of the Lenders to make further advances,
- are deemed to be incorporated in this Deed.
- 1.7 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.

Parties and third parties

- 1.8 The Rights expressly conferred on each of the Finance Parties, each Receiver and each Officer of the Global Security Trustee or a Receiver under this Deed are enforceable by each of them under the Third Parties Act.
- 1.9 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.10 The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they may not terminate this Deed or vary any of its terms if this would have the effect of terminating or adversely affecting:
- (a) the Rights of the Finance Parties under this Deed without its consent; or
 - (b) the Rights of a Receiver or of an Officer of the Global Security Trustee or a Receiver under this Deed without its consent, but only to the extent that it has notified the Global Security Trustee that it intends to enforce that clause at the time of the termination or variation.

Security

2 Payment of Secured Obligations

- 2.1 The Chargor will pay or otherwise discharge all Secured Obligations.
- 2.2 The Chargor has received and reviewed a copy of the Facility Agreement.

3 Charges

- 3.1 The charges contained in this clause 3:
 - (a) are given to the Global Security Trustee as trustee for the Finance Parties;
 - (b) secure the payment and discharge of the Secured Obligations; and
 - (c) are given with full title guarantee.
- 3.2 The Chargor charges, by way of first fixed charge, all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:
 - (a) Equipment;
 - (b) Key Accounts; and
 - (c) Debts;

and in any Rights accruing to, derived from or otherwise connected with them (including insurances and proceeds of Disposal and of insurances), but excluding, for the avoidance of doubt, the Excluded Assets.
- 3.3 The Chargor charges, by way of first floating charge, its undertaking and all its present and future assets other than those effectively charged under clause 3.2), but excluding, for the avoidance of doubt, the Excluded Assets.
- 3.4 The Global Security Trustee may convert all or part of the floating charge created by the Chargor under clause 3.3 into a fixed charge by giving notice to that effect to the Chargor and specifying the identity of the assets concerned. This may be done on one or more occasion, but only (a) during an Enforcement Time or (b) if the Global Security Trustee reasonably considers that its security over the assets concerned is in jeopardy and that it is necessary to do so to protect or preserve its security.

4 Set-off

- 4.1 A Finance Party may set off any matured Secured Obligation due from the Chargor (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that

Finance Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

- 4.2 If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.
- 4.3 These Rights are in addition to the security conferred on the Global Security Trustee under this Deed.

5 Restrictions

- 5.1 The Chargor will ensure that the restrictions contained in this clause 5 are complied with unless the Global Security Trustee agrees to the contrary.
- 5.2 No Security will exist over, or in relation to, any Charged Asset other than Permitted Security.
- 5.3 There will be no Disposal of any Fixed Charge Asset.
- 5.4 There will be no Disposal of any Floating Charge Asset otherwise than for market value in the ordinary course of trading of the Chargor.

6 Perfection

General action

- 6.1 The Chargor will, at its own expense, create all such Security, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Global Security Trustee may require from time to time in order to:
- (a) ensure that it has an effective first-ranking fixed charge over the Fixed Charge Assets (or, in the case of Land then owned by the Chargor, a charge by way of legal mortgage) subject only to such Permitted Security as the Global Security Trustee has agreed should rank in priority;
 - (b) ensure that it has an effective first-ranking floating charge over the Floating Charge Assets, subject only to such Permitted Security as the Global Security Trustee has agreed should rank in priority; and
 - (c) facilitate the enforcement of the Finance Party Security, the realisation of the Charged Assets or the exercise of any Rights held by the Global Security Trustee or any Receiver or Administrator under or in connection with the Finance Party Security.
- 6.2 The scope of clause 6.1 is not limited by the specific provisions of the rest of this clause 6 or by any other provision of the Finance Party Security Documents.

Notification

- 6.3 If, after the date of this Deed, the Chargor acquires (a) Rights in Land or (b) Rights in any other material asset, it will notify the Global Security Trustee as soon as reasonably practicable and will provide it with such information about the acquisition as the Global Security Trustee may reasonably require.

Equipment

- 6.4 If required to do so by the Global Security Trustee, the Chargor will create a first legal mortgage over any Equipment owned by it at that time, in any form which the Global Security Trustee may reasonably require.

Key Accounts

- 6.5 If, at any time, the Chargor has a Right in respect of a Key Account, it will, on the date of this Deed (or, if it acquires the Right later, as soon as practicable after it does so):
- (a) deliver a notice of this Deed to the other parties to the relevant Key Account substantially in the form set out in Schedule 5 (*Notice and acknowledgement of charge*); and
 - (b) use its best endeavours to procure that those parties deliver an acknowledgement of the notice to the Global Security Trustee substantially in the form set out in that part of that Schedule as soon as reasonably practicable.

- 6.6 The Global Security Trustee hereby agrees that it will not notify the account bank pursuant to paragraph 3 of the notice delivered by the Chargor under clause 6.5 above until an Enforcement Time has occurred.

Subsequent security

- 6.7 If a Finance Party receives notice that any Security has been created over Charged Assets which the Finance Documents do not permit to rank in priority to the Finance Party Security, that Finance Party will be treated as if it had immediately opened a new account for the Chargor, and all payments received by that Finance Party from the Chargor will be treated as if they had been credited to the new account and will not reduce the amount then due from the Chargor to that Finance Party.

Financial Collateral

- 6.8 The parties to this Deed designate those Charged Assets which constitute financial collateral to be under the control of the Global Security Trustee, whether they are the subject of a fixed charge or of a floating charge under this Deed.

Enforcement

7 Enforcement

Time for enforcement

- 7.1 The Global Security Trustee may enforce the Finance Party Security at any time which is an Enforcement Time or if the Chargor requests it to do so.

Methods of enforcement

- 7.2 The Global Security Trustee may enforce the Finance Party Security by:
- (a) appointing an Administrator of the Chargor;
 - (b) if permitted to do so by the Insolvency Legislation, appointing an Administrative Receiver of the Chargor;
 - (c) appointing a Specific Receiver of assets of the Chargor;
 - (d) going into possession of, receiving the benefit of, or selling assets of the Chargor, giving notice to the Chargor or any other person in relation to any assets of the Chargor, exercising a right of set-off or in any other way it may decide; or
 - (e) taking any other action it may decide in any jurisdiction other than England.
- 7.3 To the extent that the Finance Party Security arises under a security financial collateral arrangement, the Global Security Trustee may also enforce it by giving written notice to the Chargor that it is appropriating those Charged Assets which consist of financial collateral. On receipt of that notice by the Chargor, the Global Security Trustee will automatically become the absolute owner of that financial collateral, and the Chargor will have no further interest in it. The value of the financial collateral will, as soon as practicable after it has been established, be applied in discharge of the equivalent amount of the Secured Obligations in accordance with clause 8 (*Application of proceeds*). For this purpose, the Global Security Trustee will value the financial collateral as follows:
- (a) in the case of cash, by reference to its face value received by the Global Security Trustee;
 - (b) in the case of credit claims, by reference to the amount actually recovered by the Global Security Trustee; and
 - (c) in the case of financial instruments, by reference to such public indices, valuations or other matters as the Global Security Trustee may reasonably decide.

