



**Registration of a Charge**

Company name: **E.S. PIPELINES LIMITED**

Company number: **03822878**



X9HL86A9

Received for Electronic Filing: **11/11/2020**

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**Details of Charge**

Date of creation: **10/11/2020**

Charge code: **0382 2878 0016**

Persons entitled: **BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by:

**LINKLATERS LLP**



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

Company number: 3822878

Charge code: 0382 2878 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th November 2020 and created by E.S. PIPELINES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th November 2020 .

Given at Companies House, Cardiff on 12th November 2020

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

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

# Linklaters LLP

12/11/2020

## SECURITY AGREEMENT OVER SHARES

Dated 10 November 2020

created by

E.S. PIPELINES LIMITED

as the Chargor

in favour of

BNY MELLON CORPORATE TRUSTEE SERVICES LIMITED

acting as Security Trustee

## Linklaters

Ref: L-261432

Linklaters LLP

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THIS DEED is dated 10 November 2020 and made between:

- (1) E.S. Pipelines Limited, registration number 03822878, as chargor (the "**Chargor**"); and
- (2) BNY Mellon Corporate Trustee Services Limited as security trustee for the Secured Creditors (the "**Security Trustee**").

#### Background

- (A) The board of directors of the Chargor is satisfied that entering into this Deed would be most likely to promote the success of the Chargor for the benefit of its members as a whole and to the further benefit and advantage of the Chargor.
- (B) The Security Trustee and the Chargor intend this document to take effect as a deed (even though the Security Trustee only executes it under hand).
- (C) The Security Trustee holds the benefit of this Deed for the Secured Creditors on the terms of the Finance Documents.

IT IS AGREED as follows:

## 1. DEFINITIONS AND INTERPRETATION

### 1.1 Definitions

In this Deed:

"**Common Terms Agreement**" means the common terms agreement dated 3 October 2017 between (among others) the Chargor and the Security Trustee.

"**Delegate**" means a delegate or sub-delegate, agent, attorney, co-trustee or nominee appointed by the Security Trustee or a Receiver in accordance with this Deed.

"**Insolvency Act**" means the Insolvency Act 1986.

"**Law of Property Act**" means the Law of Property Act 1925.

"**Master Definitions Agreement**" means the master definitions agreement dated 3 October 2017 between (among others) the Chargor and the Security Trustee.

"**Party**" means a party to this Deed.

"**Quasi-Security**" means a transaction under which the Chargor will:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an Obligor or another member of the Security Group;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

**"Receiver"** means a receiver and manager or other receiver appointed in respect of all or any part of the Security Assets and shall, if allowed by law, include an administrative receiver.

**"Related Rights"** means, in relation to a Security Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Security Asset;
- (b) any moneys or proceeds paid or payable deriving from that Security Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Security Asset;
- (d) any awards or judgments in favour of the Chargor in relation to that Security Asset; and
- (e) any other assets deriving from, or relating to, that Security Asset.

**"Secured Creditor"** has the meaning given to it in the Master Definitions Agreement.

**"Secured Liabilities"** has the meaning given to it in the Master Definitions Agreement.

**"Security Assets"** means the assets which from time to time are, or expressed to be, the subject of the Security Interests or any part of those assets.

**"Security Interests"** means all or any of the Security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed.

**"Security Trust and Intercreditor Deed"** means the security trust and intercreditor deed dated 3 October 2017 between, among others, the Chargor and the Security Trustee.

**"Shares"** means, in relation to the Chargor, all its present and future right, title and interest from time to time in the Subsidiary, including:

- (a) the shares described in Schedule 2 (*Shares*) and any other shares issued in the future by any person identified in Schedule 2 (*Shares*) as issuer of any such shares;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares; and
- (c) any other securities or investments deriving from any such shares or any rights attaching or relating to any such shares,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

**"Subsidiary"** means Gas Newco 1 Limited (company number 12368364).

## 1.2 **Incorporation of defined terms**

Unless a contrary indication appears, terms defined in the Master Definitions Agreement have the same meaning in this Deed.

## 1.3 **Construction**

- (a) Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated,

supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document or other agreement or instrument.

- (b) The provisions contained in Part 2 (*Construction*) of Schedule 1 (*Common Definitions*) of the Master Definitions Agreement apply to this Deed as though set out in full in this Deed.

#### 1.4 **Third Party Rights**

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

#### 1.5 **Common Terms Agreement**

The terms of the Common Terms Agreement apply to this Deed, where applicable, and if, there is a conflict between the Common Terms Agreement and this Deed, the provisions of the Common Terms Agreement will prevail.

