



Registration of a Charge

Company Name: **EENERGY GROUP PLC**

Company Number: **05357433**



XBI78TEY

Received for filing in Electronic Format on the: **05/12/2022**

Details of Charge

Date of creation: **25/11/2022**

Charge code: **0535 7433 0005**

Persons entitled: **DEREK MYERS**

Brief description: **THE COMPANY CHARGES BY WAY OF FIRST LEGAL MORTGAGE THE PROPERTIES (AS DEFINED IN THE INSTRUMENT), ALTHOUGH NO FURTHER DETAIL IS SPECIFIED IN THE INSTRUMENT. FOR FURTHER INFORMATION, PLEASE SEE CLAUSE 3.1 AND SCHEDULE 1 OF THE INSTRUMENT. THE COMPANY ALSO CHARGES BY WAY OF FIRST FIXED CHARGE THE INTELLECTUAL PROPERTY (AS DEFINED IN THE INSTRUMENT), ALTHOUGH NO FURTHER DETAIL IS SPECIFIED IN THE INSTRUMENT. FOR FURTHER INFORMATION, PLEASE SEE CLAUSE 3.1.2(G) OF 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 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: **FIELDFISHER LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5357433

Charge code: 0535 7433 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th November 2022 and created by EENERGY GROUP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th December 2022 .

Given at Companies House, Cardiff on 6th December 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: 25 November **2022**

- (1) EENERGY GROUP PLC**
- (2) DEREK MYERS (as security trustee)**

DEBENTURE



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THIS DEED is dated 25 November 2022

PARTIES

1. **EENERGY GROUP PLC** incorporated and registered in England and Wales with company number 05357433 whose registered office is at 20 St. Thomas Street, London, England, SE1 9RS (the "**Borrower**"); and
2. **DEREK MYERS** of [REDACTED] acting in his capacity as security trustee pursuant to a security trust deed dated on or around the date of this Deed (the "**Security Trustee**").

BACKGROUND

- (A) The Secured Parties (as defined below) have agreed pursuant to the Discounted Capital Bonds to provide the Borrower with loan facilities on a secured basis.
- (B) This debenture provides security for the payment and discharge of the Secured Liabilities which the Borrower has agreed to give the Security Trustee for the provision of the loan facilities.
- (C) The Security Trustee is a party to this Debenture as security trustee for the Secured Parties on a pari passu basis.

AGREED TERMS

1. Definitions and interpretation

1.1 Definitions

Unless otherwise defined in this Deed, terms defined in the Discounted Capital Bonds shall have the same meanings when used in this Deed. In this debenture the definitions and rules of interpretation in this clause apply.

Administrator: an administrator appointed to manage the affairs, business and property of the Borrower pursuant to paragraph 15 of Schedule 5.

Book Debts: all present and future book and other debts and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them.

Business Day: a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London and Guernsey and deposits are dealt with on the London Interbank Market.

Charged Property: all the assets, property and undertaking for the time being subject to the security interests created by this Debenture (and references to the Charged Property include references to any part of it).

Costs: 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.

Designated Account: any account nominated by the Security Trustee as a designated account for the purposes of this Debenture.

Discounted Capital Bonds: each of the following:

- a) the £254,077 discounted bond instrument executed by the Borrower and Nigel Burton and dated on or around the date of this Debenture;
- b) the £254,077 discounted bond instrument executed by the Borrower and Derek Myers and dated on or around the date of this Debenture;
- c) the £31,760 discounted bond instrument executed by the Borrower and Gary Worby and dated on or around the date of this Debenture;
- d) the £31,760 discounted bond instrument executed by the Borrower and David Nicholl and dated on or around the date of this Debenture;
- e) the £31,760 discounted bond instrument executed by the Borrower and Andrew Lawley and dated on or around the date of this Debenture;
- f) the £31,760 discounted bond instrument executed by the Borrower and Harvey Sinclair and dated on or around the date of this Debenture; and
- g) the £31,760 discounted bond instrument executed by the Borrower and Crispin Goldsmith and dated on or around the date of this Debenture.

