



Registration of a Charge

Company Name: **SIMEC USKMOUTH POWER LIMITED**

Company Number: **05104786**



Received for filing in Electronic Format on the: **24/08/2022**

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Details of Charge

Date of creation: **23/08/2022**

Charge code: **0510 4786 0006**

Persons entitled: **USKMOUTH ENERGY STORAGE LIMITED**

Brief description: **ALL OF THE UNDERTAKING PROPERTY AND ASSETS OF THE BORROWER CHARGED BY THIS DEBENTURE AND INCLUDES EACH PART THEREOF AND ANY INTEREST THEREIN, INCLUDING WITHOUT LIMITATION, THE FREEHOLD PROPERTY AT USKMOUTH POWER STATION, WEST NASH, NEWPORT REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER WA804901. FOR FURTHER DETAILS PLEASE SEE THE INSTRUMENT.**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED
AS PART OF THIS APPLICATION FOR REGISTRATION IS A
CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LENDER**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5104786

Charge code: 0510 4786 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd August 2022 and created by SIMEC USKMOUTH POWER LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th August 2022 .

Given at Companies House, Cardiff on 26th August 2022

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**



Dated 23 August 2022

- (1) SIMEC USKMOUTH POWER LIMITED
- (2) USKMOUTH ENERGY STORAGE LIMITED
- (3) SIMEC ATLANTIS ENERGY LIMITED

COMPOSITE DEBENTURE AND GUARANTEE

Acuity Law Limited

www.acuitylaw.com

THIS DEED is made on

23 August

2022

BETWEEN:

- (1) **SIMEC USKMOUTH POWER LIMITED** incorporated and registered in England and Wales with company number 05104786 whose registered office is at Uskmouth Power Station, West Nash Road, Nash, Newport, NP18 2BZ (the **Borrower**);
- (2) **USKMOUTH ENERGY STORAGE LIMITED** incorporated and registered in England and Wales with company number 13989624 whose registered office is at Kemp House, 160 City Road, London, United Kingdom, EC1V 2NX (the **Lender**), and
- (3) **SIMEC ATLANTIS ENERGY LIMITED** incorporated under the laws of the Republic of Singapore with registration number 200517551R whose registered office is at 21 Merchant Road, #04-01, Royal Merukh S.E.A, Singapore 058267 (the **Guarantor**).

together the **parties** and each a **party**.

IT IS HEREBY AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 The following definitions apply in this Deed:

Business Day means a day (not being a Saturday or Sunday) when UK clearing banks are open for business in the City of London for the transaction of normal banking business.

Charged Property means all of the undertaking property and assets of the Borrower charged by this Debenture (whether by way of legal mortgage or fixed or floating charge) and includes each part thereof and any interest therein, including without limitation, the Charged Real Property.

Charged Real Property Any freehold, leasehold or commonhold property the subject of the security constituted by this deed (including without limitation, the property set out in Schedule 1) and references to "Charged Real Property" shall include references to the whole or any part of it.

Costs	means all costs, charges, expenses and liabilities of any kind including, without limitation, costs and damages in connection with litigation, professional fees, disbursements and any value added tax charged on Costs.
Default Rate	means: <ul style="list-style-type: none"> (a) the default interest rate set out in the document under which the relevant liability for the overdue amount initially arose; or (b) if no default interest rate is set out in such document, a rate per annum equal to the cost (without proof or evidence of any actual cost) to the Lender (as certified by it) if it were to fund the relevant amount plus 3 per cent. per annum.
Encumbrance	means any mortgage, charge (whether fixed or floating), pledge, lien, assignment by way of security, hypothecation, standard security or any other type of security interest or encumbrance or agreement or agreement having the effect of conferring security.
Enforcing	means the taking of any of the following actions: <ul style="list-style-type: none"> (a) appointing a receiver or administrative receiver pursuant to or in respect of the security constituted by this deed; (b) exercising a power of sale or otherwise exercising the rights of a creditor under this deed; (c) declaring prematurely due, accelerating payment or suing for payment of the Secured Liabilities; (d) making an application for an administration order or appointing an administrator pursuant to this deed or petitioning for or taking any other action or proceedings

for the administration, liquidation, winding-up or dissolution of the Borrower; and / or

- (e) commencing or supporting any legal proceedings against the Borrower in respect of the Secured Liabilities,

and the terms **enforce** and **enforcement** shall be construed accordingly.

Event of Default	has the meaning given to it in clause 8.1.
Finance Documents	the Loan Agreement and this Deed.
Loan Agreement	the loan agreement dated 23 May 2022 and entered into between between the Borrower and the Lender.
Permitted Encumbrance	means:- <ul style="list-style-type: none">(a) any Encumbrance to which the Lender consents;(b) any liens arising by operation of law or in the ordinary course of the Borrower's business; and(c) any retention of title or lien over stock arising in the ordinary course of the Borrower's business.
Receiver	has the meaning given to it in clause 11.
Secured Liabilities	means all present and future moneys, obligations and liabilities (whether actual or contingent and whether as principal or surety) now or at any time in the future due, owing or incurred by the Borrower to the Lender and whether as principal or surety, together with all interest (including, without limitation, default interest) accruing in respect of those obligations or liabilities including without limitation those obligations and liabilities arising under or in connection with the Finance Documents (each a Secured Liability).

