



**Registration of a Charge**

Company Name: **WALES & WEST GAS NETWORKS (HOLDINGS) LIMITED**

Company Number: **05095454**



Received for filing in Electronic Format on the: **06/11/2023**

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**Details of Charge**

Date of creation: **31/10/2023**

Charge code: **0509 5454 0001**

Persons entitled: **DEUTSCHE TRUSTEE COMPANY LIMITED (AND ITS SUCCESSORS IN TITLE AND PERMITTED TRANSFEREES)**

Brief description: **N/A**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT 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: 5095454

Charge code: 0509 5454 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st October 2023 and created by WALES & WEST GAS NETWORKS (HOLDINGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th November 2023 .

Given at Companies House, Cardiff on 7th November 2023

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



**Companies House**



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

EXECUTION VERSION

WEST & WESTERN MIDCO FINANCE PLC

AND

WALES & WEST GAS NETWORKS (HOLDINGS) LIMITED  
AS CHARGORS

AND

DEUTSCHE TRUSTEE COMPANY LIMITED  
AS SECURITY TRUSTEE

---

SECURITY AGREEMENT

THIS DEED IS ENTERED INTO SUBJECT TO AND WITH THE  
BENEFIT OF THE TERMS OF THE STID DATED THE DATE  
HEREOF AS SUPPLEMENTED, AMENDED, REPLACED OR  
NOVATED FROM TIME TO TIME

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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

Linklaters LLP  
03 November 2023

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**THIS DEED** made on 31 October 2023

**BETWEEN:**

- (1) **WEST & WESTERN MIDCO FINANCE PLC**, a public company incorporated in England and Wales with limited liability under registered number 15124716 (the "**Issuer**");
- (2) **WALES & WEST GAS NETWORKS (HOLDINGS) LIMITED**, a company incorporated in England and Wales with limited liability under registered number 05095454 ("**Midco**") and together with the Issuer and any other entity which accedes to this Agreement pursuant to Clause 20.3 (*Further Obligors*), the "**Chargors**" and each a "**Chargor**"; and
- (3) **DEUTSCHE TRUSTEE COMPANY LIMITED**, a company incorporated under the laws of England and Wales whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB, and any successors as security trustee for itself and each of the Secured Creditors acting pursuant to and with the benefit of the protections set out in the STID (the "**Security Trustee**") such expression shall include any person acting as security trustee or security trustees under the STID.

**WHEREAS:**

- (A) Each Chargor enters into this Deed in connection with the CTA and the STID.
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

Terms defined in the master definitions agreement dated the date of this Deed and made between, amongst others, the parties to this Deed (the "**Master Definitions Agreement**" or the "**MDA**") have the same meaning when used in this Deed unless otherwise expressly defined herein.

In this Deed:

**"Deed of Accession"** means a deed substantially in the form of Schedule 3 (*Form of Deed of Accession*) or such other form as is agreed by Midco and the Security Trustee executed, or to be executed, by Midco and any other company required to execute the same pursuant to Clause 20.3 (*Further Obligors*);

**"Default Rate"** means, at any time (and to the extent not otherwise specified under the Finance Document under which any amount is due) the rate of interest on judgment debts for the time being provided by English courts;

**"Group Shares"** means all of the shares in Wales & West Utilities Holdings Limited and the Issuer at any time, including all shares specified in Schedule 1 (*Group Shares*)

(being the shares which will exist in Wales & West Utilities Holdings Limited and the Issuer as at the Initial Closing Date) or in the relevant schedule or appendix to any Deed of Accession and when used in relation to a particular Chargor, such of those shares in Wales & West Utilities Holdings Limited or the Issuer as it holds at any time including those shares as are specified against its name in Schedule 1 (*Group Shares*) or as are specified in the relevant schedule or appendix to a Deed of Accession to which it is party;

"**LPA**" means the Law of Property Act 1925;

"**Realisations Account**" means each account maintained from time to time by or in the name of the Chargors or any of them for the purposes of Clause 12.3 (*Contingencies*) at such branch or branches of the Account Bank as the Security Trustee may from time to time approve;

"**Receiver**" means a receiver and manager or (if the Security Trustee so specifies in the relevant appointment) a receiver;

"**Related Rights**" means, in relation to the Group Shares and any Securities, all dividends, interest, repayment or redemption proceeds and other distributions paid or payable after the date hereof on all or any of the Group Shares and any Securities and all securities (and the dividends or interest thereon), rights, money or property accruing or offered at any time by way of redemption, conversion, substitution, exchange, bonus or preference under option rights or otherwise, to, for or in respect of any of the Group Shares and any Securities and all present and future claims, proprietary or otherwise, against depositories, custodians, clearing systems and/or other similar persons (including brokers, banks or the like), in respect of fungible or specific Group Shares, Securities or Related Rights, including any proprietary interest in respect of those fungible or specific Group Shares, Securities or Related Rights;

"**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor or the Midco Shareholders to any Secured Creditor under the Finance Documents.

"**Securities**" means all present and future debentures, obligations, certificates of deposit, notes, negotiable instruments and bearer and registered shares, securities, stock, bonds, warrants, coupons and all other securities and investments of any kind whatever, whether or not represented by a document (but excluding the Group Shares);

"**Security Assets**" means all assets, rights and property of the Chargors or any of them the subject of any security created hereby or pursuant hereto and includes, for the avoidance of doubt, each Chargor's rights to or interests in any chose in action and the Group Shares and each Chargor's rights under the Finance Documents;

"**Security Period**" means the period beginning on the date of this Deed and ending on the date on which (i) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and (ii) none of the Secured Creditors are under any further actual or contingent obligation to make advances or provide other financial accommodation to any Chargor under any Finance Document;

"**Security Shares**" means the Group Shares and the Related Rights and, in the case of each Chargor, means such of the Group Shares as are held by it at the relevant time, together with all Related Rights in respect thereof; and

"**Share Mortgages**" means the mortgages and charges created or purported to be created over any Group Shares and/or their Related Rights by Clause 4.2 (*Charges on Group Shares*) of this Deed and/or by any Deed of Accession.

## 1.2 Interpretation

1.2.1 The provisions of part II (*Construction*) of schedule 2 (*Common Definitions*) to the MDA shall, so far as relevant, also apply to this Deed as if expressly set out herein (*mutatis mutandis*) with each reference to "this Agreement" being deemed to be a reference to this Deed.

1.2.2 If the Security Trustee considers that an amount paid to a Secured Creditor under any Finance Document is reasonably likely to be avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then such amount shall not be considered to have been irrevocably paid for the purposes hereof.

1.2.3

(a) The term "**Account**" includes any sub-account of that Account.

(b) The term "**Finance Document**" includes all amendments and supplements to a Finance Document including supplements providing for further advances.

(c) The term "**this security**" means any security created by this Deed.

(d) A "**party**" means a party to this Deed.

1.2.4 Unless the context otherwise requires, a reference in this Deed to a Security Asset includes the proceeds of sale of that Security Asset.

## 1.3 Certificates

A certificate of the Security Trustee setting forth the amount of any Secured Liability due from any Chargor shall be conclusive evidence of such amount against such Chargor in the absence of manifest error.

## 1.4 Common Terms Agreement

The terms of the CTA apply to this Deed, where applicable, and will be binding on the parties to this Deed as if expressly set out herein (*mutatis mutandis*). If there is a conflict between the CTA and this Deed, the provisions of the CTA will prevail.

## 1.5 STID

This Deed is entered into subject to the STID and each of the parties hereto agrees to be bound by the provisions of the STID and to the extent that any provision of this Deed



is inconsistent with the STID, the STID will prevail. Without limitation, the provisions of clause 15 (*Activities of the Security Trustee*) and clause 16 (*Remuneration and Indemnification of the Security Trustee*) of the STID shall apply to this Deed.

## **1.6 Third Party Rights**

Except each Secured Creditor with respect to the reference to each Secured Creditor in Clause 7.11 (*Appropriations*), Clause 15 (*No Liability as Mortgagee in Possession*), Clause 23 (*New Accounts*), Clause 24 (*Stamp Taxes*), Clause 26 (*Waivers, Remedies Cumulative*), Clause 27 (*Set-off*), Clause 33 (*Governing Law*) and Clause 34 (*Enforcement*) a person who is not a party to this Deed or who is not expressly contemplated as having any rights under this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **2. CREATION OF SECURITY**

### **2.1 General**

2.1.1 All the security created under this Deed:

- (a) is created in favour of the Security Trustee for the Security Trustee itself and on trust for the Secured Creditors;
- (b) is created over present and future assets of each Chargor;
- (c) is continuing security for the payment, discharge and performance of the Secured Liabilities; and
- (d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

2.1.2 If the rights of a Chargor under a document to which it is a party cannot be secured without the consent of a party to that document:

- (a) that Chargor must notify the Security Trustee promptly;
- (b) this security will secure all amounts which that Chargor may receive, or has received, under that document but exclude the document itself; and
- (c) unless the Security Trustee otherwise requires, that Chargor must use reasonable endeavours to promptly obtain the consent of the relevant party to that document being secured under this Deed.