#### 1.6 **Security Trust and Intercreditor Deed**

This Deed is entered into subject to the Security Trust and Intercreditor Deed and, to the extent that any provision of this Deed (including terms that apply pursuant to Clause 1.5 (*Common Terms Agreement*)) is inconsistent with the Security Trust and Intercreditor Deed, the Security Trust and Intercreditor Deed will prevail. Without limitation, the provisions of Clause 27 (*Activities of the Security Trustee*) and Clause 28 (*Remuneration and Indemnification of the Security Trustee*) of the Security Trust and Intercreditor Deed shall apply to this Deed.

#### 1.7 **Disposition**

The terms of the other Finance Documents and of any other agreement or instrument between the Parties are incorporated into each Finance Document to the extent required for any disposition or purported disposition of any relevant Security Asset contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (*Miscellaneous Provisions*) Act 1989.

### 2. **EFFECTIVENESS**

The Security created or expressed to be created by the Chargor by or pursuant to this Deed shall become effective on and from the date of this Deed.

### 3. **SECURITY INTERESTS**

The Chargor, with full title guarantee and as security for the payment of all Secured Liabilities, charges by way of first mortgage, all its Shares in favour of the Security Trustee.



#### 4. **RESTRICTIONS ON DEALING WITH SECURITY ASSETS**

##### 4.1 **Negative pledge**

The Chargor shall not create or permit to subsist any Security or Quasi-Security over any Security Asset, except as permitted by the Common Terms Agreement.

##### 4.2 **Disposals**

The Chargor shall not (nor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Security Asset, except as permitted by the Common Terms Agreement.

#### 5. **FURTHER ASSURANCE**

(a) The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s)):

- (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Trustee or the Secured Creditors provided by or pursuant to the Finance Documents or by law; and/or
- (ii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.

(b) The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Secured Creditors by or pursuant to this Deed.

#### 6. **NO OTHER PREJUDICIAL CONDUCT**

The Chargor undertakes that it shall not do, or permit to be done, anything which could prejudice the Security Interests ("**Prejudicial Conduct**"), excluding any such Prejudicial Conduct which is expressly permitted under the Finance Documents.

#### 7. **CONFORMITY WITH THE LICENCE**

Notwithstanding any other provision of this Deed, the security created under or pursuant to this Deed will not include any assets, property and rights to the extent, and for so long as, the taking of such security is prohibited under and would result in the breach of the terms of any Regulated Entity's Licence and requirements thereunder or any other law or regulation agreed by the Regulator or applicable to the activities of a Regulated Entity, or the taking of such security is only permitted with the consent or non-objection of the Regulator unless such consent is obtained.

## 8. PEOPLE WITH SIGNIFICANT CONTROL REGIME

The Chargor shall:

- (a) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 from any company incorporated in the United Kingdom whose shares are the subject of the Security; and
- (b) promptly provide the Security Trustee with a copy of that notice.

## 9. ENFORCEMENT OF SECURITY INTERESTS

### 9.1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing.

### 9.2 Enforcement action

At any time after the Security Interests have become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by any Secured Creditor.

### 9.3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

## 10. LAW OF PROPERTY ACT

### 10.1 Section 101

The power of sale and other powers conferred by section 101 (*Powers incident to estate or interest of mortgagee*) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with Clause 9.3 (*Law of Property Act powers*).

### 10.2 Section 103

Section 103 (*Regulation of exercise of power of sale*) of the Law of Property Act shall not apply to this Deed.

### 10.3 Section 93

Section 93 (*Restriction on consolidation of mortgages*) of the Law of Property Act shall not apply to this Deed.

## 11. APPOINTMENT OF RECEIVERS

### 11.1 Appointment of Receivers

If:

- (a) requested by the Chargor; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, the Security Trustee may, by deed or otherwise in writing signed by the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver of all or any part of the Security Assets. The Security Trustee may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally.

#### 11.2 **Agent of Chargor**

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

#### 11.3 **Remuneration of Receivers**

The Security Trustee may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the Law of Property Act shall not apply. The Security Trustee may direct payment of that remuneration out of moneys it receives as Receiver. The Chargor alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

### 12. **RIGHTS AND LIABILITIES OF SECURITY TRUSTEE AND RECEIVERS**

#### 12.1 **Rights of Receivers**

Any Receiver appointed pursuant to Clause 11 (*Appointment of Receivers*) shall have:

- (a) the rights set out in Schedule 1 (*Rights of Receivers*); and
- (b) the rights, powers, privileges and immunities conferred by law, including the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

#### 12.2 **Rights of Security Trustee**

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Trustee, whether or not the Security Trustee shall have appointed a Receiver of all or any part of the Security Assets.