Security Period means the period starting on the date of this Debenture and ending on the date on which the Lender confirms to the Borrower that all Secured Liabilities have been unconditionally and irrevocably paid and discharge in full.

1.2 In this Deed:

1.2.1 clause and Schedule headings shall not affect the interpretation of this Deed;

1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);

1.2.3 a reference to a **holding company or subsidiary** (as the case may be) means a holding company or subsidiary as defined in section 1159 of the Companies Act 2006 and a company shall be treated, for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security; or (b) its nominee. In the case of a limited liability partnership that is a subsidiary of a company or another limited liability partnership, section 1159 of the Companies Act 2006 shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters that are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights;

1.2.4 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;

1.2.5 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

1.2.6 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;

- 1.2.7 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.8 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.9 a reference to **writing** or **written** includes fax and email;
- 1.2.10 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.11 a reference to **this Deed** or **this Debenture** (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed or Debenture, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed or Debenture) from time to time;
- 1.2.12 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed;
- 1.2.13 any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.14 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amend** and **amended** shall be construed accordingly);
- 1.2.15 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.16 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution; and
- 1.2.17 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

2 COVENANT FOR PAYMENT

- 2.1 The Borrower undertakes to the Lender that:

- 2.1.1 it will pay and discharge each Secured Liability on demand made on or at any time after the due date for payment; and
- 2.1.2 it will on demand pay to the Lender and any Receiver all Costs and expenses reasonably and properly incurred by the Lender and any Receiver in relation to:
 - 2.1.2.1 this Debenture and the Charged Property;
 - 2.1.2.2 the protection, perfection, preservation and enforcement of the Lender's and any Receiver's rights under this Debenture; and
 - 2.1.2.3 suing for or recovering any of the Secured Liabilities,

and for the avoidance of doubt, such Costs shall form part of the Secured Liabilities.

- 2.2 Unless agreed otherwise, any amount which is not paid under this Debenture on the due date shall bear interest (both before and after judgment) payable on demand at the Default Rate from the due date until the date of actual unconditional and irrevocable payment and discharge of such amount in full, and itself constitutes part of the Secured Liabilities. Interest (if any and including default interest) shall be payable on any amount owed by the Borrower in accordance with the agreement giving rise to the relevant obligation or liability.

3 CHARGING CLAUSE

- 3.1 As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of a legal mortgage, all estates or interests in the Borrower's freehold property specified in Schedule 1.
- 3.2 As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender:
 - 3.2.1 by way of fixed charge:
 - 3.2.1.1 all freehold and leasehold property, licences, rights of occupation and other interests whatsoever in real property of the Borrower vested in it at the date hereof and at any time hereafter together in each case with the building, fixed plant and machinery and other fixtures (including tenant's fixtures) from time to time thereon and the proceeds of sale of any of the foregoing (other than any such property effectively mortgaged under clause 3.1);

- 3.2.1.2 the benefit of all other contracts, guarantees, appointments and warranties relating to each Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of any Charged Property or otherwise relating to any Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them);
- 3.2.1.3 subject to clause 4.3, all plant machinery and other equipment of the Borrower (if any) which is owned by the Borrower at the date hereof or at any time hereafter;
- 3.2.1.4 all licences, consents and authorisations (statutory or otherwise) held or required in connection with its business or the use of any Charged Property, and all rights in connection with them;
- 3.2.1.5 all stocks and shares and other interests (including without prejudice to the generality of the foregoing loan capital indebtedness or liabilities on any account or in any manner owing to the Borrower) both present and future of the Borrower (and from) any company which now is or may hereafter become a subsidiary of the Borrower;
- 3.2.1.6 all of the book debts and other debts revenues and claims now or at any time hereafter due or owing to or purchased or otherwise acquired by the Borrower together with the full benefit of all guarantees and securities therefore and indemnities in respect thereof, and all liens, reservations of title, rights of tracing and other rights and remedies whatsoever;
- 3.2.1.7 all policies of insurance and assurance effected by the Borrower at the date hereof or at any time hereafter and all proceeds, claims or other rights of the Borrower in respect of any policy of insurance or assurance whether effected by the Borrower or any other person;