2.1.3 The Security Trustee holds the benefit of this Deed on trust for the Secured Creditors.

2.1.4 The obligations and undertakings given by the Chargors under this Deed are additional to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

### **3. COVENANTS TO PAY AND COLLATERALISE**

#### **3.1 Covenant to pay**

Each Chargor hereby, as primary obligor and not merely as surety, covenants with the Security Trustee (for itself and as security trustee for the Secured Creditors) that it shall duly, unconditionally and punctually pay and discharge to each of the Secured Creditors when due all monies and liabilities constituting the Secured Liabilities in the manner provided in the relevant Finance Document **provided that** neither such covenant nor this security will extend to or include any liability or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law. Any amount not paid hereunder when due shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from time to time from the due date until the date such amount is unconditionally and irrevocably paid and discharged in full, save to the extent that default interest on such amount for such period is charged pursuant to the relevant Finance Document and itself constitutes a Secured Liability.

#### **3.2 Covenant to Cash Collateralise**

Each Chargor jointly and severally agrees and undertakes with the Security Trustee that following the occurrence of an Event of Default (and for so long as it is continuing), it will immediately at the written direction of the Security Trustee (unless the Security Trustee directs otherwise) deposit in an account with the Account Bank in a branch office approved by the Security Trustee and established for that purpose by that Chargor in its name and secured in favour of the Security Trustee an amount equal to the Outstanding Principal Amount and all other amounts outstanding in respect of the Secured Debt as at the date of the Event of Default (and shall deposit such further amounts from time to time as may be necessary to ensure that the balance on such account is equal to the Outstanding Principal Amount and all other amounts outstanding in respect of the Secured Debt) in cash as collateral for that Chargor's obligations under clause 7.1 (*Guarantee and Indemnity*) of the STID.

### **4. FIXED CHARGES; ASSIGNMENTS**

#### **4.1 Fixed charges**

Each Chargor hereby mortgages, charges and pledges and agrees to mortgage, charge and pledge to the Security Trustee as security trustee for the benefit of itself and each of the Secured Creditors:

##### **4.1.1 by way of first fixed charge:**

- (a) all moneys (including interest) from time to time standing to the credit of each of its present and future accounts with any bank, financial institution or other person and the debts represented thereby;
- (b) all of its present and future book and other debts, all other moneys due and owing to it or which may become due and owing to it at any time in the future and the benefit of all rights, securities and guarantees of any nature whatsoever now or at any time enjoyed or held by it in relation to any of the foregoing including in each case the proceeds of the same;

- (c) (to the extent that the same do not fall within any other paragraph of this Clause 4.1.1 and are not effectively assigned pursuant to Clause 4.3 (*Assignments*)) all of its rights and benefits under each of the Finance Documents and any other contracts or agreements to which such Chargor is a party from time to time and/or that confer any rights upon such Chargor including all bills of exchange and other negotiable instruments held by it, any letters of credit issued in its favour and (subject to any necessary third party's consent to such charge being obtained) any similar agreements entered into by it;
- (d) its present and future uncalled capital and rights in relation to such uncalled capital;
- (e) all Securities and all Related Rights accruing to all or any of the Securities now or in the future owned by such Chargor from time to time not charged pursuant to Clause 4.2 (*Charges on Group Shares*); and
- (f) (to the extent that the same do not fall within any other paragraph of this Clause 4.1.1 and are not effectively assigned pursuant to Clause 4.3 (*Assignments*)) all of its rights and benefits under any Authorised Investments and all Authorised Investments now or in the future owned by it.

## 4.2 Charges on Group Shares

Each Chargor hereby mortgages, charges and pledges and agrees to mortgage, charge and pledge to the Security Trustee as security trustee for the benefit of itself and each of the Secured Creditors:

- 4.2.1 all Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first fixed charge;
- 4.2.2 all the Related Rights accruing to all or any of the Group Shares held now or in the future by it and/or any nominee on its behalf, the same to be a security by way of a first fixed charge; and
- 4.2.3 all moneys, Securities and Related Rights accruing to any Securities or Group Shares from time to time and the debts represented thereby, and all claims for moneys, Securities and all Related Rights accruing to any Securities or Group Shares, in each case, held now or in the future by it and/or any nominee on its behalf,

and all moneys and Securities falling within Clause 4.2.3 above which are held by a custodian or common depository shall be held by such custodian or common depository on express trust for the benefit of the Secured Creditors or one or more of them,

### **provided that:**

- (a) where no Event of Default has occurred and is continuing, all dividends and other distributions paid or payable as referred to in Clause 4.2.2 above may, subject to the Finance Documents, in the case of such

dividends or distributions payable to Midco or the Midco Shareholders be paid in accordance with the provisions of the CTA;

- (b) subject to Clause 9.2 (*Powers*), whilst no Event of Default exists, all voting rights attaching to the relevant Group Shares may be exercised by the relevant Chargor **provided that** each Chargor shall not exercise any such voting rights in any manner, or otherwise permit or agree to any variation of the rights attaching to or conferred by any of the Group Shares.

#### 4.3 Assignments

- 4.3.1 Each Chargor hereby assigns absolutely and agrees to assign absolutely to the Security Trustee (for the Security Trustee as security trustee for the benefit of itself and each of the Secured Creditors) all its right, title and interest from time to time (if any) in and to each Finance Document subject to netting and set-off provisions contained in the Hedging Agreements and the Account Bank Agreement.
- 4.3.2 It is acknowledged that, in relation to the Finance Documents entered into as at the date of this Deed or subsequently, the notices to and acknowledgements by the parties thereto of the Security Interests created by this Deed are set out in clause 17 (*Notice and Acknowledgement of Security*) of the CTA.
- 4.3.3 Each Chargor will promptly upon the request of the Security Trustee upon, or following the occurrence of an Event of Default:
  - (a) deliver a notice of assignment in respect of any asset which is the subject of an assignment pursuant to this Clause 4.3 where a notice of assignment has not already been served; and
  - (b) procure that each such notice is acknowledged by the obligor or debtor specified by the Security Trustee.
- 4.3.4 To the extent that any such right, title and interest described in Clause 4.3.1 and Clause 4.3.2 is not assignable or capable of assignment, the assignment thereof purported to be effected shall operate as an assignment of any and all damages, compensation, remuneration, profit, rent or income which any Chargor may derive in respect of the Finance Documents and other agreements and contracts assigned under this clause or be awarded or entitled to in respect thereof, in each case as continuing security for the payment, discharge and performance of the Secured Liabilities.
- 4.3.5 Where no Event of Default has occurred and is continuing (i) the Security Trustee shall permit the relevant Chargor to exercise the rights of the relevant Chargor under any Finance Document and any other contract and/or any agreement to which it is permitted to be a party in accordance with the provisions of the Finance Documents **provided that** the exercise of these rights in the manner proposed would not result in an Event of Default under the terms of the Finance Documents and (ii) any payments received by the Chargors under or in respect of the Finance Documents and/or other contracts and agreements

the subject of the assignments under this clause by virtue of this Deed shall be paid by the Chargors in accordance with the provisions of the CTA.

#### **4.4 Trust**

Each Chargor agrees and acknowledges that (to the extent not already subject to an assignment or a charge under this Deed) it holds the benefit of:

4.4.1 all its right, title and interest from time to time in and to each Finance Document and any other document or agreement to which a Chargor is a party from time to time; and

4.4.2 any amount which it receives in cash or kind for, or on account of, any account receivables, the amounts in respect of which is owed to it,

on trust for the Security Trustee (for itself and as security trustee for the Secured Creditors).

#### **4.5 Miscellaneous**

The fact that no or incomplete details of Group Shares are included or inserted in Schedule 1 (*Group Shares*) or in any schedule or appendix to the Deed of Accession by which any Chargor became party hereto shall not affect the validity or enforceability of the charges created by this Deed (including the charges created by Clause 4.1 (*Fixed charges*) and the charges created by Clause 4.2 (*Charges on Group Shares*) and Clause 5.1 (*Creation of Floating Charge*)).

### **5. FLOATING CHARGES**

#### **5.1 Creation of Floating Charge**

Each Chargor charges in favour of the Security Trustee (for the Security Trustee itself and as security trustee for the Secured Creditors) by way of first floating charge the whole of its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, subject always to all mortgages, fixed charges and assignments created by or pursuant to Clause 4 (*Fixed Charges; Assignments*) or any other provision of this Deed.

#### **5.2 Conversion of Floating Charge**

5.2.1 The Security Trustee may by notice to any Chargor convert the floating charge created by Clause 5.1 (*Creation of Floating Charge*) with immediate effect into a fixed charge as regards all or any of such Chargor's assets, rights and property specified in the notice:

- (a) if an Event of Default has occurred and is continuing; or
- (b) if the Security Trustee considers such assets, rights or property to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy; or

- (c) if the Security Trustee considers it desirable in order to protect the priority of the Security.