#### 12.3 **Delegation**

- (a) The Security Trustee may delegate in any manner to any person any rights exercisable by the Security Trustee under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee thinks fit and the Security Trustee may pass confidential information to any such delegate.
- (b) Provided that the Security Trustee has exercised due care in the selection of such delegate, it shall not in any way or to any extent be responsible for any loss, liability, expense, demand, cost or claim incurred by reason of the misconduct, omission or default on the part of such delegate or sub-delegate.

#### 12.4 **Financial collateral arrangement**

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Trustee shall have the right at any time after the Security Interests

have become enforceable, to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit in or towards satisfaction of the Secured Liabilities in accordance with the Financial Collateral Regulations.

- (b) If the Security Trustee is required to value any Financial Collateral for the purpose of paragraph (a) above, the value shall be:
- (i) in the case of cash, its face value at the time of appropriation; and
  - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Trustee by reference to a public index or other applicable generally recognised source or such other process as the Security Trustee may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Trustee,

as converted, where necessary, into the currency in which the Secured Liabilities are denominated at a market rate of exchange prevailing at the time of appropriation selected by the Security Trustee. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

#### 12.5 **Possession**

If the Security Trustee, any Receiver or any Delegate takes possession of the Security Assets, it may at any time relinquish possession. Neither the Security Trustee, any Receiver nor any Delegate shall be liable, by reason of viewing or repairing any of the present or future assets of the Chargor, as a mortgagee in possession.

#### 12.6 **Security Trustee's liability**

Neither the Security Trustee, any Receiver nor any Delegate shall, either by reason of taking possession of the Security Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Security Assets; or
- (b) any act or omission of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Security Assets or in connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

#### 13. **ORDER OF APPLICATION**

All amounts received or recovered by the Security Trustee or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Trustee on trust to apply them at any time, subject to the rights of any creditors having priority, in the order provided in Clause 24 (*Post Enforcement Priority of Payments*) and Schedule 3 (*Post Enforcement Priority of Payments*) of the Security Trust and Intercreditor Deed.

## 14. POWER OF ATTORNEY

### 14.1 Appointment

The Chargor by way of security irrevocably appoints the Security Trustee, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which the Chargor is obliged to do under any Finance Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))); and
- (b) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document or under any law.

### 14.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 14.1 (*Appointment*).

## 15. PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with the Security Trustee, any Receiver or its agents shall be concerned to enquire:

- (a) whether the powers conferred on the Security Trustee, any Receiver or its agents have arisen;
- (b) whether the powers conferred on the Security Trustee, any Receiver or its agents have become exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether the Security Trustee, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Finance Documents and the receipt in writing of the Security Trustee, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the Security Trustee, any Receiver or its agents.

## 16. **SAVING PROVISIONS**

### 16.1 **Continuing Security**

Subject to Clause 17 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

### 16.2 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by a Secured Creditor in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Chargor and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

### 16.3 **Waiver of defences**

Neither the obligations of the Chargor under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Secured Creditor) including:

- (a) any time, waiver or consent granted to, or composition with, the Chargor, any other Obligor or any other person;
- (b) the release of the Chargor, any other Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (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, the Chargor, any other 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 the Chargor, any other Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or 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.

### 16.4 **Chargor intent**

Without prejudice to the generality of Clause 16.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security Interests shall extend from time to time to any (however

fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

#### **16.5 Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Creditor (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.

#### **16.6 Appropriations**

Until all amounts which may be or become payable by the other Obligors or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated, each Secured Creditor (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

#### **16.7 Deferral of Chargor's rights**

Until all amounts which may be or become payable by the other Obligors or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Secured Liabilities have terminated and unless the Security Trustee otherwise directs, the Chargor will not exercise any rights 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 the Finance Documents:

- (a) to be indemnified by any Obligor;
- (b) to claim any contribution from any other provider of Security for or guarantor of 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 Secured Creditors under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Creditor;

- (d) to bring legal or other proceedings for an order requiring the other Obligor to make any payment, or perform any obligation, in respect of which such Obligor had given a guarantee, undertaking or indemnity;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of the other Obligor in competition with any Secured Creditor.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Creditors by any other Obligor or the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Secured Creditors and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 13 (*Order of application*).

#### **16.8 Additional security**

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Creditor.