- 3.2.1.8 all inventions, improvements, modifications, processes, formulae, know-how, designs, models, sketches, drawings, plans, patents, trade or service marks, design rights, copyrights, trade and brand names and other intellectual property rights (whether or not capable of protection by patent, registered design, design copyright, registered trade mark, service mark or other rights in the nature of intellectual property and whether or not so protected) to which the Borrower is entitled at the date hereof or at any time hereafter including all applications in respect of any of the foregoing;
 - 3.2.1.9 all of its present and future goodwill and the uncalled capital of the Borrower; and
- 3.2.2 by way of floating charge all its undertaking, property, assets and rights not otherwise effectively mortgaged or charged under clauses 3.1 and clauses 3.2.1.1 to 3.2.1.9:
 - 3.2.2.1 the undertaking and the whole of the property and assets of the Borrower both present and future; and
 - 3.2.2.2 the property described in 3.1.1 to 3.1.5 to the extent that the charges thereon or any part or parts thereof shall not be, or shall for any reason be ineffective as fixed charges.
- 3.3 The Borrower shall not at any time without the prior written consent of the Lender:
 - 3.3.1 create or permit to subsist or arise any Encumbrance on or affecting the Charged Property or any part thereof unless it is a Permitted Encumbrance; or
 - 3.3.2 sell, transfer, assign or otherwise dispose of in any manner (or purport to do so) any part of the Charged Property or any part thereof or interest therein or to enter into any agreement to do so other than sale of assets and property in the ordinary and proper course of the Borrower's trade.
- 3.4 Any legal mortgage, fixed charge or other security or right hereafter created by the Borrower in favour of the Lender or otherwise arising in favour of the Lender shall, unless otherwise agreed by the Lender in writing, have priority over the floating charge created under clause 3.2.2 above.
- 3.5 This Debenture shall be a continuing security to the Lender to secure all indebtedness, obligations and liabilities of the Borrower to the Lender, pursuant to clause 2.

- 3.6 The floating charge created by clause 3.2.2 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:
- 3.6.1 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or
 - 3.6.2 any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Charged Property; or
 - 3.6.3 the Lender receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower; or
 - 3.6.4 the Borrower creates or attempts to create, without the prior written consent of the Lender, an Encumbrance (other than a Permitted Encumbrance) or a trust in favour of another person on all or part of the Charged Property; or
 - 3.6.5 the Borrower disposes or attempts to dispose of, without the prior written consent of the Lender or to the extent otherwise permitted by this Debenture, all or any part of the Charged Property.
- 3.7 The Lender may at any time by notice in writing to the Borrower convert the floating charge hereby created into a fixed charge as regards any assets specified in the notice if it is necessary to do so in order to protect or preserve the security hereby created. the Borrower shall at any time upon the written request of the Lender pursuant to provisions of this clause, execute any other or further charge or other instrument conveying a fixed charge in such form as the Lender may reasonably require on all or any part or parts of the Charged Property.
- 3.8 Each such mortgage or charge shall be prepared completed and registered by or on behalf of the Lender and shall contain, inter alia, an immediate power of sale without notice, in the case of freehold and leasehold property a clause excluding Section 93 of the Law of Property Act 1925, and such other provisions as the Lender may properly and reasonably require.
- 3.9 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) shall apply to all floating charges created pursuant to this Debenture.

4 COVENANTS OF THE BORROWER

4.1 The Borrower covenants with the Lender that during the continuance of this security and subject to clause 4.3:

- 4.1.1 the Borrower will keep the Charged Property and all buildings, fixtures, plant and machinery, equipment and other effects hereby charged in reasonable repair and in reasonable working order and condition (fair wear and tear excepted in the case of fixtures, plant and machinery);
- 4.1.2 the Borrower shall not in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Real Property (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of any Charged Property), without prior written consent of the Lender, such consent not to be unreasonably withheld or delayed;
- 4.1.3 if the title to any Charged Real Property is not registered at the Land Registry, the Borrower shall procure that no person (other than itself) shall be registered under the Land Registration Act 2002 as proprietor of all or any part of any Charged Real Property, without the prior written consent of the Lender;
- 4.1.4 the Borrower shall at its own expense take steps to establish and protect its rights in respect of, and the priority and value of, all patents trade and service marks, brand names, copyrights and other intellectual property rights;
- 4.1.5 the Borrower shall punctually pay all rates, taxes, assessments and other outgoings charged on or payable by the Borrower in respect of the Charged Property;
- 4.1.6 the Borrower shall pay and indemnify the Lender and as a separate covenant any Receiver or Receivers appointed by it against all existing and future rents rates taxes duties charges assessments impositions and outgoings whatever (whether imposed by deed or statute or otherwise and whether of a nature of capital or revenue and even though of a wholly novel character) now or at any time during the continuance of this security payable in respect of the Charged Real Property or any part thereof or by the owner or occupier thereof;
- 4.1.7 the Borrower shall insure and keep insured to the full reinstatement or replacement value (taking account of the effects of inflation in relation to such

value) such of the Charged Property as is insurable against loss or damage by fire and other usual risks;

4.1.8 the Borrower shall punctually pay all premiums and other moneys necessary for effecting and maintaining the insurances in respect of the Charged Property referred to in clause 4.1.7 above and shall not deliberately do or permit to be done any act or thing as a result of which such policy is likely to be or become invalidated or altered; and

4.1.9 the Borrower shall (unless the Lender otherwise directs) apply all moneys received under any insurance of the Charged Property (whether or not effected pursuant to the foregoing provisions) in replacing, restoring or reinstating the property destroyed or damaged (the Borrower making up any deficiency for this purpose out of its own moneys).

4.2 The Borrower shall be deemed to comply with the covenant contained in clause 4.1 in relation to any part of the Charged Property which is held by the Borrower under a lease or is the subject of a prior mortgage if it is insured and is under an obligation to use its reasonable endeavours to procure the performance of those obligations referred to above to ensure that any moneys received under any insurance are applied in accordance with the provisions of the lease or the prior mortgage.