Expressions defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 will have the same meanings in this clause.

- 7.4 An Administrator must be appointed in accordance with the Insolvency Legislation.
- 7.5 A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.
- 7.6 The appointment of a Receiver may be made subject to such limitations as are specified by the Global Security Trustee in the appointment.
- 7.7 If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Global Security Trustee may specify to the contrary in the appointment.
- 7.8 Subject to the Insolvency Legislation, the Global Security Trustee may remove or replace any Receiver.
- 7.9 If required by the Insolvency Legislation, an Administrator or Receiver must be a person qualified to act as such under it.

Powers on enforcement

- 7.10 An Administrator will have the powers given to him by the Insolvency Legislation.
- 7.11 An Administrative Receiver will have:
- (a) the powers given to him by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in section 103 of that Act; and
 - (c) the power to do, or omit to do, on behalf of the Chargor, anything which the Chargor itself could have done, or omitted to do, if its assets were not the subject of Security and the Chargor were not in insolvency proceedings.
- 7.12 A Specific Receiver will have the same powers as an Administrative Receiver in respect of the assets over which he is appointed.
- 7.13 The Global Security Trustee will, if it enforces the Finance Party Security itself, have the same powers as an Administrative Receiver in respect of the assets which are the subject of the enforcement.
- 7.14 Except to the extent provided by law, none of the powers described in this clause 7 will be affected by an Insolvency Event in relation to the Chargor.

Status and remuneration of Receiver

- 7.15 A Receiver will be the agent of the Chargor until the Chargor goes into liquidation. He will have no authority to act as agent for the Global Security Trustee, even in the liquidation of the Chargor.
- 7.16 The Global Security Trustee may from time to time determine the remuneration of any Receiver.

Third parties

- 7.17 A person dealing with the Global Security Trustee or with a Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:
- (a) those persons have the power to do those things which they are purporting to do; and
 - (b) they are exercising their powers properly.

8 Application of proceeds

All money received by the Global Security Trustee or a Receiver under or in connection with the Finance Documents (whether during, or before, enforcement of the Finance Party Security) will, subject to the rights of any persons having priority, be applied in accordance with clause 29.1 (*Order of Application*) of the Facility Agreement.

Undertakings

9 Equipment

- 9.1 The Chargor will keep its Equipment in good repair, working order and condition and permit the Global Security Trustee and its representatives to enter and view their state and condition upon giving reasonable notice to the Chargor.

10 Key Accounts and Debts

- 10.1 The Chargor will not:
- (a) agree to alter the terms of, or terminate, any Key Account; or
 - (b) waive its rights under a Key Account,
- without the consent of the Global Security Trustee.
- 10.2 The Global Security Trustee will give its consent under clause 10.1 if, in its reasonable opinion, any such alteration or waiver will not materially affect the effectiveness or value of its security over the Key Account concerned.
- 10.3 The Chargor will promptly collect all Debts as agent for the Global Security Trustee and pay all their proceeds into such accounts as the Global Security Trustee may from time to time specify.

11 Insurance

- 11.1 The Chargor will:
- (a) maintain insurances in relation to its business and assets with reputable underwriters or insurance companies of a type, to the extent and in an amount which is usual for companies carrying on similar businesses whose practice it is not to self-insure;
 - (b) punctually pay all premiums and other money payable under its contracts of insurance and comply with their other provisions; and
 - (c) ensure that the Global Security Trustee's interest is noted on the Chargor's contracts of insurance.
- 11.2 During an Enforcement Time (and also once the Finance Party Security has been enforced), all payments in respect of any contract of insurance will be paid to the Global Security Trustee for application in accordance with clause 8 (*Application of proceeds*). Otherwise, all such payments will be applied in reinstatement of the assets concerned.

12 General undertakings

- 12.1 The Chargor will take all steps as are necessary to preserve the value and marketability of its Charged Assets.
- 12.2 The Chargor will notify the Global Security Trustee as soon as it becomes aware of any matter which might reasonably be expected to have an adverse effect on the Rights of the Global Security Trustee under the Finance Party Security. Those matters include a claim by any person to an interest in a Charged Asset.
- 12.3 The Chargor will provide to the Global Security Trustee:
- (a) such information about the Charged Assets;
 - (b) such information about the extent to which it has complied with its obligations under this Deed; and
 - (c) copies of such documents which create, evidence or relate to its Charged Assets,
- as the Global Security Trustee may from time to time reasonably request.
- 12.4 The Finance Parties may exchange between themselves any information relating to the Chargor.
- 12.5 If the Chargor does not comply with its obligations under this Deed, the Global Security Trustee may do so on the Chargor's behalf on such basis as the Global Security Trustee may reasonably decide. That Chargor will indemnify the Global Security Trustee on demand against the amount certified by the Global Security Trustee to be the cost, loss or liability suffered by it as a result of doing so.

Representations

13 Representations

The Chargor makes the representations and warranties set out in this clause 13 to the Chargee on the date of this Deed.

13.1 Status

- (a) It is a corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has no centre of main interests, permanent establishment or place of business outside the jurisdiction in which it is incorporated.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

13.2 Binding obligations

- (a) The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and
- (b) (without limiting the generality of clause (a)), this Deed creates the security interests which this Deed purports to create and those security interests are valid and effective.

13.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security under this Deed do not and will not conflict with:

- (c) any law or regulation applicable to it;
- (d) its and each of its Subsidiaries' constitutional documents; or
- (e) any agreement or instrument binding upon it or its assets or constitute a default or termination event (however described) under any such agreement or instrument,

nor result in the existence of, or oblige it to create, any Security over any of its assets.

13.4 Power and authority

- (a) The Chargor has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the granting of security or giving of indemnities contemplated by this Deed.

13.5 Validity and admissibility in evidence

(a) All Authorisations required or desirable:

- (i) to enable it to lawfully enter into, exercise its rights and comply with its obligations in this Deed;
- (ii) to make this Deed admissible in evidence in England; and
- (iii) to enable it to create the Security to be created by it pursuant to this Deed and to ensure that such Security has the priority and ranking contemplated by this Deed, have been obtained or effected and are in full force and effect.

(b) All Authorisations and any other acts, conditions or things required or desirable for it and its Subsidiaries to carry on their business, and which are material, have been obtained, done, fulfilled, performed or effected and are in full force and effect.

13.6 Registration requirements

Except for registration of particulars of this Deed at the Companies House in England and Wales under the Companies Act 2006, it is not necessary to file, register or record this Deed in any public place or elsewhere.

13.7 Governing law and enforcement

- (a) The choice of the law stated to be the governing law of this Deed will be recognised and enforced in England.
- (b) Any judgment obtained in relation to this Deed in England will be recognised and enforced in England.

13.8 No filing or stamp taxes

It is not necessary under the laws of England and Wales that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed except registration of this Deed at the Companies House under the Companies Act 2006 and payment of associated fees, which registrations, filings and fees will be made and paid promptly after the date of this Deed and in any event, in the case of registration of this Deed at the Companies House, within 21 days of the date of this Deed.

13.9 No proceedings pending or threatened

Other than as disclosed to the Agent in the Disclosure Letter, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have (to the best of its knowledge and belief) been started or threatened against it.