Encumbrance: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security, or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Equipment: all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Borrower, including any part of it and all spare parts, replacements, modifications and additions.

Event of Default: has the meaning given to it under the terms of the Discounted Capital Bonds.

Financial Collateral: shall have the meaning given to that expression in the Financial Collateral Regulations.

Financial Collateral Regulations: the Financial Collateral Arrangements (No. 2) Regulations 2003 (*SI 2003/3226*).

Intellectual Property: the Borrower's present and future patents, trademarks, service marks, trade names, designs, copyrights, inventions, topographical or similar rights, confidential information and know-how and any interest in any of these rights, whether or not registered, including all applications and rights to apply for registration and all fees, royalties and other rights derived from, or incidental to, these rights.

Investments: all present and future stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Borrower, including all rights accruing or incidental to those investments from time to time.

Permitted Security: has the meaning given to that term in the Discounted Capital Bonds.

Properties: all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Borrower or in which the Borrower holds an interest (including (but not limited to) the properties which are briefly described in Schedule 1 (Property)) and **Property** means any of them.

Receiver: a receiver and/or manager of any or all of the Charged Property appointed under paragraph 6 of Schedule 5 (Enforcement).

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Secured Parties from time to time, whether actual or contingent and whether owed jointly or severally, as principal or surety under or in connection with the Discounted Capital Bonds or this Debenture, together with all interest (including, without limitation, default interest) accruing in respect of such monies or liabilities.

Secured Parties: has the meaning given to that term in the Security Trust Deed

Security Financial Collateral Arrangement: shall have the meaning given to that expression in the Financial Collateral Regulations.

Security Period: the period starting on the date of this Debenture and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are outstanding.

Security Trust Deed: means the security trust deed dated on or around the date of this Deed between, among others, the Company, the Security Trustee and each of the bondholders under the Deep Discounted Bonds pursuant to which the Security Trustee is appointed by each bondholder to act as security trustee for each of them.

SVB Facility: means the facility agreement dated 17 February 2022 (as amended from time to time) between, among others Silicon Valley Bank (as lender) and the Borrower.

1.2 Interpretation

Unless the context otherwise requires, in this Debenture:

- 1.2.1 any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this Debenture;
- 1.2.2 unless otherwise defined under Clause 1.1 (Definitions) above, any capitalised terms in this Debenture will have the same meaning given to them in the Discounted Capital Bonds;
- 1.2.3 a reference to one gender includes a reference to the other genders;
- 1.2.4 words in the singular include the plural and in the plural include the singular;
- 1.2.5 a reference to a clause or Schedule is to a clause or Schedule of or to this Debenture;
- 1.2.6 a reference to **this Debenture** (or any specified provision of it) or any other document shall be construed as a reference to this Debenture, that provision or that document as in force for the time being and as amended or novated from time to time;
- 1.2.7 a reference to a **person** shall be construed as including a reference to an individual, firm, corporation, unincorporated body of persons or any state or any agency of a person;

- 1.2.8 a reference to an **amendment** includes a supplement, variation, novation or re-enactment (and **amended** shall be construed accordingly);
- 1.2.9 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.10 a reference to an **authorisation** includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
- 1.2.11 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; and
- 1.2.12 the headings do not form part of this Debenture or any part of it and do not affect its interpretation.

1.3 **Clawback**

If the Security Trustee considers that an amount is capable of being avoided or otherwise set aside on liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Debenture.

1.4 **Nature of security over real property**

A reference in this Debenture to a charge or mortgage of any freehold, leasehold or commonhold property includes:

- 1.4.1 all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- 1.4.2 the proceeds of sale of any part of that property; and
- 1.4.3 the benefit of any covenants for title given or entered into by any predecessor in title of the Borrower in respect of that property or any monies paid or payable in respect of those covenants.

1.5 **Law of Property (Miscellaneous Provisions) Act 1989**

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989 the terms of the Discounted Capital Bonds and of any side letters or other related agreements between any parties in relation to the Discounted Capital Bonds are incorporated in this Debenture.