4.3 For so long as no Event of Default has occurred and is continuing, the Lender agrees that the Borrower shall be free to dispose of any items of plant and / or equipment that are in its ownership as at the date of this Agreement and which are obsolete and / or unnecessary for the trade and business of the Borrower provided that:

4.3.1 any such transaction is entered into on bona fide commercial terms; and

4.3.2 the proposed disposal and / or associated arrangements do not (or could not be reasonably expected to) have an adverse impact on the development and / or operation of a battery energy storage facility (and associated operations) planned by the Lender on any property that is the subject of this Debenture.

5 REGISTRATION OF LEGAL MORTGAGE AT THE LAND REGISTRY

5.1 The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each Charged Real Property over which the Lender has a legal mortgage:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE] in favour of Uskmouth Energy Storage Limited referred to in the charges register or their conveyancer."

6 REPRESENTATIONS AND WARRANTIES OF THE BORROWER

6.1 The Borrower makes the representations and warranties set out in this clause 6 on the date of this deed and the representations and warranties contained in this clause 6 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition:

6.1.1 it is a company duly formed and existing under the laws of England and Wales and the execution of this Debenture and the creation of the security hereunder has been properly approved and authorised by resolution of the directors of the Borrower and all other necessary corporate action of the Borrower and does not contravene the articles of association of the Borrower;

6.1.2 it has power to execute this Debenture and perform and discharge its duties and liabilities under this Debenture and no limitation on its powers to borrow or grant security rights will be exceeded as a result of this Debenture;

6.1.3 no action, suit or proceeding is pending or threatened against the Borrower before any court, arbitration tribunal or administrative agency which is likely to result in any material adverse change in the financial condition, business or assets of the Borrower;

6.1.4 it is the legal and beneficial owner of and has good, valid and marketable title to, the Charged Property; and

6.1.5 the Charged Property is free from any Encumbrance other than the Encumbrances created by this Debenture and the Permitted Encumbrances.

7 INDEMNITY

7.1 The Borrower hereby undertakes and covenants with the Lender to indemnify and keep indemnified the Lender and any Receiver appointed by the Lender hereunder (on a full complete and unqualified basis) from and against all losses, claims, proceedings, expenses or liabilities of any kind which they may suffer as a result of:

- 7.1.1 any breach of any of the covenants, warranties or representations of the Borrower contained in clauses 3, 4, 5 or 6 above or of any other covenant, representation, warranty undertaking or obligation of the Borrower under this Debenture; or
- 7.1.2 anything done or omitted to be done in relation to the Charged Property by the Lender or any Receiver appointed by it; or
- 7.1.3 anything omitted to be done hereunder by the Borrower in breach of the terms hereof; or
- 7.1.4 any payment or discharge in respect of any monies hereby secured (whether made by the Borrower or a third party) being impeached or declared void for any reason whatsoever.

8 EVENTS OF DEFAULT

- 8.1 Notwithstanding the provisions of clause 2, the Secured Liabilities shall become immediately payable without demand, together with accrued interest (if applicable) to the date of payment and this security shall become immediately enforceable, if:
 - 8.1.1 the Borrower fails to pay any amount owing by it to the Lender when due;
 - 8.1.2 the Borrower fails (other than by failing to pay), to comply with any provision of any Finance Document and (if the Lender considers, acting reasonably, that the default is capable of remedy), such default is not remedied within 5 Business Days of the earlier of:
 - 8.1.2.1 the Lender notifying the Borrower of the default and the remedy required; and
 - 8.1.2.2 the Borrower becoming aware of the default,
 - 8.1.3 any representation, warranty or statement made pursuant to the Finance Documents is (or proves to have been incomplete, untrue, incorrect or misleading when made, repeated or deemed made;
 - 8.1.4 the Borrower stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due;
 - 8.1.5 a moratorium is declared in respect of any indebtedness of the Borrower.

- 8.1.6 a petition is presented which is not withdrawn within 15 Business Days or an order is made or an effective resolution is passed for the winding up of the Borrower or a board or member's resolution is passed or an application being made for the dissolution or striking off of the Borrower;
- 8.1.7 the Borrower applies for or enters into any compromise, composition, arrangement or agreement with the creditors of the Borrower (or any class of them) in relation to the payment of its debts (other than as approved by the Lender);
- 8.1.8 a receiver, administrative receiver, trustee, liquidator or similar officer is appointed in respect of or over, or an encumbrancer takes possession of all or a material part of the undertaking or assets of the Borrower, or if an administrator is appointed, or documents are filed with the court for the appointment of an administrator or a notice of intention to appoint an administrator is given by the Borrower or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986); or
- 8.1.9 an event or circumstance occurs in relation to the Borrower similar to any of those referred to in paragraphs 8.1.2 to 8.1.8 above in any jurisdiction other than England and Wales;
- 8.1.10 any provision of any Finance Document is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect,

each an **Event of Default**.