13.10 No breach of laws

- (a) It has not breached any law or regulation.
- (b) No labour disputes are current or, to the best of its knowledge and belief (having made due and careful enquiry), threatened against it.

13.11 Ranking of Security

The Security granted under this Deed has or will have the ranking in priority which it is expressed to have in this Deed.

13.12 Good title to assets

It and each of its Subsidiaries has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted.

13.13 Security

No Security exists over all or any of its present or future assets other than as permitted by the Finance Documents.

13.14 Legal and beneficial ownership

It and each of its Subsidiaries is the sole legal and beneficial owner of the respective assets over which it purports to grant Security.

Miscellaneous

14 Third party security protections

Continuing obligations

- 14.1 This charge is a continuing security and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

- 14.2 If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Finance Parties in whole or in part on the faith 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 the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

Waiver of defences

- 14.3 The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to the Global Security Trustee), including:
- (a) any time, waiver or consent granted to, or composition with, any Obligor or any other person;
 - (b) the release any Obligor or any other person;
 - (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
 - (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - (g) any insolvency or similar proceedings.

Immediate recourse

- 14.4 The Chargor waives any right it may have of first requiring the Global Security Trustee (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 the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

Appropriations

- 14.5 Until the Secured Obligations have been irrevocably and unconditionally discharged in full, the Global Security Trustee (or any trustee or agent on their behalf) or a Receiver may:
- (a) refrain from applying or enforcing any other money, security or Rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply and enforce the same in the manner and order it thinks fit (whether against those amounts or otherwise) and the Chargor will not be entitled to the benefit of the same; and
 - (b) hold in an interest-bearing suspense account any money received from the Chargor or on account of the Chargor's liability under this Deed.

Deferral of Chargor's rights

- 14.6 Unless the Global Security Trustee otherwise directs, the Chargor will not exercise any Rights (including rights of set-off) which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:
- (a) to be indemnified or reimbursed by any Obligor;
 - (b) to claim any contribution from any other obligor in relation to any Obligor's obligations under the Finance Documents;
 - (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken under, or in connection with, the Finance Documents by the Finance Parties;
 - (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under this Deed;
 - (e) to exercise any right of set-off against any Obligor; and/or
 - (f) to claim or prove as a creditor of any Obligor in competition with the Finance Parties.

- 14.7 If the Chargor receives any benefit, payment or distribution in relation to such Rights it will promptly pay an equal amount to the Global Security Trustee for application in accordance with this Deed.
- 14.8 Clauses 14.6 and 14.7 only apply until all the Secured Obligations have been irrevocably and unconditionally discharged in full.
- 14.9 This Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Finance Parties.

15 Duration of the security

- 15.1 The Obligations of the Chargor under the Finance Documents and the security created by the Finance Party Security will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.
- 15.2 If any payment by any Obligor or any release given by the Global Security Trustee (whether in respect of the Secured Obligations or any security for them or otherwise) is avoided or reduced as a result of insolvency or any similar event:
- (a) the liability of the Chargor under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and
 - (b) the Global Security Trustee will be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, release, avoidance or reduction had not occurred.
- 15.3 Section 93 of the Law of Property Act 1925 will not apply to the Finance Party Security.

16 Expenses, liability and indemnity

- 16.1 The Chargor will, on demand, pay all legal and other costs and expenses (including any stamp duty, registration or other similar taxes) incurred by the Global Security Trustee or by any Receiver in connection with the Finance Party Security. This includes any costs and expenses relating to the enforcement or preservation of the Finance Party Security or the Charged Assets and to any amendment, waiver, consent or release required in connection with the Finance Party Security.
- 16.2 Neither the Global Security Trustee nor a Receiver nor any of their Officers will be in any way liable or responsible to the Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets or the Finance Party Security, except to the extent caused by its own gross negligence or wilful misconduct.

- 16.3 The Chargor will, on demand, indemnify each of the Global Security Trustee, a Receiver and their Officers in respect of all costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:
- (a) anything done or omitted in the exercise of the powers conferred on it under the Finance Party Security, unless it was caused by its gross negligence or wilful misconduct;
 - (b) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Finance Party Security had not been granted and which was not caused by its gross negligence or wilful misconduct; or
 - (c) any breach by the Chargor of the Finance Documents.

17 Payments

- 17.1 All payments by the Chargor under the Finance Party Security Documents will be made in full, without any set-off or other deduction.
- 17.2 If any tax or other sum must be deducted from any amount payable by the Chargor under the Finance Party Security Documents, the Chargor will pay such additional amounts as are necessary to ensure that the recipient receives a net amount equal to the full amount it would have received before such deductions.
- 17.3 All amounts payable by the Chargor under the Finance Party Security Documents are exclusive of VAT. The Chargor will, in addition, pay any applicable VAT on those amounts.
- 17.4 If the Chargor fails to make a payment to a person under the Finance Party Security Documents, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).
- 17.5 No payment by the Chargor (whether under a court order or otherwise) will discharge the Obligation of the Chargor unless and until the Finance Parties have received payment in full in the currency in which the Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the Obligation concerned, the Finance Parties will have a separate cause of action against the Chargor for the shortfall.
- 17.6 Any certification or determination by the Global Security Trustee of an amount payable by the Chargor under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

18 Remedies

- 18.1 The Rights created by this Deed are in addition to any other Rights of the Finance Parties against the Chargor or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.
- 18.2 No failure by a Finance Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by a Finance Party preclude its further exercise.
- 18.3 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

19 Power of attorney

- 19.1 The Chargor, by way of security, irrevocably appoints each of the Global Security Trustee and any Receiver severally to be its attorney to do anything:
- (a) which the Chargor is obliged to do under the Finance Party Security Documents; and
 - (b) which the attorney may require to exercise any of the Rights conferred on it by the Finance Party Security Documents or by law.

20 The Global Security Trustee

- 20.1 The Global Security Trustee may be replaced by a successor in accordance with the Facility Agreement.
- 20.2 On the date of its appointment, the successor Global Security Trustee will assume all the Rights and Obligations of the retiring Global Security Trustee. However, this does not apply to any Obligations of the retiring Global Security Trustee which arise out of its acts or omissions as Global Security Trustee before the appointment of the successor, in respect of which the retiring Global Security Trustee will continue to have the Obligations imposed by, and the Rights contained in, this Deed and the Facility Agreement.
- 20.3 The retiring Global Security Trustee will, at the Chargor's expense, provide its successor with copies of those of its records as Global Security Trustee as its successor properly requires to perform its functions as Global Security Trustee.

21 Notices

- 21.1 Any notice or other communication to a party to this Deed must be in writing. It must be addressed for the attention of such person, and sent to such address or fax number as that party may from time to time notify to the other parties.
- 21.2 It will be deemed to have been received by the relevant party on receipt at that address or fax number.
- 21.3 The initial administrative details of the parties are contained in Schedule 1 (*Initial administrative details of the parties*) but a party may amend its own details at any time by notice to the other party.
- 21.4 Any notice to the Chargor may alternatively be sent to its registered office or to any of its places of business or to any of its directors or its company secretary; and it will be deemed to have been received when delivered to any such places or persons.