5.2.2 Notwithstanding Clause 5.2.1 above, the floating charge hereby created will (in addition to the circumstances in which the same will occur under general law) automatically (without notice) be converted with immediate effect into a fixed charge over the assets, rights and property of:

- (a) Midco if:
  - (i) Midco fails to comply, or takes or threatens to take any action which in the reasonable opinion of the Security Trustee will result in it failing to comply, with its obligations under Clause 6 (*Restrictions on Dealing*) of this Deed; or
  - (ii) any person levies any distress, attachment, execution or other legal process against any of Midco's assets (or any part thereof) comprised within the Security of an amount in excess of 1 per cent. of RAV which is not discharged within 30 days except that this sub-paragraph (ii) will not apply in relation to walk-in possession where any such person does not remove any of Midco's assets or any part thereof from Midco's property; or
  - (iii) a meeting of the members of Midco is convened to consider a resolution to wind-up, dissolve, reorganise Midco or to put it into administration or a petition is presented for the making of an administration order in relation to Midco; or
  - (iv) a resolution is passed or an order is made for the winding-up, dissolution, administration, special administration or reorganisation of Midco; and
- (b) any of the Chargors (other than Midco) if:
  - (i) that Chargor fails to comply, or takes or threatens to take any action which in the reasonable opinion of the Security Trustee will result in it failing to comply, with its obligations under Clause 6 (*Restrictions on Dealing*) of this Deed; or
  - (ii) any person levies or attempts to levy any distress, attachment, execution or other process against any of the assets (or part thereof) of that Chargor comprised within the Security;
  - (iii) a meeting of the members of that Chargor is convened to consider a resolution to wind-up, dissolve, reorganise that Chargor or to put it into administration or a petition is presented for the making of an administration order in relation to that Chargor; or
  - (iv) a resolution is passed or an order is made for the winding-up, dissolution, administration, special administration or reorganisation of that Chargor.

5.2.3 The giving by the Security Trustee of a notice pursuant to Clause 5.2.1 above in relation to any class of any Chargor's assets, rights and property shall not be construed as a waiver or abandonment of the Security Trustee's rights to give other similar notices in respect of any other class of assets or of any other of the rights of the Secured Creditors (or any of them) hereunder or under any of the other Finance Documents.

5.3 Each floating charge created pursuant to this Clause 5 is a qualifying floating charge for the purposes of Paragraph 14 of Schedule B1 to the Insolvency Act.

## **6. RESTRICTIONS ON DEALING**

Each Chargor must not (and shall procure that no other member of the Midco Group (other than the WWU Financing Group) shall):

- (a) create or permit to subsist any Security Interest over all or any of its assets, rights or property; or
- (b) either in a single transaction or in a series of transactions, whether related or not and whether voluntarily or involuntarily part with, lease, sell, transfer, assign or otherwise dispose of or agree to part with, lease, sell, transfer, assign or otherwise dispose of all or any part of its assets, rights or property or any interest therein,

except as expressly allowed under the Finance Documents.

## **7. CONTINUING SECURITY, ETC.**

### **7.1 Continuing Security**

The security constituted by this Deed and the covenants, undertakings and provisions contained herein shall remain in force as a continuing security to the Security Trustee notwithstanding any intermediate payment or satisfaction of any of the Secured Liabilities or any settlement of account or any other act, event or matter whatsoever, and shall secure the ultimate balance of all sums payable by the Obligors under the Finance Documents.

### **7.2 Cumulative Rights**

The security created by or pursuant to this Deed shall be cumulative, in addition to and independent of every other security which the Security Trustee or any Secured Creditor may at any time hold for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Security Trustee (whether in its capacity as security trustee or otherwise) or any of the other Secured Creditors over the whole or any part of the Security Assets shall merge into the security constituted by this Deed.

### **7.3 No Prejudice**

The security created by or pursuant to this Deed shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to any Chargor or any other person, by the Security Trustee

(whether in its capacity as security trustee or otherwise) or any of the other Secured Creditors or by any variation of the terms of the trust upon which the Security Trustee holds the security or by any other thing which might otherwise prejudice that security.

#### **7.4 Remedies and Waivers**

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any right under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any right preclude any further or other exercise of that or any other right.

#### **7.5 No Liability**

To the extent permitted by law, neither the Security Trustee, its nominee(s) nor any Receiver shall be liable by reason of:

7.5.1 taking any action permitted by this Deed;

7.5.2 any neglect or default in connection with the Security Assets; or

7.5.3 taking possession of or realising all or any part of the Security Assets provided that it has acted in accordance with this Deed,

except in the case of gross negligence, wilful default or fraud upon its part.

#### **7.6 Partial Invalidity**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Deed nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the security intended to be created by or pursuant to this Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the security.

#### **7.7 Breaking of Accounts**

If for any reason the security constituted hereby ceases to be a continuing security in respect of any Chargor (other than by way of discharge of such security), the Security Trustee may open a new account with or continue any existing account with such Chargor and the liability of each Chargor in respect of the Secured Liabilities relating to such Chargor at the date of such cessation shall remain regardless of any payments in or out of any such account.

#### **7.8 Reinstatement**

7.8.1 Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of each Chargor under this Deed shall continue as if the discharge or arrangement had not occurred and the Security



Trustee shall be entitled to recover the value or amount of such payment, security or other disposition as if the discharge or arrangement had not occurred.

- 7.8.2 The Security Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

## **7.9 Waiver of Defences**

- 7.9.1 The obligations of each Chargor hereunder will not be affected by any act, omission, circumstance, matter or thing which but for this provision might operate to release or otherwise exonerate it from any of its obligations hereunder in whole or in part, including, and whether or not known to any other Chargor, any Secured Creditor, the Security Trustee or any other person whatsoever:

- (a) any time, indulgence or waiver granted to or composition with any other Chargor or any other person;
- (b) the release of any other Chargor or any other person under the terms of any composition or arrangement with any creditor of any Chargor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect or take up or enforce any rights or remedies against any security or any other Chargor or any other person or any non-presentment or non-observance of any formality or other requirements in respect of any instruments or any failure to obtain the full value of any security;
- (d) any legal limitation, disability, incapacity, lack of power, authority or legal personality of, or dissolution or change in the members or status of, or other circumstance relating to any other Chargor or any other person;
- (e) any variation (however fundamental and whether or not involving any increase in the liability of any other Chargor) or replacement of any Finance Document or any other document or security (including any agreement contemplated by this Deed) so that references to such Finance Document or other document or security in this Deed shall include each such variation or replacement;
- (f) any unenforceability, illegality, invalidity or frustration of any obligations of any other Chargor or any other person under any Finance Document or any other document or security, or any failure of any other person to become bound by the terms of any other Finance Document, in each case whether through any want of power or authority or otherwise; or
- (g) any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person under a Finance Document resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order,

to the intent that such Chargor's obligations under this Deed shall remain in full force and this Deed be construed accordingly as if there were no such circumstance, act, omission, matter or thing.

Neither the Security Trustee nor any Secured Creditor shall be concerned to see or investigate the powers or authorities of any of the Chargors or their respective officers or agents, and moneys obtained or Secured Liabilities incurred in purported exercise of such powers or authorities or by any person purporting to be a Chargor shall be deemed to form a part of the Secured Liabilities, and "Secured Liabilities" shall be construed accordingly.

- 7.9.2 For the avoidance of doubt, each Chargor shall be bound by this Deed notwithstanding the fact that not all of the other Chargors may have executed this Deed and/or any of the other Security Documents required by the terms of the Finance Documents to be entered into by it or that any such document which has been entered into may be invalid, unenforceable or otherwise ineffective.

#### **7.10 Immediate Recourse**

- 7.10.1 Each Chargor waives any right it may have of first requiring the Security Trustee or any Secured Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security before enforcing this security.
- 7.10.2 The Security Trustee shall not be obliged before exercising any of the rights, powers or remedies conferred upon it in respect of any of the guarantees constituted under this Deed or by law:
- (a) to make any demand of any Chargor;
  - (b) to take any action or obtain judgment in any court against any other Chargor;
  - (c) to make or file any claim or proof in a winding-up or dissolution of any other Chargor; or
  - (d) to enforce or seek to enforce any security taken in respect of any of the obligations of the relevant Chargor in respect of the Secured Liabilities.

#### **7.11 Appropriations**

Until all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full, the Security Trustee and each Secured Creditor may (without affecting the liability of any Chargor), subject to the terms of the STID:

- 7.11.1 refrain from applying or enforcing any moneys, security or rights;
- 7.11.2 apply and enforce any moneys, security or rights in such manner and order as it sees fit (whether against the Secured Liabilities or any other obligation of a Chargor to a Secured Creditor); and
- 7.11.3 hold in a suspense account any moneys received from any Chargor or on account of any Chargor's liability in respect of the Secured Liabilities.

## **7.12 Non-competition**

Until all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full, no Chargor shall by virtue of any payment made, security realised or moneys received or recovered under any of the Finance Documents for or on account of the liability of any other Chargor(s):

- 7.12.1 be subrogated to any rights, security or moneys held, received or receivable by the Security Trustee or any other Secured Creditor or be entitled to any right of contribution or indemnity; or
- 7.12.2 bring legal or other proceedings for an order requiring any Chargor or other person to make any payment, or perform any obligation, in respect of which any Chargor or other person has given a guarantee, undertaking or indemnity under any Finance Document;
- 7.12.3 claim, rank, prove or vote as a creditor of any Chargor or its estate in competition with the Security Trustee or any other Secured Creditor; or
- 7.12.4 unless the Security Trustee directs it to do so after an Event of Default has occurred and is continuing, receive, claim or have the benefit of any payment, distribution or security from or on account of any Chargor, or exercise any right of set-off as against any Chargor.

Each Chargor will hold in trust for and forthwith pay or transfer to the Security Trustee (acting as security trustee for the benefit of itself and each Secured Creditor) any payment or distribution or benefit of security received by it contrary to the above. If any Chargor exercises any right of set-off contrary to the above, it will forthwith pay an amount equal to the amount set off to the Security Trustee (acting as security trustee as aforesaid).