- 8.2 A winding-up petition that is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement or, if earlier, the date on which it is advertised shall be excluded from clause 8. The ending of any moratorium referred to in clause 8.1.5 shall not remedy any Event of Default caused by that moratorium.

9 POWER OF SALE

- 9.1 Any money liability or other sum hereby secured shall be deemed to have become due and payable on the date of this Debenture for the purposes of section 101 of the Law of Property Act 1925 and the power of sale and other powers conferred by section 101 of the Law of Property Act 1925 (as varied or extended by this Debenture) and all other powers shall be deemed to arise immediately after execution of this Debenture.

- 9.2 The security constituted by the Debenture shall become immediately exercisable following the occurrence of an Event of Default or at any time thereafter whilst the same is continuing or on the appointment of a Receiver.
- 9.3 At any time after any money liability or other sum hereby secured shall have become payable the Lender may:
- 9.3.1 exercise in respect of the Charged Property the power of sale conferred upon mortgagees by Section 101 of the Law of Property Act 1925, without the restriction imposed by Section 103 of that Act and on the basis that the said power of sale may if the Lender so wishes, in addition to its other rights, be exercised by the Lender surrendering or retaining the Charged Property or any part of it;
 - 9.3.2 without the consent of the Borrower being obtained, sever plant, machinery and other fixtures from the premises containing them to be sold;
 - 9.3.3 exercise any of the options assigned to it as part of the Charged Property and any consideration paid and all costs and expenses incurred in exercising any such option shall form part of the moneys hereby secured and agreed to be paid; and
 - 9.3.4 grant options of any nature whatsoever in respect of all or any of the premises hereby charged or any part or parts of any of them whether or not contained in or in conjunction with any lease granted pursuant to this Debenture.
- 9.4 If and when the said power of sale shall become exercisable the Lender may (by way of extension of and not in substitution for the powers conferred by law) grant or agree to grant a lease or leases or a tenancy or tenancies of all or part of the Charged Property for such term of years or from year to year or other period less than a year at such rent and subject to such agreements, covenants and conditions and either with or without premium as the Lender thinks fit and accept surrenders of any lease or tenancy of all or part of the Charged Property upon such terms as the Lender thinks fit and such a surrender shall be valid notwithstanding that no lease of the land comprised in this surrender is granted to take effect in possession after the date of the surrender or that any such lease granted fails to comply with the provisions of Section 100(5) of the Law of Property Act 1925 or any of them.
- 9.5 In favour of a purchaser the said power of sale shall be deemed to arise and become exercisable on the date hereof, provided that for the protection of the Borrower only and

so as not to affect a purchaser or put him on enquiry the said power of sale shall not be exercised unless an Event of Default has occurred and is continuing.

10 APPOINTMENT OF ADMINISTRATOR

- 10.1 Subject to the Insolvency Act 1986, at any time and from time to time after this security becomes enforceable, the Lender may appoint one or more qualified persons to be an administrator of the Borrower to act together or independently of the other or others appointed (to the extent applicable).
- 10.2 Any such appointment shall be made pursuant to an application to court under paragraph 12 of Schedule B1 of the Insolvency Act 1986 (Administration application) or by filing specified documents with the court under paragraphs 14-21 of Schedule B1 of the Insolvency Act 1986 (Appointment of administrator by the holder of a floating charge).
- 10.3 In this clause 10 qualified person means a person who, under the Insolvency Act 1986, is qualified to act as an administrator of any company with respect to which he is appointed.

11 RECEIVERS

- 11.1 At any time after any liability, money or other sum hereby secured shall have become payable or this security shall have become enforceable or at the request of the Borrower, the Lender may by writing under hand of any officer of the Lender appoint any person or persons to be a receiver or receivers (the **Receiver**) of all or any part of the Charged Property and remove any Receiver so appointed and appoint another or others in his or their place or in addition to the Receiver so appointed.
- 11.2 When two or more persons are appointed to act as the Receiver hereunder each of them shall exercise all powers conferred upon the Receiver severally or jointly with the other Receiver.
- 11.3 the Lender shall determine the remuneration of the Receiver without being limited by the maximum rate set in Section 109(6) of the Law of Property Act 1925.
- 11.4 The Receiver shall be the agent of the Borrower (which shall alone be liable for his acts, defaults and remuneration) and shall have and be entitled to exercise all powers set out in Schedule 1 of the Insolvency Act 1986 and in particular (by way of addition to and without limiting those powers and without prejudice to the Lender's power of sale) the Receiver shall have power:

- 11.4.1 to take possession of, collect and get in any of the premises hereby charged and for that purpose take, defend or otherwise conduct, settle and/or dispose of any proceedings in the name of the Borrower or otherwise and to carry on, manage or concur in carrying on and managing the business of the Borrower or any part thereof and for any of those purposes raise or borrow any money (including money for the completion with or without modification of any building in the course of construction or any alteration or addition to any building and any development or project in which the Borrower was engaged) from or incur any other liability with the Lender or any other person and on such terms as to interest or otherwise and with or without security as the Receiver may think expedient and so that any such security may be or include a charge on the whole or any part of the premises hereby charged and to make any arrangement or compromise which the Receiver shall think fit;
- 11.4.2 to promote the formation of a subsidiary or subsidiaries of the Borrower with a view to such subsidiary or subsidiaries purchasing all or any of the assets or interests in assets of the Borrower;
- 11.4.3 to appoint a receiver or receivers (who may be or include the Receiver himself) to be a receiver or receivers under any mortgage or charge for the time being held for the benefit of the Borrower;
- 11.4.4 to sell or concur in selling any of the Charged Property to sever and sell any plant, machinery and other fixtures from the property to which they are attached on such terms as the Receiver shall think fit but without restrictions imposed by Sections 103 and 108 of the Law of Property Act 1925;
- 11.4.5 to redeem any charge or Encumbrance ranking in priority to this security and settle and pass the accounts of the relevant chargee or encumbrancer and any such settlement and accounts shall be conclusive and binding on the Borrower;
- 11.4.6 to acquire any freehold leasehold or other interest in any land adjoining or contiguous to the freehold or leasehold property of the Borrower (the **Adjoining Land**) as he shall in his absolute discretion think fit;
- 11.4.7 to obtain all planning permissions, building regulation approvals and other permissions consents or licences for the development of the freehold or leasehold property of the Borrower and/or the **Adjoining Land** or any part thereof and to effect complete and/or carry out any development building or other works (including any works in progress on the said property of the Borrower or any part

thereof at the date of his appointment) as he shall in his absolute discretion think fit;

11.4.8 generally to do anything in relation to the Charged Property which he could do if he was absolutely entitled thereto including without limitation surrendering leases, exercising options, creating tenancy agreements; and

11.4.9 to do all other acts and things which may be considered to be incidental or conducive to any of the matters or powers aforesaid and which he lawfully may or can do.

11.5 No purchaser, mortgagor, mortgagee or other person dealing with the Receiver shall be concerned to enquire whether any power exercised or purported to be exercised has become exercisable or whether any money is due on the security hereof or as to the propriety or regularity of any sale by or other dealing with the Receiver.

11.6 The Receiver shall in the exercise of his powers aforesaid comply with any lawful directions and instructions given by the Lender.

11.7 Neither the Lender nor the Receiver shall be responsible or liable to account as mortgagee in possession or otherwise for any loss or diminution in value caused to the Charged Property in the exercise of such powers or the exercise of any of the powers or rights conferred on each of them in relation to the Charged Property or otherwise including, without limitation, the sale or other realisation of any property or assets at an undervalue.

12 POWER OF ATTORNEY

12.1 The Borrower hereby irrevocably and by way of security appoints the Lender and the Receiver jointly and severally to be its attorney and attorneys (with power to appoint sub-attorneys) in its name and on its behalf and as its act and deed to sign execute and/or do any deed, document, assurance, agreement, instrument or act which the Borrower is required to do hereunder but is in default of such obligation and such appointment shall operate as a general power of attorney under the Powers of Attorney Act 1971.

13 APPLICATION OF PROCEEDS OF REALISATION

13.1 Any moneys received under the powers hereby conferred shall (subject to the payment of any claims having priority to this Debenture) be paid or applied in the following order of priority:

- 13.1.1 FIRST: in satisfaction of all costs, charges and expenses properly incurred and payments properly made by the Lender or the Receiver and of the remuneration of the Receiver;
- 13.1.2 SECOND: in or towards satisfaction of the moneys outstanding and secured by this Debenture; and
- 13.1.3 THIRD: the surplus (if any) shall be paid to the Borrower or to whomsoever else shall be entitled thereto.

14 CROSS-GUARANTEE AND COVENANT TO PAY

- 14.1 The Guarantor as primary obligor covenants with the Lender that it will on demand pay to the Lender the Secured Liabilities when the same falls due for payment.
- 14.2 The Guarantor irrevocably and unconditionally:
 - 14.2.1 guarantees to the Lender punctual performance by the Borrower of all the Borrower's obligations to the Lender in respect of the Secured Liabilities;
 - 14.2.2 undertakes with the Lender that whenever the Borrower does not pay any part of the Secured Liabilities when due to the Lender, the Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
 - 14.2.3 agrees with the Lender that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of the Borrower not paying any part of the Secured Liabilities which would, but for such unenforceability, invalidity or illegality, have been payable by it on the date when it would have been due. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this Deed if the amount claimed had been recoverable on the basis of a guarantee.
- 14.3 The covenants and guarantees contained in clause 14.1 and clause 14.2 are given subject to, and with the benefit of, the provisions set out in the Schedule 2 by the Guarantor.

15 FURTHER ASSURANCE

- 15.1 The Borrower undertakes to sign and/or execute and do (where required) such further deeds, documents and acts as the Lender or any Receiver appointed by the Lender may from time to time reasonably require to perfect the Lender's rights under this Debenture and to give effect and validity to and realisation of the security hereby constituted which documents shall be prepared by or on behalf of the Lender at the Lender's cost. Provided that so far as this clause 15 relates to any real property or any interest therein it shall be a separate and distinct undertaking and as such shall not be deemed to form part of this Debenture but the provisions of this Debenture shall be deemed to be incorporated therein.