22 Law and jurisdiction

- 22.1 This Deed and any non-contractual obligations connected with it are governed by English law.
- 22.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- 22.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.
- 22.4 Clause 22.2 is for the benefit of the Global Security Trustee only. As a result, the Global Security Trustee will not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Global Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed, and it has been delivered on the date stated at the beginning of this Deed.

Schedule 1


Initial administrative details of the parties

Party	Address	Fax number	Attention
Chargor	Ash Road (North), Wrexham Industrial Estate, Wrexham, Clwyd, LL13 9UF, United Kingdom	0044 1978 661676	Mr J P Higgins
Global Security Trustee	Madison Pacific Trust Limited 1720, 17th Floor Tower One, Admiralty Centre 18 Harcourt Road, Hong Kong	+852 2599 9501	David Naphtali/ Holly Yuen

Schedule 2
Equipment

Description	Value
Tooling	£718,000
Computers	£108,000
Furniture and Fittings	£167,000
Other	£95,000

Schedule 3
Key Accounts

Bank	Sort Code	Account Holder	Account Number
			

Schedule 4
Permitted Security

- 1 Finance Party Security.
- 2 Liens arising in the ordinary course of trading by operation of law.

Schedule 5
Notice and acknowledgment of charge

Form of notice of charged Key Account

To: [Account Bank]

Date: ●

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a debenture dated ● entered into by us (and others) in favour of ● (the **Global Security Trustee**), we have charged to the Global Security Trustee by way of first fixed charge all of our rights in our ● account with you (no. ●) (the **Account**).
- 2 We have agreed with the Global Security Trustee not to close the Account or to amend or waive any of its terms without the consent of the Global Security Trustee.
- 3 We may continue to operate each Account unless and until the Global Security Trustee notifies you in writing to the contrary. With effect from the date of such notification, we may not withdraw any further monies from any Account without the prior written consent of the Global Security Trustee in respect of a withdrawal.
- 4 With effect from the date of the notification described in paragraph 3 above, we instruct you:
 - (a) to honour withdrawals from the Account if requested by the Global Security Trustee;
 - (b) not to honour any withdrawals from the Account if requested by us, unless our instructions are countersigned by the Global Security Trustee; and
 - (c) disclose to the Global Security Trustee, without further approval from us, such information regarding the Account as the Global Security Trustee may from time to time request and to send it copies of all statements and other notices issued by you in connection with the Account.
- 5 These instructions cannot be varied or terminated without the consent of the Global Security Trustee.
- 6 Please sign the enclosed acknowledgement and return it to the Global Security Trustee at Madison Pacific Trust Limited, 1720, 17th Floor, Tower One, Admiralty Centre, 18 Harcourt Road, Hong Kong marked for the attention of David Naphtali / Holly Yuen.

.....
for and on behalf of

Wockhardt UK Limited

Acknowledgement of Charge

To: [☉]

- 1 We acknowledge receipt of the notice [described above].
- 2 We have not received notice that any other person has an interest in the Account.
- 3 We will comply with the instructions in the notice.
- 4 With effect from the date of the notification described in paragraph 3 of the notice of charge, we will not, without the Global Security Trustee's consent, permit any amount to be withdrawn from the Account.
- 5 We will not, without the Global Security Trustee's consent, exercise any right of combination, consolidation or set-off which we may have in respect of the Account.

Executed as a)
deed by)
[Account Bank]) Authorised signatory
acting by:)
Authorised signatory

Date: ☉

SIGNATORIES

The Chargor

Executed as a deed by

WOCKHARDT UK LIMITED acting by:

[Redacted Signature]
Director

In the presence of:

[Redacted Signature]

.....
Name of witness:

JAMES PATRICK HIGGINS

Address:

[Redacted Address]

The Global Security Trustee

MADISON PACIFIC TRUST LIMITED

by:

.....
Authorised signatory

Confidential

EXECUTION VERSION

Date 27 June 2016

WOCKHARDT UK LIMITED

as Chargor

MADISON PACIFIC TRUST LIMITED

as Global Security Trustee

I certify that, save for material
redacted pursuant to s.859G
of the Companies Act 2006,
this copy instrument is a correct copy
of the original instrument.

Sign & Dated Norton Rose Fulbright LLP
29 June 2016

SECOND DEBENTURE

 **NORTON ROSE FULBRIGHT**

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Deed dated *27 June* 2016

PARTIES

Chargor	Wockhardt UK Limited, a company incorporated in England and Wales with its registered address at Ash Road North, Wrexham Industrial Estate, Wrexham LL13 9UF, Wales, United Kingdom with company registration no. 05835570
Global Security Trustee	Madison Pacific Trust Limited

SUMMARY

Chargor	Wockhardt UK Limited
Chargee	Madison Pacific Trust Limited, as security trustee for the Finance Parties from time to time
Charged Assets	all fixed and current assets (including immoveable assets) of the Chargor from time to time but, excluding the Excluded Assets
Secured Obligations	all Obligations from time to time incurred by the Borrower under or in connection with the Finance Documents (which include the Facility Agreement dated 18 April 2016, between, amongst others, the Borrower and the Guarantor and the Finance Parties (as amended or replaced from time to time)) when they become due for payment or discharge
Type of security	fixed and floating charges
Law	English law

IT IS AGREED as follows:

Interpretation

1 Definitions and interpretation

Definitions

1.1 In this Deed:

Administrative Party means each of the Agent and the Security Trustees

Administrative Receiver means one or more administrative receivers appointed, or to be appointed, under this Deed

Administrator means one or more administrators appointed, or to be appointed, under this Deed

Agent has the meaning given to it in the Facility Agreement

Authorisation has the meaning given to it in the Facility Agreement

Borrower means Wockhardt Bio AG, a company incorporated in Switzerland with the company registration number CHE-112.576.164 and registered address at Grafenauweg 6, 6300 Zug, Switzerland

Charged Assets means the Fixed Charge Assets and the Floating Charge Assets but excluding the Excluded Assets

Companies House means the registrar of companies in the United Kingdom

Companies Registry means the register of companies maintained by the Companies House in the United Kingdom

Debt means a monetary claim of any kind (whether present, future or contingent and whether originally owing to the person entitled to it or acquired by that person from someone else) and all Rights (including Security) connected with it

Default Rate means the rate specified in clause 8.3 of the Facility Agreement

Disclosure Letter has the meaning given to it in the Facility Agreement

Disposal means any transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right over an asset in favour of another person, but not the creation of Security

Enforcement Time means any time at which:

- (a) any amount owing by the Borrower or the Chargor under a Finance Document is payable but has not been paid;

- (b) an Event of Default has occurred; or
- (c) any step is being taken by any person to put the Borrower or the Chargor into administration

Equipment means:

- (a) the equipment of which a brief description is contained in Schedule 2 (*Equipment*);
- (b) any equipment that replaces any equipment described in Schedule 2 (*Equipment*), and
- (c) all other plant, machinery, vehicles and other equipment used in a business, except equipment of a type which is disposed of in the ordinary course of trading,

and all warranties and other Rights relating to them

Event of Default has the meaning given to it in the Facility Agreement

Excluded Assets means the Intangible Assets, shares, stocks, equity interest and such similar instruments