## **7.13 Additional Security**

This Deed is in addition to and is not in any way prejudiced by any other security now or hereafter held by any Secured Creditor.

## **7.14 Security held by Chargor**

No Chargor will without the prior written consent of the Security Trustee hold any security from any other Chargor in respect of such Chargor's liability hereunder. Each Chargor will hold any security held by it in breach of this provision on trust for the Security Trustee (as security trustee for itself and the Secured Creditors).

## **7.15 Tacking**

Each Secured Creditor will perform its obligations, if any, under the Authorised Credit Facilities (including any obligations to make available further advances).

## **8. UNDERTAKINGS**

### **8.1 Duration and with whom made**

The undertakings in this Clause 8:

- 8.1.1 will remain in force throughout the Security Period; and
- 8.1.2 are given by each Chargor to the Security Trustee and each other Secured Creditor.

### **8.2 Undertakings relating specifically to the Security Assets**

#### *8.2.1 Book debts and receipts*

Each Chargor will:

- (a) get in and realise such Chargor's:
  - (i) securities to the extent held by way of temporary investment; and
  - (ii) book and other debts and other moneys,in each case in the ordinary course of its business and hold the proceeds of such getting in and realisation (until payment into the relevant Account in accordance with paragraph (b) below) upon trust for the Security Trustee (as trustee as aforesaid);
- (b) save to the extent that the Security Trustee otherwise agrees in writing, pay the proceeds of such getting in and realisation into the relevant Account in accordance with the terms of the CTA and the STID; and
- (c) not assign or otherwise transfer and not create or permit to exist any Security Interest (other than Permitted Security Interests) over any of the property or assets referred to in paragraph (a) above or over any Account or any interest therein.

#### *8.2.2 The Group Shares*

The Chargors represent and undertake that:

- (a) the Group Shares are fully paid and not subject to any option to purchase or similar rights; and
- (b) neither the constitutional documents of the company which has issued the Group Shares nor any other document or arrangement restricts or inhibits any transfer of the Group Shares on creation or on enforcement of the security created pursuant to this Deed.

#### *8.2.3 Deposit of Group Shares*

- (a) Each Chargor, other than the Issuer, must deposit with the Security Trustee, or as the Security Trustee may direct, all bearer instruments,

share certificates and other documents of title or evidence of ownership in relation to any Group Shares and their Related Rights and shall execute and deliver to the Security Trustee all such share transfer forms and other documents as may be requested by the Security Trustee in order to enable the Security Trustee or its nominees (at the Security Trustee's discretion) to (upon or following an Event of Default) be registered as the owner or otherwise to obtain a legal title to the same and, without limiting the generality of the foregoing, shall deliver to the Security Trustee on the date hereof executed (and pre-stamped) share transfer forms for all Group Shares with the transferee left blank and shall procure that all such share transfer forms are at the request of the Security Trustee forthwith registered by the relevant company and that share certificates in the name of the Security Trustee and/or such nominee(s) in respect of all Group Shares are forthwith delivered to the Security Trustee.

- (b) Each Chargor shall notify the Security Trustee in writing forthwith upon the declaration, payment, receipt, offer or issue of any Related Right in respect of any Group Shares other than where the Related Right is a dividend paid or to be paid in cash.
- (c) Each Chargor shall notify the Security Trustee in writing forthwith upon the acquisition (or the entry into an agreement to acquire) by such Chargor from time to time of any Group Shares and/or Securities and act in accordance with the provisions of this Clause in respect of such Group Shares and/or Securities. The Security Trustee shall hold such bearer instruments, share certificates and other documents of title or evidence of ownership in safekeeping.
- (d) Each Chargor shall notify the Security Trustee in writing forthwith upon any Group Shares becoming held in uncertificated form and transferable through the Certificateless Registry for Electronic Share Transfer.
- (e) If any Group Share is held in the name of a nominee of a Chargor, that Chargor shall promptly upon request by the Security Trustee deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Trustee as the attorney of the holder and shall be in such form as the Security Trustee requires.

### **8.3 Property**

Each Chargor will, and will procure that each other Chargor will:

#### *8.3.1 Acquisitions and legal mortgage*

notify the Security Trustee in writing forthwith upon the acquisition by such Chargor from time to time of any freehold or leasehold property (including by the exercise of such Chargor of any option to acquire any freehold or leasehold property) or of any agreement or option to acquire any freehold or leasehold property or any material licence or other right to occupy or use the same and,

on demand made to such Chargor by the Security Trustee and at the cost of such Chargor, execute and deliver to the Security Trustee a legal mortgage in favour of the Security Trustee (for itself and as trustee as aforesaid) of any freehold and leasehold properties which become vested in it after the date hereof and all fixtures thereon, the proceeds of sale of any parts of these properties and the benefit of any covenants for title given or entered into by a predecessor in title of the Chargor and any moneys paid or payable in respect of those covenants, to secure the payment or discharge of the Secured Liabilities in such form (consistent with, and no more onerous than, this Deed) as the Security Trustee may require. In the case of any leasehold property in relation to which the consent of the landlord in whom the reversion of that lease is vested is required in order for such Chargor to perform any of the foregoing obligations, such Chargor shall not be required to perform that particular obligation unless and until it has obtained the landlord's consent (which it must use its reasonable endeavours to do);

#### 8.3.2 *The Land Registry*

in respect of any freehold or leasehold property which is hereafter acquired by such Chargor, the title to which is registered at the Land Registry or the title to which is required to be so registered, give such Registry written notice of this Deed and procure that notice of this Deed is duly noted in the Register to each such title; and

#### 8.3.3 *Deposit of Title Deeds*

deposit with (or arrange for the same to be held by a person approved by the Security Trustee to the order of) the Security Trustee all deeds and documents of title relating to any freehold or leasehold property included in the Security Assets acquired after the date of this Deed and all local land charges and land charges registered with the Land Registry or a District Land Registry, as the case may be, and Land Registry search certificates and similar documents received by or on behalf of such Chargor (and it is hereby agreed that the Security Trustee shall be entitled to hold the same during the Security Period).

### 8.4 **General**

No Chargor shall do, or permit to be done, anything which would reasonably be expected to prejudice the Security Interests over the Security Assets other than in accordance with the terms of the CTA and the STID.

## 9. **SPECIAL PROVISIONS RELATING TO THE SECURITY SHARES**

### 9.1 **Registration on transfer**

Each Chargor hereby authorises the Security Trustee (at any time) to arrange for the Security Shares to be delivered to any nominee for the Security Trustee or any purchaser or transferee (under the powers of realisation herein conferred) or as the Security Trustee may feel appropriate to perfect the security thereover and to transfer or cause the Security Shares to be transferred to and registered in the name of any nominees of the Security Trustee (as security trustee as aforesaid) and each Chargor

undertakes from time to time promptly to execute and sign all transfers, contract notes, powers of attorney and other documents (and promptly to register any such transfer of the Security Shares in the shareholders' register of such Chargor) which the Security Trustee may require for perfecting its title to any of the Security Shares or for vesting the same in itself or its nominee or in any purchasers or transferees (under the powers of realisation herein conferred).

## 9.2 Powers

The Security Trustee and its nominee may, at any time after an Event of Default has occurred and is continuing, refrain from exercising or exercise (upon providing written notice to the Chargors that it intends to exercise its rights) (in the name of each Chargor, the registered holder or otherwise and without any further consent or authority from each Chargor and irrespective of any direction given by any Chargor) in respect of the Security Shares and/or Securities any voting rights and any powers or rights under the terms thereof or otherwise which may be exercised by the person or persons in whose name or names the Security Shares and/or Securities are registered or who is the holder thereof, including all the powers given to trustees under law in respect of securities or property subject to a trust **provided that** in the absence of notice from the Security Trustee each Chargor may and shall continue to exercise any and all voting rights with respect to the Group Shares subject always to the terms hereof. No Chargor shall without the prior consent in writing of the Security Trustee exercise the voting rights attached to any of the Group Shares in favour of resolutions having the effect of changing the terms of the Group Shares (or any class of them) or any Related Rights or prejudicing the security hereunder or impairing the value of the Security Shares and/or Securities. Each Chargor hereby irrevocably appoints by way of security the Security Trustee or its nominees as its attorney to exercise all voting rights at any time after an Event of Default has occurred and is continuing so long as the Group Shares remain registered in the names of the Chargors and each Chargor shall ratify any action taken by the Security Trustee in accordance with this power of attorney.

## 9.3 Voting rights and dividends after an Event of Default

9.3.1 Subject to Clause 9.3.2, upon the occurrence of an Event of Default and at any time thereafter while the same is continuing, upon providing written notice to the relevant Chargor that it intends to exercise its rights, the Security Trustee may, at its discretion, in the name of each relevant Chargor or otherwise and without any further consent or authority from that Chargor:

- (a) exercise (or refrain from exercising) any voting rights in respect of the Group Shares;
- (b) apply all dividends, interest and other monies arising from the Group Shares as though they were the proceeds of sale in accordance with Clause 14 (*Application of Proceeds*);
- (c) transfer the Group Shares into the name of the Security Trustee or such nominee(s) of the Security Trustee as it shall require; and
- (d) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Group Shares

including the right, in relation to any company whose shares or other securities are included in the Group Shares, to concur or participate in:

- (i) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof);
- (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
- (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Trustee thinks fit, and the proceeds of any such action shall form part of the Group Shares.