16 OTHER SECURITY

- 16.1 This Debenture is in addition to and shall not be merged with or in any way be affected or prejudiced by and may be enforced notwithstanding any other means of payment, bill, note, guarantee, indemnity, or other security, or other right, power or remedy which the Lender may at any time have whether from the Borrower or any other person in respect of the indebtedness and obligations or other sums due or incurred by the Borrower to the Lender and the Lender may (but is under no duty to) enforce any of them without reducing or discharging such indebtedness and obligations.

17 REMEDIES

- 17.1 If there is an Event of Default, it shall not be necessary for the Lender before enforcing this Debenture or exercising any of his rights and powers hereunder to endeavour to take proceedings or obtain judgment against the Borrower or any other person or endeavour to enforce any other guarantee or security whether from the Borrower or any other person. the Lender shall have the right and power to claim all amounts due and payable in respect of the Secured Liabilities from the Borrower or any other person in such order and at such times as the Lender may in his absolute discretion consider appropriate.

18 DISCHARGE AND RELEASE

- 18.1 Once all the Secured Liabilities have been unconditionally and irrevocably discharged in full, the Lender shall give written confirmation of that fact to the Borrower.
- 18.2 On the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release the Charged

Property from the security constituted by this Debenture and to reassign absolutely, all right, title and interest in and to the Charged Property to the Borrower.

19 PRESERVATION OF THE LENDER'S RIGHTS

19.1 Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

19.2 This Debenture is and shall remain the property of the Lender.

20 WAIVERS

20.1 No waiver or release of any rights, powers or privileges of the Lender or any consent to be given by the Lender shall be valid unless in writing signed by the Lender or any person who is his duly appointed attorney or legal personal representatives.

20.2 No failure or delay on the part of the Lender to exercise any power or right under this Debenture shall operate as a waiver thereof nor shall any single or partial exercise by the Lender of any power, privilege or right under this Debenture preclude any other or further exercise thereof or the exercise of any other power or right. The powers and rights provided herein are cumulative and are not exclusive of any powers and rights provided by law.

21 VALIDITY

21.1 The Borrower hereby undertakes to obtain and maintain in full force, validity and effect all governmental and other approvals, authorities, licences and consents required in connection with this Debenture.

22 EXPENSES

22.1 Each party shall bear its or his own costs in connection with the drafting, preparation and execution of this Debenture and any document relative thereto and of any amendment variation or extension thereof or the granting of any waiver or consent under this Debenture or otherwise (subject to clause 22.2).

- 22.2 The Borrower agrees to pay to the Lender upon demand all costs, charges and expenses (including legal fees) incurred by the Lender in connection with the preservation and enforcement or attempted enforcement of the Lender's rights and powers under this Debenture.

23 PARTIAL INVALIDITY

- 23.1 In the event that any term or condition of this Debenture is rendered or declared illegal invalid or unenforceable in whole or in part for any reason by any statute, rule or regulation or any decision of any court or tribunal of competent jurisdiction then such term or condition shall be severed from the other terms and conditions of this Debenture and validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired and will remain in full force and effect.

24 CORPORATE CERTIFICATE

- 24.1 The Borrower hereby certifies that the execution of this Debenture and the creation of the security hereunder has been approved by resolution of the directors of the Borrower at a duly convened meeting of such directors and does not contravene any of the provisions of the articles of association of the Borrower.

25 MISCELLANEOUS

- 25.1 The restriction on the right of consolidation mortgage securities, which are contained in Section 93 of the Law of Property Act 1925, shall not apply to this Debenture.

26 CONSTITUTION OF THE LENDER

- 26.1 References to the Lender in this Debenture shall include his successors and permitted assigns. This Debenture shall continue to secure the Secured Liabilities of the Borrower to the Lender including those incurred after any amalgamation, merger or assignment.

27 ASSIGNMENT & TRANSFER

- 27.1 The Lender may transfer this Debenture (along with any rights and obligations under it) to any person to whom it is permitted to transfer (and does so transfer) the Loan Agreement, but otherwise this Debenture shall not be capable of being assigned or transferred by any party.

28 TRUST

- 28.1 If the Lender elects that a third party provides any part of the loan or debt under the terms of any document giving rise to any of the Secured Liabilities, this Debenture shall be treated as if it had been given to the Lender as trustee for himself and any such other person and the Borrower shall enter into any documents reasonably required by the Lender to give effect to such trust.

29 LAW AND JURISDICTION

- 29.1 This Debenture and any dispute or claim (whether contractual or non-contractual) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 29.2 The parties hereto irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) that arises out of or in connection with this Debenture or its subject matter or formation.

30 NOTICES

- 30.1 Each notice, request, demand or other communication under this Debenture shall be:-
- 30.1.1 in writing, delivered personally, sent by pre-paid first-class letter or courier; and
- 30.1.2 sent to the relevant addresses stated above or to any other addresses that are notified by one party to the other in writing.
- 30.2 A notice given as described in Clause 29.1 on a day which is not a Business Day (or after normal business hours in the place of receipt) shall be deemed to have been received on the next Business Day.
- 30.3 Every notice, demand or other communication shall be sent to the relevant party at its or his address as specified in this Debenture or in the case of a company to its registered office for the time being and shall be deemed to have been received if given by hand or courier, on the day of actual delivery or if sent by first class post to an address in the United Kingdom, on the second Business Day after the same is posted or, if sent by airmail post to an address outside the United Kingdom, on the fifth Business Day after the same is posted.