Facility Agreement means the facility agreement dated 18 April 2016 between, amongst others, the Borrower, the Guarantor and the Global Security Trustee, as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties)

Finance Document has the meaning given to it in the Facility Agreement

Finance Party means an Administrative Party or a Lender

Finance Party Security means the Security created by this Deed and any other existing or future Security granted by the Chargor to the Global Security Trustee to secure the payment and discharge of Secured Obligations

Finance Party Security Document means a document creating or evidencing Finance Party Security

Fixed Charge Assets means those assets which are from time to time the subject of clauses 3.2

Floating Charge Assets means those assets which are from time to time the subject of clause 3.3

Guarantor means Wockhardt Limited, a company incorporated in India with the company identification number L24230MH1999PLC120720 and registered address at D-4, MIDC, Chikalthana, Aurangabad- 431006 and corporate address at Global Headquarters, Wockhardt Towers, Bandra - Kurla Complex, Bandra (East), Mumbai-400 051

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or
- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation

Intangible Assets means the intangible assets of the Chargor including, but not limited to goodwill, intellectual property and confidential information

Key Account means:

- (a) an account described in Schedule 3 (*Key Accounts*);
- (b) any account that replaces an account described in Schedule 3 (*Key Accounts*);
- (c) any account established after the date of this Deed which is designated as a Key Account by the Chargor and the Global Security Trustee at or about the time of its establishment; and
- (d) any other account with a bank or financial institution which cannot be drawn on by the account holder in the ordinary course of its trading without the consent of the Global Security Trustee

Land means:

- (a) freehold, leasehold or commonhold land;
- (b) any estate or interest in, and any Rights attaching or relating to, that land; and

- (c) any buildings, fixtures and fittings (including trade fixtures and fittings) and other equipment attached to, situated on or forming part of that land

Lenders means the persons defined as such in the Facility Agreement

Obligations, in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;
- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else

Obligor has the meaning given to it in the Facility Agreement

Officer, in relation to a person, means any officer, employee or agent of that person

Permitted Security means any Security described in Schedule 4 (*Permitted Security*)

Receiver means an Administrative Receiver or a Specific Receiver

Right means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary

Secured Obligations means all the Obligations from time to time incurred by the Borrower under or in connection with the Finance Documents (which include the Facility Agreement dated 18 April 2016 between, amongst others, the Borrower and the Guarantor and the Finance Parties (as amended or replaced from time to time)) when they become due for payment or discharge

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Trustee has the meaning given to it in the Facility Agreement

Specific Receiver means one or more receivers or managers appointed, or to be appointed, under this Deed who is not an Administrative Receiver

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999

VAT means value added tax.

Interpretation

1.2 In this Deed:

- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;
- (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
- (c) references to the Facility Agreement, any Finance Document or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;
- (e) references to a person include its successors in title, permitted assignees and permitted transferees;
- (f) words importing the plural include the singular and vice versa; and
- (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Global Security Trustee, after consultation with the Chargor, determines to be necessary in order to preserve the intended effect of this Deed.

- 1.3 Where this Deed imposes an obligation on the Chargor to do something if required or requested by the Global Security Trustee, it will do so as soon as practicable after it becomes aware of the requirement or request.
- 1.4 It is intended that this document takes effect as a deed even though the Global Security Trustee may only execute it under hand.
- 1.5 This Deed may be executed in counterparts.
- 1.6 The provisions of any other Finance Document relating to:
- (a) any disposition of an interest in land; or
 - (b) any obligation of the Lenders to make further advances,
- are deemed to be incorporated in this Deed.
- 1.7 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.

Parties and third parties

- 1.8 The Rights expressly conferred on each of the Finance Parties, each Receiver and each Officer of the Global Security Trustee or a Receiver under this Deed are enforceable by each of them under the Third Parties Act.
- 1.9 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.10 The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they may not terminate this Deed or vary any of its terms if this would have the effect of terminating or adversely affecting:
- (a) the Rights of the Finance Parties under this Deed without its consent; or
 - (b) the Rights of a Receiver or of an Officer of the Global Security Trustee or a Receiver under this Deed without its consent, but only to the extent that it has notified the Global Security Trustee that it intends to enforce that clause at the time of the termination or variation.

Security

2 Payment of Secured Obligations

- 2.1 The Chargor will pay or otherwise discharge all Secured Obligations.
- 2.2 The Chargor has received and reviewed a copy of the Facility Agreement.

3 Charges

- 3.1 The charges contained in this clause 3:
 - (a) are given to the Global Security Trustee as trustee for the Finance Parties;
 - (b) secure the payment and discharge of the Secured Obligations; and
 - (c) are given with full title guarantee.
- 3.2 The Chargor charges, by way of first fixed charge, all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:
 - (a) Equipment;
 - (b) Key Accounts; and
 - (c) Debts;and in any Rights accruing to, derived from or otherwise connected with them (including insurances and proceeds of Disposal and of insurances), but excluding, for the avoidance of doubt, the Excluded Assets.
- 3.3 The Chargor charges, by way of first floating charge, its undertaking and all its present and future assets other than those effectively charged under clause 3.2), but excluding, for the avoidance of doubt, the Excluded Assets.
- 3.4 The Global Security Trustee may convert all or part of the floating charge created by the Chargor under clause 3.3 into a fixed charge by giving notice to that effect to the Chargor and specifying the identity of the assets concerned. This may be done on one or more occasion, but only (a) during an Enforcement Time or (b) if the Global Security Trustee reasonably considers that its security over the assets concerned is in jeopardy and that it is necessary to do so to protect or preserve its security.

4 Set-off

- 4.1 A Finance Party may set off any matured Secured Obligation due from the Chargor (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that

Finance Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

- 4.2 If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.
- 4.3 These Rights are in addition to the security conferred on the Global Security Trustee under this Deed.

5 Restrictions

- 5.1 The Chargor will ensure that the restrictions contained in this clause 5 are complied with unless the Global Security Trustee agrees to the contrary.
- 5.2 No Security will exist over, or in relation to, any Charged Asset other than Permitted Security.
- 5.3 There will be no Disposal of any Fixed Charge Asset.
- 5.4 There will be no Disposal of any Floating Charge Asset otherwise than for market value in the ordinary course of trading of the Chargor.

6 Perfection

General action

- 6.1 The Chargor will, at its own expense, create all such Security, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Global Security Trustee may require from time to time in order to:
- (a) ensure that it has an effective first-ranking fixed charge over the Fixed Charge Assets (or, in the case of Land then owned by the Chargor, a charge by way of legal mortgage) subject only to such Permitted Security as the Global Security Trustee has agreed should rank in priority;
 - (b) ensure that it has an effective first-ranking floating charge over the Floating Charge Assets, subject only to such Permitted Security as the Global Security Trustee has agreed should rank in priority; and
 - (c) facilitate the enforcement of the Finance Party Security, the realisation of the Charged Assets or the exercise of any Rights held by the Global Security Trustee or any Receiver or Administrator under or in connection with the Finance Party Security.
- 6.2 The scope of clause 6.1 is not limited by the specific provisions of the rest of this clause 6 or by any other provision of the Finance Party Security Documents.