9.3.2 The Security Trustee shall not be entitled to exercise any voting rights or any other powers or rights under Clause 9.3.1 if and to the extent that:

- (a) a notifiable acquisition would, as a consequence, take place under section 6 of the National Security and Investment Act 2021 (the "NSIA") and any regulations made under the NSIA; and
- (b) either:
  - (i) the Secretary of State has not approved that notifiable acquisition in accordance with the NSIA; or
  - (ii) the Secretary of State has approved that notifiable acquisition in accordance with the NSIA but there would, as a consequence, be a breach of the provisions of a final order made in relation to that notifiable acquisition under the NSIA.

#### **9.4 National Security and Investment Act 2021 – notifications**

Where Clause 9.3.1 applies, the Security Trustee may give a mandatory notice to the Secretary of State in accordance with the NSIA notifying of the proposed acquisition of voting rights by the Security Trustee.

#### **9.5 Calls**

Each Chargor during the Security Period will make all payments which may become due in respect of any of the Security Shares and Securities and in the event of default in making any such payment the Security Trustee may if it thinks fit make such payment on behalf of each Chargor. Any sums so paid by the Security Trustee shall be reimbursed by the relevant Chargor to the Security Trustee on demand together with interest at the Default Rate from the date of such payment by the Security Trustee, and pending such repayment shall constitute part of the Secured Liabilities.



## 9.6 Liability to perform

It is expressly agreed that, notwithstanding anything to the contrary herein contained, each Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of the Security Shares and Securities and none of the Security Trustee or the Secured Creditors shall be under any obligation or liability by reason of or arising out of the Share Mortgages. None of the Secured Creditors shall be required in any manner to perform or fulfil any obligation of any Chargor in respect of the Security Shares or Securities, or to make any payment, or to receive any enquiry as to the nature or sufficiency of any payment received by them, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which they may have been or to which they may be entitled hereunder at any time or times.

## 9.7 Enforcement

Upon the occurrence of an Event of Default and at any time thereafter while the same is continuing and subject to the provisions of the STID, the Security Trustee shall be entitled to put into force and exercise immediately as and when it may see fit any and every power possessed by the Security Trustee by virtue of the Share Mortgages or available to a Secured Creditor (so that Sections 93 (*restricting the right of consolidation*) and 103 (*restricting the power of sale*) of the LPA shall not apply to this security) and in particular (without limitation):

- 9.7.1 to sell all or any of the Security Shares and/or Securities in any manner permitted by law upon such terms as the Security Trustee shall in its absolute discretion determine;
- 9.7.2 to collect, recover or compromise and give a good discharge for any moneys payable to any Chargor in respect of the Security Shares or Securities or in connection therewith; and
- 9.7.3 to act generally in relation to the Security Shares and/or Securities in such manner as the Security Trustee may think fit.

For the avoidance of doubt, each Chargor agrees that the enforceability of the Share Mortgages is not dependent on the performance or non-performance by any Secured Creditor of its respective obligations under any Finance Document.

## 10. THE ACCOUNT BANK

### 10.1 Notice

- 10.1.1 Midco, on behalf of all the Chargors, will promptly after the date of this Deed (or, if later, on the date of opening the account) give notice to each bank with which an Account is held which is not the initial Account Bank referred to in Clause 10.1.2 below (and forthwith on any change in the identity of any bank with which an Account is held give notice to the new bank for each Chargor) of this Deed in the form of Part 1 (*Form of Bank Account Set-Off Letter and Acknowledgement*) of Schedule 2 and procure that such bank or new bank (as

the case may be) acknowledges such notice to the Security Trustee in the form of Part 2 (*Form of Acknowledgement*) of Schedule 2.

- 10.1.2 It is acknowledged that, in relation to the Accounts held with the Account Bank as at the date of this Deed, notice and acknowledgement of the Security Interests created by this Deed over those accounts is set out in clause 7 (*Notice and Acknowledgment of Security*) of the Account Bank Agreement.

## **10.2 Transfer of balances**

The amount (if any) standing to the credit of any Account maintained with a retiring or removed Account Bank shall be transferred to the corresponding Account maintained with a new Account Bank appointed pursuant to the Account Bank Agreement forthwith upon such appointment taking effect. Each Chargor hereby irrevocably gives all authorisations and instructions necessary for any such transfer to be made.

## **10.3 Further perfection**

Each Chargor shall do all such things as the Security Trustee may reasonably request in order to facilitate any change of Account Bank pursuant to the Account Bank Agreement or any transfer of credit balances pursuant to Clause 10.2 (*Transfer of balances*) (including the execution of bank mandate forms) and the Security Trustee is hereby irrevocably constituted each Chargor's attorney to do any such things should any Chargor fail to do so.

## **11. WHEN SECURITY BECOMES ENFORCEABLE**

The security constituted hereby will become immediately enforceable if an Event of Default occurs and is continuing. The power of sale and other powers conferred by Section 101 of the LPA, as varied or amended by this Deed shall be immediately exercisable upon and at any time after this security has become enforceable. After this security has become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of such security in such manner as it sees fit, acting in accordance with the terms of the STID.

## **12. ENFORCEMENT OF SECURITY**

### **12.1 General**

For the purposes of all powers implied by statute the Secured Liabilities shall be deemed to have become due and payable on the date of this Deed and Section 103 of the LPA (restricting the power of sale) and Section 93 of the same LPA (restricting the right of consolidation) do not apply to this security. The statutory powers of leasing conferred on the Security Trustee are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee may think fit, acting in accordance with the terms of the STID, and without the need to comply with any of the provisions of Sections 99 and 100 of the LPA.

## 12.2 Right of appropriation

After the security created by or pursuant to this Deed has become enforceable in accordance with Clause 11 (*When Security Becomes Enforceable*) to the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended, (the "**Regulations**") apply to a Security Asset, the Security Trustee shall have the right to appropriate all or any part of that Security Asset in or towards the payment or discharge of the Secured Liabilities and may exercise such right to appropriate upon giving written notice to the relevant Chargor. For this purpose, the parties agree that the value of that Security Asset shall be:

- 12.2.1 in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time of appropriation; and
- 12.2.2 in the case of any Group Shares and/or Securities, the market value of such Group Shares and/or Securities determined by the Security Trustee by reference to a public index or independent valuation, or by such other process as the Security Trustee may select.

In each case, the parties further agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

## 12.3 Contingencies

- 12.3.1 If the Security Trustee enforces the security constituted by this Deed (whether by the appointment of a Receiver or otherwise) at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Security Trustee (or such Receiver) may pay the proceeds of any recoveries effected by it into such number of interest bearing suspense accounts (each being a "**Realisations Account**") as it considers appropriate, acting in accordance with the terms of clause 15.4.10 (*Protections*) of the STID.
- 12.3.2 The Security Trustee (or such Receiver) may (subject to the payment of any claims having priority to this security and subject to and in accordance with the provisions of the CTA and the STID) withdraw amounts standing to the credit of the Realisations Accounts for application in or towards the discharge of any amounts owing to the Secured Creditors under any Finance Document.
- 12.3.3 No Chargor will be entitled to withdraw all or any moneys (including interest) standing to the credit of any Realisations Account until the expiry of the Security Period without the consent of the Security Trustee.

## 12.4 Effect of moratorium

Other than in respect of any floating charge referred to in section A52(4) of Part A1 of the Insolvency Act, the Security Trustee shall not be entitled to exercise its rights under Clause 11 (*When Security Becomes Enforceable*), Clause 13.1 (*Appointment of Administrator*), Clause 13.2 (*Appointment of Receiver*) or Clause 5.2 (*Conversion of Floating Charge*) where the right arises as a result of an Event of Default occurring

solely due to any person obtaining, or taking steps to obtain, a moratorium pursuant to Part A1 of the Insolvency Act.

### **13. ADMINISTRATOR AND RECEIVER**

#### **13.1 Appointment of Administrator**

At any time after this security becomes enforceable or if any person who is entitled to do so presents an application for the appointment of an administrator or special administrator of any of the Chargors, gives notice of its intention to appoint an administrator or special administrator of any of the Chargors or files such a notice with the court, the Security Trustee may without further notice appoint one or more persons to be an administrator of such Chargor. Any administrator or special administrator shall be the agent of the Chargors for all purposes.

#### **13.2 Appointment of Receiver**

13.2.1 At any time after this security becomes enforceable or if any person who is entitled to do so presents an application for the appointment of an administrator or special administrator of any of the Chargors, or files such notice with the court or, if any Chargor so requests in writing (addressed to the Security Trustee) at any time, the Security Trustee may without further notice appoint by deed, under seal or in writing under its hand any one or more persons to be a Receiver of all or any part of the Security Assets in like manner in every respect as if the Security Trustee had become entitled under the LPA to exercise the power of sale thereby conferred.

13.2.2 Section 109(1) of the LPA does not apply to this Deed.

#### **13.3 Powers of Receiver**

13.3.1 Every Receiver appointed in accordance with Clause 13.2 (*Appointment of Receiver*) will have and be entitled to exercise all of the rights, powers and discretions set out in Clause 13.3.2 below in addition to those conferred on a receiver by any law including under the LPA and, in the case of a receiver or an administrative receiver of any Chargor, under the Insolvency Act. If at any time there is more than one Receiver of all or any part of the Security Assets, each such Receiver may (unless otherwise stated in any document appointing him) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of each other Receiver.