#### **16.9 Tacking**

Each Secured Creditor shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

### **17. DISCHARGE OF SECURITY**

#### **17.1 Final redemption**

Subject to Clause 17.2 (*Retention of security*), if the Security Trustee is satisfied that all amounts which may be or become payable by the other Obligor or the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Secured Liabilities have terminated, the Security Trustee shall at the request and cost of the Chargor release, reassign or discharge (as appropriate) the Security Assets from the Security Interests, without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

#### **17.2 Retention of security**

If the Security Trustee reasonably considers that any amount paid or credited to any Secured Creditors under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

### **18. COSTS AND EXPENSES**

#### **18.1 Expenses**

The Chargor shall, within five Business Days of demand, pay to the Security Trustee the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Trustee or any Delegate or Receiver in relation to this Deed (including the administration, protection, realisation, enforcement or preservation of any rights under or in connection with this Deed, or any consideration by the Security Trustee as to whether to realise or enforce the same, and/or any



amendment, waiver, consent or release of any Finance Document and/or any other document referred to in this Deed).

## **18.2 VAT**

Clause 13 (VAT) of the Common Terms Agreement shall apply as if it were set out in full in this Deed, save that references in that clause to "Finance Party" shall be treated in this Deed as being to "Secured Creditor, Receiver or Delegate".

## **19. INDEMNITY**

The Chargor shall, within five Business Days of demand, indemnify the Security Trustee and any Delegate or Receiver against any cost, loss, liability or expense incurred by it or them as a result of:

- (a) any breach by the Chargor of this Deed; or
- (b) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Deed or otherwise relating to the Security Assets.

The provisions of this Clause 19 shall survive the termination of this Deed or any resignation or removal of the Security Trustee.

## **20. PAYMENTS**

### **20.1 Demands**

A demand for payment made by any Secured Creditor shall be valid and effective even if it contains no statement of the relevant Secured Liabilities or an inaccurate or incomplete statement of them.

### **20.2 Payments**

All payments by the Chargor under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Trustee may direct.

### **20.3 Continuation of accounts**

- (a) At any time after a Secured Creditor has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Security Assets of the Chargor, that Secured Creditor may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).
- (b) If that Secured Creditor does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Chargor to that Secured Creditor shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Secured Liabilities as at the time the relevant notice was received or deemed to have been received.

### **20.4 Contingencies**

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Trustee or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

## **21. REMEDIES, WAIVERS AND DETERMINATIONS**

### **21.1 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of any Secured Creditor, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Secured Creditor, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

### **21.2 Certificates and Determinations**

Any certification or determination by the Security Trustee or any Receiver or any Delegate of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **22. SEPARATE AND INDEPENDENT OBLIGATIONS**

The Security created by the Chargor by or in connection with any Finance Document is separate from and independent of the Security created or intended to be created by any other Obligor or any other provider of Security by or in connection with any Finance Document.

## **23. COUNTERPARTS**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## **24. GOVERNING LAW**

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

## **25. ENFORCEMENT**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 25 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

**This Deed has been delivered on the date stated at the beginning of this Deed.**

**SCHEDULE 1**  
**RIGHTS OF RECEIVERS**

Any Receiver appointed pursuant to Clause 11 (*Appointment of Receivers*) shall have the right, either in its own name or in the name of the Chargor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Enter into possession**

to take possession of, get in and collect all or any part of the Security Assets, and to require payment to it or to any Finance Party of any dividends;

(b) **Deal with Security Assets**

to sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Security Assets to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

(c) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto;

(d) **Borrow money**

to borrow or raise money either unsecured or on the security of all or any part of the Security Assets (either in priority to the Security Interests or otherwise);

(e) **Rights of ownership**

to manage and use all or any part of the Security Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Security Assets;

(f) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Security Assets;

(g) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Security Assets;

(h) **Redemption of Security**

to redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Security Assets and to settle the accounts of any person with an interest in all or any part of the Security Assets;

(i) **Delegation**

to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

(j) **Insolvency Act**

to exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

(k) **Receipts**

to give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Security Assets; and

(l) **Other powers**

to do anything else it may think fit for the realisation of all or any part of the Security Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the Chargor is party, the Law of Property Act or the Insolvency Act.

**SCHEDULE 2****SHARES**

<b>Chargor</b>	<b>Name of Company in which shares are held</b>	<b>Class of shares held</b>	<b>Number of shares held</b>	<b>Held in Certificated Form</b>
E.S. Pipelines Limited	Gas Newco 1 Limited	Ordinary shares of £1	100	

**Chargor**

**EXECUTED** as a **DEED** by  
**E.S. Pipelines Limited**

acting by Paul Miles

, a director

)  
)  
)  
)

Director

and

Kevin O'Connor

)  
)  
)

Director

in the presence of:

\_\_\_\_\_

Name of witness: Maddie Thorne


Address of witness:

Occupation of witness:

**Security Trustee**

**EXECUTED** as a **DEED** by **BNY Mellon Corporate Trustee Services Limited** acting by two directors:

Director  **JUSTEN BERSIN**

Director  Digitally signed  
by Michael Lee