Notification

- 6.3 If, after the date of this Deed, the Chargor acquires (a) Rights in Land or (b) Rights in any other material asset, it will notify the Global Security Trustee as soon as reasonably practicable and will provide it with such information about the acquisition as the Global Security Trustee may reasonably require.

Equipment

- 6.4 If required to do so by the Global Security Trustee, the Chargor will create a first legal mortgage over any Equipment owned by it at that time, in any form which the Global Security Trustee may reasonably require.

Key Accounts

- 6.5 If, at any time, the Chargor has a Right in respect of a Key Account, it will, on the date of this Deed (or, if it acquires the Right later, as soon as practicable after it does so):
- (a) deliver a notice of this Deed to the other parties to the relevant Key Account substantially in the form set out in Schedule 5 (*Notice and acknowledgement of charge*); and
 - (b) use its best endeavours to procure that those parties deliver an acknowledgement of the notice to the Global Security Trustee substantially in the form set out in that part of that Schedule as soon as reasonably practicable.
- 6.6 The Global Security Trustee hereby agrees that it will not notify the account bank pursuant to paragraph 3 of the notice delivered by the Chargor under clause 6.5 above until an Enforcement Time has occurred.

Subsequent security

- 6.7 If a Finance Party receives notice that any Security has been created over Charged Assets which the Finance Documents do not permit to rank in priority to the Finance Party Security, that Finance Party will be treated as if it had immediately opened a new account for the Chargor, and all payments received by that Finance Party from the Chargor will be treated as if they had been credited to the new account and will not reduce the amount then due from the Chargor to that Finance Party.

Financial Collateral

- 6.8 The parties to this Deed designate those Charged Assets which constitute financial collateral to be under the control of the Global Security Trustee, whether they are the subject of a fixed charge or of a floating charge under this Deed.

Enforcement

7 Enforcement

Time for enforcement

- 7.1 The Global Security Trustee may enforce the Finance Party Security at any time which is an Enforcement Time or if the Chargor requests it to do so.

Methods of enforcement

- 7.2 The Global Security Trustee may enforce the Finance Party Security by:
- (a) appointing an Administrator of the Chargor;
 - (b) if permitted to do so by the Insolvency Legislation, appointing an Administrative Receiver of the Chargor;
 - (c) appointing a Specific Receiver of assets of the Chargor;
 - (d) going into possession of, receiving the benefit of, or selling assets of the Chargor, giving notice to the Chargor or any other person in relation to any assets of the Chargor, exercising a right of set-off or in any other way it may decide; or
 - (e) taking any other action it may decide in any jurisdiction other than England.
- 7.3 To the extent that the Finance Party Security arises under a security financial collateral arrangement, the Global Security Trustee may also enforce it by giving written notice to the Chargor that it is appropriating those Charged Assets which consist of financial collateral. On receipt of that notice by the Chargor, the Global Security Trustee will automatically become the absolute owner of that financial collateral, and the Chargor will have no further interest in it. The value of the financial collateral will, as soon as practicable after it has been established, be applied in discharge of the equivalent amount of the Secured Obligations in accordance with clause 8 (*Application of proceeds*). For this purpose, the Global Security Trustee will value the financial collateral as follows:
- (a) in the case of cash, by reference to its face value received by the Global Security Trustee;
 - (b) in the case of credit claims, by reference to the amount actually recovered by the Global Security Trustee; and
 - (c) in the case of financial instruments, by reference to such public indices, valuations or other matters as the Global Security Trustee may reasonably decide.

Expressions defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 will have the same meanings in this clause.

- 7.4 An Administrator must be appointed in accordance with the Insolvency Legislation.
- 7.5 A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.
- 7.6 The appointment of a Receiver may be made subject to such limitations as are specified by the *Global Security Trustee in the appointment*.
- 7.7 If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Global Security Trustee may specify to the contrary in the appointment.
- 7.8 Subject to the Insolvency Legislation, the Global Security Trustee may remove or replace any Receiver.
- 7.9 If required by the Insolvency Legislation, an Administrator or Receiver must be a person qualified to act as such under it.

Powers on enforcement

- 7.10 An Administrator will have the powers given to him by the Insolvency Legislation.
- 7.11 An Administrative Receiver will have:
- (a) the powers given to him by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in section 103 of that Act; and
 - (c) the power to do, or omit to do, on behalf of the Chargor, anything which the Chargor itself could have done, or omitted to do, if its assets were not the subject of Security and the Chargor were not in insolvency proceedings.
- 7.12 A Specific Receiver will have the same powers as an Administrative Receiver in respect of the assets over which he is appointed.
- 7.13 The Global Security Trustee will, if it enforces the Finance Party Security itself, have the same powers as an Administrative Receiver in respect of the assets which are the subject of the enforcement.
- 7.14 Except to the extent provided by law, none of the powers described in this clause 7 will be affected by an Insolvency Event in relation to the Chargor.

Status and remuneration of Receiver

- 7.15 A Receiver will be the agent of the Chargor until the Chargor goes into liquidation. He will have no authority to act as agent for the Global Security Trustee, even in the liquidation of the Chargor.
- 7.16 The Global Security Trustee may from time to time determine the remuneration of any Receiver.

Third parties

- 7.17 A person dealing with the Global Security Trustee or with a Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:
- (a) those persons have the power to do those things which they are purporting to do; and
 - (b) they are exercising their powers properly.

8 Application of proceeds

All money received by the Global Security Trustee or a Receiver under or in connection with the Finance Documents (whether during, or before, enforcement of the Finance Party Security) will, subject to the rights of any persons having priority, be applied in accordance with clause 29.1 (*Order of Application*) of the Facility Agreement.

Undertakings

9 Equipment

- 9.1 The Chargor will keep its Equipment in good repair, working order and condition and permit the Global Security Trustee and its representatives to enter and view their state and condition upon giving reasonable notice to the Chargor.

10 Key Accounts and Debts

- 10.1 The Chargor will not:
- (a) agree to alter the terms of, or terminate, any Key Account; or
 - (b) waive its rights under a Key Account,
- without the consent of the Global Security Trustee.
- 10.2 The Global Security Trustee will give its consent under clause 10.1 if, in its reasonable opinion, any such alteration or waiver will not materially affect the effectiveness or value of its security over the Key Account concerned.
- 10.3 The Chargor will promptly collect all Debts as agent for the Global Security Trustee and pay all their proceeds into such accounts as the Global Security Trustee may from time to time specify.

11 Insurance

- 11.1 The Chargor will:
- (a) maintain insurances in relation to its business and assets with reputable underwriters or insurance companies of a type, to the extent and in an amount which is usual for companies carrying on similar businesses whose practice it is not to self-insure;
 - (b) punctually pay all premiums and other money payable under its contracts of insurance and comply with their other provisions; and
 - (c) ensure that the Global Security Trustee's interest is noted on the Chargor's contracts of insurance.
- 11.2 During an Enforcement Time (and also once the Finance Party Security has been enforced), all payments in respect of any contract of insurance will be paid to the Global Security Trustee for application in accordance with clause 8 (*Application of proceeds*). Otherwise, all such payments will be applied in reinstatement of the assets concerned.