13.3.2 The powers referred to in the first sentence of Clause 13.3.1 above are:

(a) *Take possession*

to take immediate possession of, get in and collect the Security Assets or any part thereof;

(b) *Carry on business*

to carry on the business of such Chargor as such Receiver may think fit;

(c) *Protection of assets*

to make and effect all repairs and insurances and do all other acts which such Chargor might do in the ordinary conduct of its business as well for the protection as for the improvement of the Security Assets and to commence and/or complete any building operations and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or licences, in each case as such Receiver may in its absolute discretion think fit;

(d) *Employees*

to appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes hereof upon such terms as to remuneration or otherwise as such Receiver may think proper and to discharge any such persons appointed by any such Chargor;

(e) *Borrow money*

for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to this Deed and/or of defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise thereof or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part thereof either in priority to the security constituted by this Deed or otherwise and generally on such terms and conditions as such Receiver may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;

(f) *Sell assets*

to sell, exchange, convert into money and realise all or any part of the Security Assets by public auction or private contract and generally in such manner and on such terms as such Receiver shall think proper. Without prejudice to the generality of the foregoing such Receiver may do any of these things for a consideration consisting of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as such Receiver may think fit. Fixtures, other than landlords' fixtures, may be severed and sold separately from the property containing them without the consent of such Chargor;

(g) *Leases*

to let all or any part of the Security Assets for such term and at such rent (with or without a premium) as such Receiver may think proper and to accept a surrender of any lease or tenancy thereof on such terms as such Receiver may think fit (including the payment of money to a lessee or tenant on a surrender);

(h) *Compromise*

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of such Chargor or relating in any way to the Security Assets or any part thereof;

(i) *Legal actions*

to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings (whether in his own name or the name of any Chargor) in relation to the Security Assets or any part thereof as may seem to such Receiver to be expedient;

(j) *Receipts*

to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Security Assets;

(k) *Subsidiaries*

to form a subsidiary or subsidiaries of such Chargor and transfer to any such subsidiary all or any part of the Security Assets;

(l) *General powers*

to do all such other acts and things as such Receiver may consider desirable or necessary for realising the Security Assets or any part thereof or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of this Deed, to exercise in relation to the Security Assets or any part thereof all such powers, authorities and things as such Receiver would be capable of exercising if such Receiver were the absolute beneficial owner of the same and to use the name of such Chargor for all or any of such purposes; and

(m) *Other powers*

to do anything else that relates to or is incidental to or is in exercise of any of the rights and duties conferred on the Receiver under or by virtue of any Security Document, any Finance Document, the LPA or the Insolvency Act.

#### **13.4 Removal and remuneration**

The Security Trustee may from time to time by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it may deem it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated and may from time to time fix the remuneration of any Receiver appointed by it. The maximum rate specified in Section 109(6) of the LPA will not apply.

### **13.5 Security Trustee may exercise powers of a Receiver**

To the fullest extent permitted by law, all or any of the powers, authorities and discretions which are conferred by this Deed (either expressly or impliedly) and by law upon a Receiver of the Security Assets may be exercised after the security hereby created becomes enforceable by the Security Trustee and/or any such Receiver appointed by it in relation to the whole of such Security Assets or any part thereof without first appointing a Receiver of such property or any part thereof or notwithstanding the appointment of a Receiver of such property or any part thereof.

### **14. APPLICATION OF PROCEEDS**

Any moneys received by the Security Trustee or by any Receiver appointed by it pursuant to this Deed and/or under the powers hereby conferred must, after the security hereby constituted shall have become enforceable but subject to the payment of any claims having priority to this security and to the Security Trustee's and such Receiver's rights under Clauses 12.3 (*Contingencies*) and 13.3 (*Powers of Receiver*) and subject as provided in the STID, be applied by the Security Trustee and/or any such Receiver appointed by it in accordance with schedule 8 (*Payment Priorities*) to the CTA. This Clause does not prejudice the right of any Secured Creditor to recover any shortfall from the Chargor.

### **15. NO LIABILITY AS MORTGAGEE IN POSSESSION**

Neither the Security Trustee nor any Receiver nor any Secured Creditor will be liable, by reason of entering into possession of the Security Assets or any part thereof, to account as mortgagee in possession or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable. For the avoidance of doubt the Security Trustee shall have no obligation to appropriate any Security Shares that are or to distribute such Security Shares in specie. Every Receiver duly appointed by the Security Trustee under the powers herein contained shall be deemed to be the agent of the relevant Chargor for all purposes and shall as such agent for all purposes be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the LPA. The relevant Chargor alone will be responsible for such Chargor's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by such Chargor and neither the Security Trustee nor any Secured Creditor shall incur any liability therefor (either to any Chargor or to any other person whatsoever) by reason of the Security Trustee's making his appointment as such Receiver or for any other reason whatsoever. Every such Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA does not apply.

### **16. PROTECTION OF THIRD PARTIES**

No purchaser, mortgagee or other person or company dealing with the Security Trustee or the Receiver or its or his agents will be concerned to enquire whether the Secured Liabilities have become payable or whether any power which the Receiver is purporting to exercise has become exercisable or whether any money remains due under this Deed or the Finance Documents or to see to the application of any money paid to the Security Trustee or to such Receiver.

## **17. EXPENSES**

### **17.1 Undertaking to pay**

Each Chargor shall, as a joint and several obligation, on demand (or in the case of such costs or expenses notified prior to the Initial Closing Date, on the Initial Closing Date) pay the Security Trustee appointed hereunder, the amount of all payments made by and all costs and expenses (including legal fees) incurred by the Security Trustee and any Receiver (on a full indemnity basis) in connection with:

17.1.1 this Deed (whether or not occasioned by any act, neglect or default of any Chargor); and

17.1.2 any amendment, waiver, consent or suspension of rights (or any proposal for any of the foregoing) requested by or on behalf of a Chargor.

Any amount not paid hereunder when due shall bear interest (after as well as before judgment and payable on demand) at the Default Rate from time to time from the due date until the date such amount is unconditionally and irrevocably paid and discharged in full. Failing any such payment to any Receiver of its costs and expenses, the Chargors shall pay to the Security Trustee such amounts as are required to settle the defaulted amount owed to any such Receiver. Any amounts payable to the Security Trustee hereunder and which constitute sums due to any Receiver shall, for the purposes of this Deed and the CTA, be deemed to be amounts payable to the Security Trustee pursuant to paragraph (i) of paragraph 1.1 of schedule 8 (*Payment Priorities*) to the CTA. The Security Trustee shall promptly upon receipt of any such amount, make payment of such amount to the relevant Receiver.

### **17.2 Indemnity**

The Security Trustee and every Receiver, attorney, manager, agent or other person appointed by the Security Trustee hereunder are entitled to be indemnified (without double counting) out of the Security Assets in respect of all Liabilities properly incurred by them in the execution or purported execution of any of the powers, authorities or discretions vested in them pursuant to the Finance Documents in respect of any matter or thing done or omitted in any way relating to the Security Assets (excluding, for the avoidance of doubt, Tax on the income or profits of the Security Trustee, Receiver, attorney, manager, agent or other appointee (as applicable)) and the Security Trustee and any such Receiver may, subject to, and in accordance with, the terms of the STID and the CTA, retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

## **18. VAT**

Clause 11 (*VAT*) of the CTA shall apply to this Deed, where applicable, and shall be binding on the parties to this Deed as if set out in full in this Deed. If a provision of this Deed relating to VAT is inconsistent with the provisions of clause 11 (*VAT*) of the CTA, the provisions of clause 11 (*VAT*) of the CTA shall prevail.



## **19. DELEGATION BY SECURITY TRUSTEE OR RECEIVER**

The Security Trustee or any Receiver appointed hereunder may at any time and from time to time delegate by power of attorney or in any other manner to any other person or persons all or any of the powers, authorities and discretions exercisable by it under this Deed. Any such delegation may be made upon such terms (including power to sub-delegate) as the Security Trustee or such Receiver may think fit. The Security Trustee or such Receiver shall not be in any way liable or responsible to any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate except to the extent that any loss or damage arises as a result of the gross negligence, wilful default or fraud of the Security Trustee or any Receiver (as applicable).

## **20. FURTHER ASSURANCES**

### **20.1 General**

Each Chargor must, at its own expense, execute and do all such assurances, acts and things as the Security Trustee or a Receiver may require for perfecting or protecting the security intended to be created by this Deed over the Security Assets or any part thereof or for facilitating the realisation of the Security Assets or any part thereof or in the exercise of all powers, authorities and discretions vested in the Security Trustee or any Receiver of the Security Assets or any part thereof or in any such delegate or sub-delegate. To that intent, each Chargor shall in particular execute all transfers, conveyances, assignments and assurances of such property whether to the Security Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Security Trustee may think expedient.

### **20.2 Legal Charge**

Without prejudice to the generality of Clause 20.1 (*General*), each Chargor will forthwith at the request of the Security Trustee execute a legal mortgage, charge or assignment over all or any of the Security Assets subject to or intended to be subject to any fixed security hereby created in favour of the Security Trustee (for itself and as security trustee as aforesaid) in such form as the Security Trustee may require but containing terms no more onerous than those in this Deed.