31 COUNTERPARTS

- 31.1.1 This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- 31.1.2 Transmission of the executed signature page of a counterpart of this Deed by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.
- 31.1.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

IN WITNESS WHEREOF this document has been executed as a deed and delivered on the date first stated above.

SCHEDULE 1

REAL PROPERTY

The freehold property at Uskmouth Power Station, West Nash, Newport registered at HM Land Registry with title number WA804901.

SCHEDULE 2

GUARANTEE PROVISIONS

1 CONTINUING GUARANTEE

- 1.1 The guarantee set out in clause 14 and this Schedule (the **Guarantee**) is a continuing guarantee and will extend to the ultimate balance of sums payable by the Borrower to the Lender in respect of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

2 REINSTATEMENT

- 2.1 If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any security for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Guarantor under the Guarantee will continue or be reinstated as if the discharge, release or arrangement had not occurred.

3 Waiver of Defences

- 3.1 The obligations of the Guarantor under the Guarantee will not be affected by an act, omission, matter or thing which, but for this Schedule, would reduce, release or prejudice any of its obligations under the Guarantee (without limitation and whether or not known to it or the Lender) including:
- 3.1.1 any time, waiver or consent granted to, or composition with, the Borrower or other person;
 - 3.1.2 the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of such person;
 - 3.1.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - 3.1.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of, the Borrower or any other person;

- 3.1.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document constituting all or part of the Secured Liabilities or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any such document or security;
- 3.1.6 any unenforceability, illegality or invalidity of any obligation of any person under any document or security; or
- 3.1.7 any insolvency or similar proceedings.

4 IMMEDIATE RECOURSE

- 4.1 The Guarantor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Guarantor under this Guarantee. This waiver applies irrespective of any law or any provision of any document to the contrary.

5 APPROPRIATIONS

- 5.1 Until all the Secured Liabilities have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may:
 - 5.1.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Lender (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
 - 5.1.2 hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under the Guarantee.

6 DEFERRAL OF RIGHTS

- 6.1 Until all amounts which may be or become payable under or in connection with the Secured Liabilities have been irrevocably paid in full and unless the Lender otherwise directs, the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising, under the Guarantee:

- 6.1.1 to be indemnified by the Borrower;
 - 6.1.2 to claim any contribution from the Borrower of the Guarantor's obligations to the Lender;
 - 6.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under this Deed or of any other guarantee or security held by the Lender;
 - 6.1.4 to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under the Guarantee;
 - 6.1.5 to exercise any right of set-off against the Borrower; and/or
 - 6.1.6 to claim or prove as a creditor of the Borrower in competition with the Lender.
- 6.2 If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Borrower in respect of the Secured Liabilities to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application against the Secured Liabilities.

7 ADDITIONAL SECURITY

- 7.1 The Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender.


8 PAYMENTS

- 8.1 All sums payable under the Guarantee shall be paid in full to the Lender:
- 8.1.1 without any set-off, condition or counterclaim whatsoever; and
 - 8.1.2 free and clear of any deductions or withholdings whatsoever except as may be required by law or regulation which is binding on the Guarantor.
- 8.2 If any deduction or withholding is required by any law or regulation to be made by the Guarantor, the amount of the payment due from the Guarantor shall be increased to an amount which (after making any deduction or withholding) leaves an amount equal to the payment which would have been due if no deduction or withholding had been required.

SIGNED as a DEED by SIMEC
USKMOUTH POWER LIMITED
acting by a director in the presence of:

)  SIMON
HIRST
.....
Director

Signature of witness:



Name:

G. REID

Address:

3 STRONGS CLOSE KEEVIL
BHAMPTON

Occupation:

CEO

SIGNED as a DEED by USKMOUTH ENERGY)
STORAGE LIMITED)
acting by a director in the presence of:

.....
Director

Signature of witness:

.....

Name:

.....

Address:

.....

Occupation:

.....

SIGNED as a DEED by SIMEC
USKMOUTH POWER LIMITED
acting by a director in the presence of:

)
)

.....
Director

Signature of witness:

.....

Name:

.....

Address:

.....

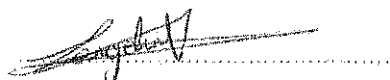
Occupation:

.....

SIGNED as a DEED by USKMOUTH ENERGY)
STORAGE LIMITED)
acting by a director in the presence of:


.....
Director

Signature of witness:


.....

Name:

..... LISA EUGLEN


Address:

..... 49 SOUTHBOOYER RD

Occupation:

..... FINANCE

SIGNED as a DEED by SIMEC
ATLANTIS ENERGY LIMITED
acting by a director in the presence of:

)  SIMON
HIRST
.....
Director

Signature of witness:



Name:

G. REID
.....

Address:

3 STRONGS CLOSE, KEELIL BAY
.....

Occupation:

CEO,
.....