12 General undertakings

- 12.1 The Chargor will take all steps as are necessary to preserve the value and marketability of its Charged Assets.
- 12.2 The Chargor will notify the Global Security Trustee as soon as it becomes aware of any matter which might reasonably be expected to have an adverse effect on the Rights of the Global Security Trustee under the Finance Party Security. Those matters include a claim by any person to an interest in a Charged Asset.
- 12.3 The Chargor will provide to the Global Security Trustee:
- (a) such information about the Charged Assets;
 - (b) such information about the extent to which it has complied with its obligations under this Deed; and
 - (c) *copies of such documents which create, evidence or relate to its Charged Assets,*
- as the Global Security Trustee may from time to time reasonably request.
- 12.4 The Finance Parties may exchange between themselves any information relating to the Chargor.
- 12.5 If the Chargor does not comply with its obligations under this Deed, the Global Security Trustee may do so on the Chargor's behalf on such basis as the Global Security Trustee may reasonably decide. That Chargor will indemnify the Global Security Trustee on demand against the amount certified by the Global Security Trustee to be the cost, loss or liability suffered by it as a result of doing so.

Representations

13 Representations

The Chargor makes the representations and warranties set out in this clause 13 to the Chargee on the date of this Deed.

13.1 Status

- (a) It is a corporation, duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has no centre of main interests, permanent establishment or place of business outside the jurisdiction in which it is incorporated.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

13.2 Binding obligations

- (a) The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations; and
- (b) (without limiting the generality of clause (a)), this Deed creates the security interests which this Deed purports to create and those security interests are valid and effective.

13.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security under this Deed do not and will not conflict with:

- (c) any law or regulation applicable to it;
- (d) its and each of its Subsidiaries' constitutional documents; or
- (e) any agreement or instrument binding upon it or its assets or constitute a default or termination event (however described) under any such agreement or instrument,

nor result in the existence of, or oblige it to create, any Security over any of its assets.

13.4 Power and authority

- (a) The Chargor has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the granting of security or giving of indemnities contemplated by this Deed.

13.5 Validity and admissibility in evidence

(a) All Authorisations required or desirable:

- (i) to enable it to lawfully enter into, exercise its rights and comply with its obligations in this Deed;
- (ii) to make this Deed admissible in evidence in England; and
- (iii) to enable it to create the Security to be created by it pursuant to this Deed and to ensure that such Security has the priority and ranking contemplated by this Deed, have been obtained or effected and are in full force and effect.

(b) All Authorisations and any other acts, conditions or things required or desirable for it and its Subsidiaries to carry on their business, and which are material, have been obtained, done, fulfilled, performed or effected and are in full force and effect.

13.6 Registration requirements

Except for registration of particulars of this Deed at the Companies House in England and Wales under the Companies Act 2006, it is not necessary to file, register or record this Deed in any public place or elsewhere.

13.7 Governing law and enforcement

- (a) The choice of the law stated to be the governing law of this Deed will be recognised and enforced in England.
- (b) Any judgment obtained in relation to this Deed in England will be recognised and enforced in England.

13.8 No filing or stamp taxes

It is not necessary under the laws of England and Wales that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed except registration of this Deed at the Companies House under the Companies Act 2006 and payment of associated fees, which registrations, filings and fees will be made and paid promptly after the date of this Deed and in any event, in the case of registration of this Deed at the Companies House, within 21 days of the date of this Deed.

13.9 No proceedings pending or threatened

Other than as disclosed to the Agent in the Disclosure Letter, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have (to the best of its knowledge and belief) been started or threatened against it.

13.10 No breach of laws

(a) It has not breached any law or regulation.

(b) No labour disputes are current or, to the best of its knowledge and belief (having made due and careful enquiry), threatened against it.

13.11 Ranking of Security

The Security granted under this Deed has or will have the ranking in priority which it is expressed to have in this Deed.

13.12 Good title to assets

It and each of its Subsidiaries has a good, valid and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted.

13.13 Security

No Security exists over all or any of its present or future assets other than as permitted by the Finance Documents.

13.14 Legal and beneficial ownership

It and each of its Subsidiaries is the sole legal and beneficial owner of the respective assets over which it purports to grant Security.

Miscellaneous

14 Third party security protections

Continuing obligations

- 14.1 This charge is a continuing security and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

- 14.2 If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Finance Parties in whole or in part on the faith 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 the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

Waiver of defences

- 14.3 The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to the Global Security Trustee), including:
- (a) any time, waiver or consent granted to, or composition with, any Obligor or any other person;
 - (b) the release any Obligor or any other person;
 - (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
 - (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - (g) any insolvency or similar proceedings.

Immediate recourse

- 14.4 The Chargor waives any right it may have of first requiring the Global Security Trustee (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 the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

Appropriations

- 14.5 Until the Secured Obligations have been irrevocably and unconditionally discharged in full, the Global Security Trustee (or any trustee or agent on their behalf) or a Receiver may:
- (a) refrain from applying or enforcing any other money, security or Rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply and enforce the same in the manner and order it thinks fit (whether against those amounts or otherwise) and the Chargor will not be entitled to the benefit of the same; and
 - (b) hold in an interest-bearing suspense account any money received from the Chargor or on account of the Chargor's liability under this Deed.

Deferral of Chargor's rights

- 14.6 Unless the Global Security Trustee otherwise directs, the Chargor will not exercise any Rights (including rights of set-off) which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:
- (a) to be indemnified or reimbursed by any Obligor;
 - (b) to claim any contribution from any other obligor in relation to any Obligor's obligations under the Finance Documents;
 - (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken under, or in connection with, the Finance Documents by the Finance Parties;
 - (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under this Deed;
 - (e) to exercise any right of set-off against any Obligor; and/or
 - (f) to claim or prove as a creditor of any Obligor in competition with the Finance Parties.

14.7 If the Chargor receives any benefit, payment or distribution in relation to such Rights it will promptly pay an equal amount to the Global Security Trustee for application in accordance with this Deed.

14.8 Clauses 14.6 and 14.7 only apply until all the Secured Obligations have been irrevocably and unconditionally discharged in full.

14.9 This Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Finance Parties.

15 Duration of the security

15.1 The Obligations of the Chargor under the Finance Documents and the security created by the Finance Party Security will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.

15.2 If any payment by any Obligor or any release given by the Global Security Trustee (whether in respect of the Secured Obligations or any security for them or otherwise) is avoided or reduced as a result of insolvency or any similar event:

(a) the liability of the Chargor under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and

(b) the Global Security Trustee will be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, release, avoidance or reduction had not occurred.

15.3 Section 93 of the Law of Property Act 1925 will not apply to the Finance Party Security.

16 Expenses, liability and indemnity

16.1 The Chargor will, on demand, pay all legal and other costs and expenses (including any stamp duty, registration or other similar taxes) incurred by the Global Security Trustee or by any Receiver in connection with the Finance Party Security. This includes any costs and expenses relating to the enforcement or preservation of the Finance Party Security or the Charged Assets and to any amendment, waiver, consent or release required in connection with the Finance Party Security.

16.2 Neither the Global Security Trustee nor a Receiver nor any of their Officers will be in any way liable or responsible to the Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets or the Finance Party Security, except to the extent caused by its own gross negligence or wilful misconduct.