### **20.3 Further Obligors**

20.3.1 Each Chargor hereby undertakes to ensure that any company which becomes an Obligor after the date hereof in accordance with the provisions of the STID shall execute a Deed of Accession and such company shall on the date on which such Deed of Accession is executed by it become a party to this Deed in the capacity of a Chargor and this Deed shall be read and construed for all purposes as if such company had been an original party hereto as such a Chargor (but for the avoidance of doubt the security created by such company shall be created on the date of the Deed of Accession). Acting in accordance with the terms of the STID, the Security Trustee is authorised to agree any amendments or change to the form or manner in which any such Chargor gives such a guarantee and security (including acceptance of a limit on the liability of such Chargor) which

is, in the opinion of the Security Trustee, necessary in order that such guarantee or security may lawfully be given.

20.3.2 Subject as expressed elsewhere in this Deed, the Chargors shall procure that all notices, acknowledgements, registrations (including registration at Companies House or other analogous registry in the case of any Chargor which is not registered in England and Wales) or other steps necessary to perfect or protect any security created pursuant to any Deed of Accession are given, provided or completed as soon as practicable after the date thereof and in any event within any applicable time limit.

20.3.3 Any company which becomes a party hereto as a Chargor pursuant to any Deed of Accession shall also become party to and be bound by the terms of the CTA and the STID and such other documents as the Security Trustee may reasonably direct. The Chargors hereby agree to be bound by all matters provided for in any such Deed of Accession.

## **21. REDEMPTION OF PRIOR MORTGAGES**

The Security Trustee may, at any time after this security has become enforceable, redeem any prior Security Interest over or against the Security Assets or any part thereof or procure the transfer thereof to itself and may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on each Chargor. All principal moneys, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by the Chargors to the Security Trustee on demand.

## **22. POWER OF ATTORNEY**

### **22.1 Appointment**

Each Chargor hereby by way of security and in order more fully to secure the performance of its obligations hereunder irrevocably appoints the Security Trustee and every Receiver of the Security Assets or any part thereof appointed hereunder and every such delegate or sub-delegate as aforesaid to be its attorney acting severally, and on its behalf and in its name or otherwise at any time after the Security has become enforceable:

22.1.1 (a) to execute and do all such assurances, acts and things which such Chargor is required to do and fails to do under the covenants and provisions contained in this Deed (including to make any demand upon or to give any notice or receipt to any person owing moneys to such Chargor and to execute and deliver any charges, legal mortgages, assignments or other security and any transfers of securities); and (b) generally in such Chargor's name and on such Chargor's behalf to exercise, or delegate the exercise of, all or any of the powers, authorities and discretions conferred by or pursuant to this Deed or by law on the Security Trustee or any such Receiver, delegate or sub-delegate (including, after an Event of Default occurs, the exercise of any right of a legal or beneficial owner of the Security Assets or any part thereof); and

22.1.2 without prejudice to the generality of the foregoing, to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which the attorney may reasonably deem proper in or for the purpose of exercising any of such powers, authorities and discretions.

## **22.2 Ratification**

Each Chargor hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 22.1 (*Appointment*) shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such Clause.

## **23. NEW ACCOUNTS**

If the Security Trustee or any Secured Creditor receives or is deemed to be affected by notice whether actual or constructive of any subsequent charge or other interest affecting any part of the Security Assets and/or the proceeds of sale thereof, the Security Trustee or such Secured Creditor (as the case may be) may open a new account or accounts with any Chargor. If the Security Trustee or such Secured Creditor (as the case may be) does not open a new account it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice and as from that time all payments made to the Security Trustee or such Secured Creditor (as the case may be) will be credited or be treated as having been credited to the new account and will not operate to reduce the amount for which this Deed is security.

## **24. STAMP TAXES**

Each Chargor will, forthwith on demand of the Security Trustee or any Secured Creditor (a) to the extent other Chargors have not done so, procure the stamping of and pay any stamp duties, registration, documentary or similar tax or duty (including any fees, interest and penalties thereon or in connection therewith) which becomes payable on or in connection with the entry into, performance or enforcement of this Deed, any Finance Document or any judgment given in connection therewith; and (b) to the extent such duties and taxes are not paid pursuant to paragraph (a) above or indemnified or reimbursed pursuant to any other provision of a Finance Document, indemnify the Security Trustee and the Secured Creditors against any cost, damages, expense, claim, demand, action, loss or liability in relation to such duties and taxes.

## **25. ASSIGNMENTS, ETC.**

### **25.1 The Security Trustee**

The Security Trustee may assign and transfer all of its respective rights and obligations hereunder to a replacement Security Trustee appointed in accordance with the terms of the STID. Upon such assignment and transfer taking effect, the replacement Security Trustee will be, and will be deemed to be, acting as security trustee for each of the Secured Creditors for the purposes of this Deed in place of the old Security Trustee.

## **25.2 Agency/Security Trustee provisions**

Each Chargor shall be bound by clause 16 (*Remuneration and Indemnification of the Security Trustee*) of the STID together and by all other provisions of the Finance Documents relating to the appointment of agents and trustees.

## **25.3 Assignments and transfers**

Each Chargor shall be bound by the terms of the Finance Documents relating to assignments and transfers and, accordingly, each Chargor, for the purposes of any transfer pursuant to any of such terms, hereby irrevocably authorises the Security Trustee to execute on its behalf (a) substitution certificates or any accession agreement (without any need for the prior consent of such Chargor) in accordance with the provisions of those agreements, and (b) any other document required to perfect the security granted to the Secured Creditors pursuant to the Finance Documents (*mutatis mutandis*).

## **26. WAIVERS, REMEDIES CUMULATIVE**

26.1.1 The rights of the Security Trustee and each Secured Creditor under this Deed:

- (a) may be exercised as often as necessary;
- (b) are cumulative and not exclusive of its rights under general law; and
- (c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

26.1.2 The Security Trustee may waive any breach by any Chargor of any of such Chargor's obligations hereunder in accordance with the terms of the STID.

## **27. SET-OFF**

### **27.1 General**

The Security Trustee and each Secured Creditor, after the occurrence of an Event of Default, may (but shall not be obliged to) set off any obligation in respect of the Secured Liabilities which is due and payable by any Chargor and unpaid, against any obligation (whether or not matured) owed by the Security Trustee or such Secured Creditor (as the case may be) to such Chargor regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee or such Secured Creditor (as the case may be) may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

### **27.2 Time deposits**

Without prejudice to Clause 27.1 (*General*), if any time deposit matures on any account which any Chargor has with the Security Trustee or any Secured Creditor at a time within the Security Period when:

27.2.1 this security has become enforceable; or

27.2.2 no amount of the Secured Liabilities is due and payable;

such time deposit shall automatically be renewed for such further maturity as the Security Trustee or such Secured Creditor in its absolute discretion considers appropriate unless the Security Trustee or such Secured Creditor otherwise agrees in writing.

## **28. SEVERABILITY**

### **28.1 General**

If a provision of this Deed is or becomes illegal, invalid or unenforceable in any jurisdiction in respect of any Chargor, that will not affect:

28.1.1 in respect of such Chargor the validity or enforceability in that jurisdiction of any other provision of this Deed;

28.1.2 in respect of any other Chargor the validity or enforceability in that jurisdiction of that or any other provision of this Deed; or

28.1.3 in respect of any Chargor the validity or enforceability in other jurisdictions of that or any other provision of this Deed.

### **28.2 Deemed separate charges**

This Deed shall, in relation to each Chargor, be read and construed as if it were a separate Deed relating to such Chargor to the intent that if any Security Interest created by any other Chargor in this Deed shall be invalid or liable to be set aside for any reason, this will not affect any Security Interest created hereunder by such first Chargor.

## **29. COUNTERPARTS**

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

## **30. NOTICES**

All notices under, or in connection with, this Deed shall be given in accordance with clause 16 (*Notices*) of the CTA as if such clause were set out expressly in this Deed.

## **31. NOTICE OF ASSIGNMENT**

This Deed constitutes notice in writing to each Chargor of any charge or assignment of a debt owed by that Chargor to any other Obligor and contained in this Deed or in any other Security Document.

## **32. COVENANT TO RELEASE**

Subject to the provisions of the STID (and, in particular, clauses 6.3 (*Release of Security*) and 6.5 (*Release of Security for Permitted Disposals*) of the STID) and clause

10.3 (*Notice to Secured Creditors of STID Proposal*) of the STID, upon the expiry of the Security Period (but not otherwise), the Security Trustee and each Secured Creditor shall, at the request and cost of the Chargors, execute and do all such deeds, acts and things as may be necessary to release the Security Assets from the security constituted hereby and to reassign to the relevant Chargor the property and assets assigned to the Security Trustee under this Deed.

### 33. **GOVERNING LAW**

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

### 34. **ENFORCEMENT**

34.1.1 The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or the consequences of its nullity) or any non-contractual obligation arising out of or in connection with this Deed.

34.1.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

34.1.3 This Clause 34 is for the benefit of the Security Trustee and the Secured Creditors only. As a result and notwithstanding Clause 34.1.1, it does not prevent the Security Trustee or the Secured Creditors from taking proceedings relating to a Dispute against the Chargors ("**Proceedings**") in any other courts with jurisdiction. To the extent allowed by law, either of the Security Trustee or the Secured Creditors may take concurrent Proceedings in any number of jurisdictions.

**IN WITNESS** whereof this Deed has been duly executed as a deed and is delivered on the date stated at the beginning of this Deed first above written.

**SCHEDULE 1  
GROUP 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>
Wales & West Gas Networks (Holdings) Limited	Wales & West Utilities Holdings Limited	Ordinary shares of £1.00 each	4
Wales & West Gas Networks (Holdings) Limited	West & Western Midco Finance plc	Ordinary shares of £1.00 each	50000

## SCHEDULE 2

### PART 1

#### FORM OF BANK ACCOUNT SET-OFF LETTER AND ACKNOWLEDGEMENT

To: [•] [date]

We hereby give you notice that by a first priority Security Agreement dated 31 October 2023 (the "**Security Agreement**") made by the companies listed at the end of this notice (together the "**Chargors**") in favour of Deutsche Trustee Company Limited (the "**Security Trustee**") as security trustee for itself and the Secured Creditors referred to in the Security Agreement there has been charged by each Chargor to the Security Trustee as first and subsequent priority chargee all that Chargor's rights, title and interest in and to all sums of money which may now or in the future be held with you for the account of such Chargor in any accounts at any of your branches (the "**Accounts**"), together with all interest from time to time earned thereon and the debts represented by such sums and interest, as well as all book and other debts owed to such Chargor.

We, the Chargors, hereby irrevocably authorise and instruct you, subject to compliance with all applicable laws and regulations:

- (a) to disclose to the Security Trustee without any reference to or further authority from the relevant Chargor and without any enquiry by you as to the justification of such disclosure, such information relating to the Accounts and the sums therein as the Security Trustee may at any time and from time to time request;
- (b) upon notice from the Security Trustee to the Account Bank that an Event of Default has occurred and is continuing or that it is enforcing the security granted to it by the Chargors, to hold all sums from time to time standing to the credit of the Accounts to the order of the Security Trustee;
- (c) upon notice from the Security Trustee to the Account Bank that an Event of Default has occurred and is continuing or that it is enforcing the security granted to it by the Chargors, to pay or release all or any part of the sums from time to time standing to the credit of the Accounts in accordance with the written instructions of the Security Trustee at any time or times;
- (d) upon notice from the Security Trustee to the Account Bank that an Event of Default has occurred and is continuing or that it is enforcing the security granted to it by the Chargors, to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Accounts which you receive at any time from the Security Trustee without any reference to or further authority from the relevant Chargor and without any enquiry by you as to the justification for or validity of such notice or instruction until notified by the Security Trustee to the contrary; and

to pay all monies received by you for the account of any Chargor to (and only to) the credit of the Accounts of such Chargor with you unless otherwise consented to by the Security Trustee.

We enclose a copy of the Security Agreement.



Please also note that these instructions are not to be revoked or varied without the prior written consent of the Security Trustee.

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

Terms defined in the Master Definitions Agreement dated 31 October 2023 (as amended from time to time) shall have the same meaning when used herein.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Trustee with a copy to us, thereby giving to the Security Trustee for the Secured Creditors the further undertakings therein set out.

Yours faithfully,

.....  
For and on behalf of  
The following Chargors

*[List each Chargor  
with its own signature box]*

#### CHARGORS

[•]

c.c. Deutsche Trustee Company Limited

**PART 2**  
**FORM OF ACKNOWLEDGEMENT**

To: Deutsche Trustee Company Limited

[date]

We confirm receipt from [•] (the "**Chargors**") of a notice dated [•] (the "**Notice**") relating to certain accounts (the "**Accounts**") of the Chargors with [Bank].

We confirm that:

- (a) we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance with the terms of the Notice;
- (b) we have not received notice of the interest of any third party in or any previous assignments of, charges over or trusts in respect of the Accounts;
- (c) we have neither claimed or exercised nor will claim or exercise any security interest, set-off (except for set-off of any amounts in any Accounts to the extent of any costs and claims incurred or to be incurred by us acting as Account Bank including as a result of any direct debit scheme), combination/consolidation counter-claim or other rights in respect of the Accounts, the sums therein or the debts represented thereby without your prior written consent;
- (d) we shall pay all monies received by us for the account of any Chargor to (and only to) the credit of the Accounts in the name of that Chargor specified in the Notice unless otherwise consented to by you; and
- (e) following receipt of a notice from you that an Event of Default has occurred and is continuing or that you are enforcing the security granted to you by the Chargors, we shall not permit any amount to be withdrawn from any of the Accounts without your prior written consent; and
- (f) following receipt of a notice from you that an Event of Default has occurred and is continuing or that you are enforcing the security granted to you by the Chargors, we shall send all statements and notices given by us relating to the Accounts to you.

Terms defined in the Master Definitions Agreement dated 31 October 2023 (as amended from time to time) shall have the same meaning when used herein.

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

Yours faithfully,

.....  
On behalf of [Bank]  
c.c. [Chargors]

The Accounts held with us are:

*[Name of Account]*

*[Account number]*

**SCHEDULE 3**  
**FORM OF DEED OF ACCESSION**

**THIS DEED OF ACCESSION** dated *[date]* is made

**BETWEEN:**

- (1) **[•]** (the "**Company**"), a company incorporated in **[•]** whose registered office is situate at **[•]**; and
- (2) **DEUTSCHE TRUSTEE COMPANY LIMITED** as the Security Trustee.

**WHEREAS:**

- (A) The Chargors (as defined in the Security Agreement) have entered into a security agreement dated 31 October 2023 (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Security Agreement**") between the Chargors and the Security Trustee as security trustee for the Secured Creditors defined therein.
- (B) The Company has at the request of the Chargors and in consideration of the Secured Creditors making or continuing to make facilities available to the Chargors or any other member of the group and after giving due consideration to the terms and conditions of the Finance Documents and the Security Agreement and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of benefit to it, decided in good faith and for the purpose of carrying on its business to enter into this Deed and thereby become a Chargor under the Security Agreement. The Company will also, by execution of a separate instrument, become a party to the STID as an Obligor.

**NOW THIS DEED WITNESSES** as follows:

1. Terms defined in the Security Agreement shall have the same meaning in this Deed.
2. The Company hereby agrees to become a party to and to be bound by the terms of the Security Agreement as a Chargor with immediate effect and so that the Security Agreement shall be read and construed for all purposes as if the Company had been an original party thereto in the capacity of a Chargor (but so that the security created consequent on such accession shall be created on the date hereof). The Company hereby undertakes to be bound by all the covenants and agreements in the Security Agreement which are expressed to be binding on a Chargor. In accordance with the foregoing, the Company now grants to the Security Trustee as security trustee for the Secured Creditors the assignments, charges, mortgages and other security described in the Security Agreement as being granted, created or made by Chargors thereunder, to the intent that its assignments, charges, mortgages and other security shall be effective and binding upon it and its property and assets and shall not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Security Agreement or of any other party's execution thereof or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Security Agreement or in any other Deed of Accession. The Security Agreement and this Deed shall be read as one to this extent and so that references in the Security Agreement to "this Deed", "herein", and

similar phrases shall be deemed to include this Deed and all references in the Security Agreement to any Schedule (or any part thereof) shall be deemed to include a reference to any relevant Appendix to this Deed.

3. Without limiting the generality of the other provisions of this Deed and the Security Agreement, pursuant to the terms hereof and of the Security Agreement, the Company with full title guarantee, as security for the payment, discharge and performance of all the Secured Liabilities, hereby and by the Security Agreement in favour of the Security Trustee (as security trustee for itself and each of the Secured Creditors) hereby subject to any necessary third party consents being obtained, assigns and agrees to assign all of its right, title and interest (if any) in and to each of the contracts and agreements specified in Clause 4.3.1 of the Security Agreement and/or the Appendix to this Deed.
4. This Deed and any non-contractual obligations arising out of or in connection with it is governed by English law.

## SIGNATORIES

*(to Accession Agreement)*

### The Company

Executed as a deed by	)	
	)	.....
acting by	)	Director
and	)	
[acting under the authority	)	.....
of that company	)]	Director/Secretary
(for foreign companies only)	)	

**The Security Trustee**

**THE COMMON SEAL of  
DEUTSCHE TRUSTEE  
COMPANY LIMITED**

was affixed  
to this Deed  
in the presence of:

) .....  
) Associate Director  
) .....  
) Associate Director  
)

## **APPENDIX**

*[Insert description of relevant details of assets, e.g. Group Shares.]*

**EXECUTION PAGES TO THE SECURITY AGREEMENT**

**The Chargors**

**EXECUTED as a DEED by** )  
**WEST & WESTERN MIDCO FINANCE** )  
**PLC** )

acting by: )  
GRAHAM EDWARDS - CEO )  
PAUL MILLAR - COMPANY SECRETARY )

Director [REDACTED] Director/Secretary [REDACTED]

**EXECUTED as a DEED by** )  
**WALES & WEST GAS NETWORKS** )  
**(HOLDINGS) LIMITED** )

acting by: )  
GRAHAM EDWARDS - CEO )  
PAUL MILLAR - COMPANY SECRETARY )

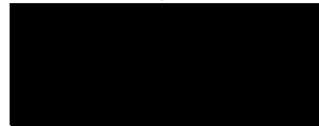
Director [REDACTED] Director/Secretary [REDACTED]



**The Security Trustee**

**EXECUTED as a DEED by affixing  
THE COMMON SEAL of  
DEUTSCHE TRUSTEE COMPANY  
LIMITED**

)



)

Associate Director

)



)

Associate Director