16.3 The Chargor will, on demand, indemnify each of the Global Security Trustee, a Receiver and their Officers in respect of all costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:

- (a) anything done or omitted in the exercise of the powers conferred on it under the Finance Party Security, unless it was caused by its gross negligence or wilful misconduct;
- (b) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Finance Party Security had not been granted and which was not caused by its gross negligence or wilful misconduct; or
- (c) any breach by the Chargor of the Finance Documents.

17 Payments

17.1 All payments by the Chargor under the Finance Party Security Documents will be made in full, without any set-off or other deduction.

17.2 If any tax or other sum must be deducted from any amount payable by the Chargor under the Finance Party Security Documents, the Chargor will pay such additional amounts as are necessary to ensure that the recipient receives a net amount equal to the full amount it would have received before such deductions.

17.3 All amounts payable by the Chargor under the Finance Party Security Documents are exclusive of VAT. The Chargor will, in addition, pay any applicable VAT on those amounts.

17.4 If the Chargor fails to make a payment to a person under the Finance Party Security Documents, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).

17.5 No payment by the Chargor (whether under a court order or otherwise) will discharge the Obligation of the Chargor unless and until the Finance Parties have received payment in full in the currency in which the Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the Obligation concerned, the Finance Parties will have a separate cause of action against the Chargor for the shortfall.

17.6 Any certification or determination by the Global Security Trustee of an amount payable by the Chargor under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

18 Remedies

- 18.1 The Rights created by this Deed are in addition to any other Rights of the Finance Parties against the Chargor or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.
- 18.2 No failure by a Finance Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by a Finance Party preclude its further exercise.
- 18.3 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

19 Power of attorney

- 19.1 The Chargor, by way of security, irrevocably appoints each of the Global Security Trustee and any Receiver severally to be its attorney to do anything:
- (a) which the Chargor is obliged to do under the Finance Party Security Documents; and
 - (b) which the attorney may require to exercise any of the Rights conferred on it by the Finance Party Security Documents or by law.

20 The Global Security Trustee

- 20.1 The Global Security Trustee may be replaced by a successor in accordance with the Facility Agreement.
- 20.2 On the date of its appointment, the successor Global Security Trustee will assume all the Rights and Obligations of the retiring Global Security Trustee. However, this does not apply to any Obligations of the retiring Global Security Trustee which arise out of its acts or omissions as Global Security Trustee before the appointment of the successor, in respect of which the retiring Global Security Trustee will continue to have the Obligations imposed by, and the Rights contained in, this Deed and the Facility Agreement.
- 20.3 The retiring Global Security Trustee will, at the Chargor's expense, provide its successor with copies of those of its records as Global Security Trustee as its successor properly requires to perform its functions as Global Security Trustee.

21 Notices

- 21.1 Any notice or other communication to a party to this Deed must be in writing. It must be addressed for the attention of such person, and sent to such address or fax number as that party may from time to time notify to the other parties.
- 21.2 It will be deemed to have been received by the relevant party on receipt at that address or fax number.
- 21.3 The initial administrative details of the parties are contained in Schedule 1 (*Initial administrative details of the parties*) but a party may amend its own details at any time by notice to the other party.
- 21.4 Any notice to the Chargor may alternatively be sent to its registered office or to any of its places of business or to any of its directors or its company secretary; and it will be deemed to have been received when delivered to any such places or persons.

22 Law and jurisdiction

- 22.1 This Deed and any non-contractual obligations connected with it are governed by English law.
- 22.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it (including a dispute regarding the existence, validity or termination of this Deed) (**a Dispute**).
- 22.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.
- 22.4 Clause 22.2 is for the benefit of the Global Security Trustee only. As a result, the Global Security Trustee will not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Global Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed, and it has been delivered on the date stated at the beginning of this Deed.

Schedule 1
Initial administrative details of the parties

Party	Address	Fax number	Attention
Chargor	Ash Road (North), Wrexham Industrial Estate, Wrexham, Clwyd, LL13 9UF, United Kingdom	0044 1978 661676	Mr J P Higgins
Global Security Trustee	Madison Pacific Trust Limited 1720, 17th Floor Tower One, Admiralty Centre 18 Harcourt Road, Hong Kong	+852 2599 9501	David Naphtali/ Holly Yuen

Schedule 2 Equipment

Description	Value
Tooling	£718,000
Computers	£108,000
Furniture and Fittings	£167,000
Other	£95,000

Schedule 3
Key Accounts

Bank	Sort Code	Account Holder	Account Number

Schedule 4
Permitted Security

- 1 Finance Party Security.
- 2 Liens arising in the ordinary course of trading by operation of law.

Schedule 5
Notice and acknowledgment of charge

Form of notice of charged Key Account

To: [Account Bank]

Date: ●

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a debenture dated ● entered into by us (and others) in favour of ● (the **Global Security Trustee**), we have charged to the Global Security Trustee by way of first fixed charge all of our rights in our ● account with you (no. ●) (the **Account**).
- 2 We have agreed with the Global Security Trustee not to close the Account or to amend or waive any of its terms without the consent of the Global Security Trustee.
- 3 We may continue to operate each Account unless and until the Global Security Trustee notifies you in writing to the contrary. With effect from the date of such notification, we may not withdraw any further monies from any Account without the prior written consent of the Global Security Trustee in respect of a withdrawal.
- 4 With effect from the date of the notification described in paragraph 3 above, we instruct you:
 - (a) to honour withdrawals from the Account if requested by the Global Security Trustee;
 - (b) not to honour any withdrawals from the Account if requested by us, unless our instructions are countersigned by the Global Security Trustee; and
 - (c) disclose to the Global Security Trustee, without further approval from us, such information regarding the Account as the Global Security Trustee may from time to time request and to send it copies of all statements and other notices issued by you in connection with the Account.
- 5 These instructions cannot be varied or terminated without the consent of the Global Security Trustee.
- 6 Please sign the enclosed acknowledgement and return it to the Global Security Trustee at Madison Pacific Trust Limited, 1720, 17th Floor, Tower One, Admiralty Centre, 18 Harcourt Road, Hong Kong marked for the attention of David Naphtali / Holly Yuen.

.....
for and on behalf of

Wockhardt UK Limited

Acknowledgement of Charge

To: [●]

- 1 We acknowledge receipt of the notice [described above].
- 2 We have not received notice that any other person has an interest in the Account.
- 3 We will comply with the instructions in the notice.
- 4 With effect from the date of the notification described in paragraph 3 of the notice of charge, we will not, without the Global Security Trustee's consent, permit any amount to be withdrawn from the Account.
- 5 We will not, without the Global Security Trustee's consent, exercise any right of combination, consolidation or set-off which we may have in respect of the Account.

Executed as a)
deed by)
[Account Bank]) Authorised signatory
acting by:)
Authorised signatory

Date: ●

SIGNATORIES

The Chargor

Executed as a deed by

WOCKHARDT UK LIMITED acting by:

.....
Director

in the presence of:

.....
Name of witness:
Address:

The Global Security Trustee

MADISON PACIFIC TRUST LIMITED

by: YUEN WAI SAN CHOLLY