1.6 **Insolvency Act 1986**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002) applies to the floating charge created by this Debenture.

1.7 **Intercreditor Agreement**

This Debenture is subject to the terms of the Intercreditor Agreement for so long as the Intercreditor Agreement remains in place.

2. **Covenant to pay**

The Borrower shall on demand pay to the Security Trustee and discharge the Secured

Liabilities when they become due and payable.

3. Grant of security

3.1 Charging clause

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee:

- 3.1.1 charges to the Security Trustee, by way of first legal mortgage, all the Properties listed in Schedule 1 (Property);
- 3.1.2 charges to the Security Trustee, by way of first fixed charge:
 - (a) all Properties acquired by the Borrower in the future;
 - (b) all present and future interests of the Borrower not effectively mortgaged or charged under the preceding provisions of this Clause 3 in or over freehold or leasehold property;
 - (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the Properties;
 - (d) all licences, consents and authorisations, statutory or otherwise held or required in connection with the Borrower's business or the use of any Charged Property and all rights in connection with them;
 - (e) all present and future goodwill and uncalled capital for the time being of the Borrower;
 - (f) all the Equipment;
 - (g) all the Intellectual Property;
 - (h) all the Book Debts;
 - (i) all the Investments; and
 - (j) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including each Designated Account)
- 3.1.3 charges to the Security Trustee, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to Clause 3.1.1 and Clause 3.1.2.

3.2 Automatic conversion of floating charge

The floating charge created by Clause 3.1.3 shall automatically and immediately (without notice) be converted into a fixed charge over the relevant Charged Property if:

- 3.2.1 the Borrower creates, or attempts to create, over all or any part of the Charged Property an Encumbrance other than any Permitted Security without the prior written consent of the Security Trustee or any trust in favour of another person;
- 3.2.2 a receiver is appointed over all or any of the Charged Property that is subject to the floating charge; or

- 3.2.3 any person levies or attempts to levy any distress, attachment, execution or other process against all or any part of the Charged Property; or
- 3.2.4 the Security Trustee receives notice of the appointment of, or a proposal or an intention to appoint, an administrator of the Borrower.

3.3 Conversion of floating charge by notice

- 3.3.1 The Security Trustee may, subject to the Intercreditor Agreement, by written notice to the Borrower, convert the floating charge created under this Debenture into a fixed charge as regards any part of the Charged Property specified by the Security Trustee in that notice if:
 - (a) the Security Trustee has demanded repayment of the Secured Liabilities in accordance with Condition 7.1 of the Discounted Capital Bonds following a continuing Event of Default; or
 - (b) the Security Trustee, acting reasonably, considers those assets 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.

3.4 Assets acquired after any floating charge crystallisation

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this Debenture which but for such crystallisation would be subject to a floating charge under this Debenture shall (unless the Security Trustee confirms to the Borrower in writing to the contrary) be charged to the Security Trustee by way of first fixed charge.

4. Liability of Borrower

4.1 Liability not discharged

The liability of the Borrower under this Debenture in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- 4.1.1 any security, guarantee, indemnity, remedy or other right held by or available to a Secured Party being or becoming wholly or partially illegal, void or unenforceable on any ground; or
- 4.1.2 any Secured Party renewing, determining, varying or increasing any amount available under the Discounted Capital Bonds or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement or omitting to claim or enforce payment from any other person; or
- 4.1.3 any other act or omission which but for this Clause 4 might have discharged or otherwise prejudiced or affected the liability of the Borrower.

4.2 Immediate recourse

The Borrower waives any right it may have of requiring the Security Trustee to enforce any security or other right or claim any payment from or otherwise proceed against any other person before enforcing this Debenture against the Borrower.

5. Representations and warranties

The Borrower represents and warrants to the Security Trustee in the terms set out in Schedule 2 (Representations and warranties). The representations and warranties set out in Schedule 2

(Representations and warranties) are made as at the date of this Debenture and shall be deemed to be made on each successive day during and until the expiry of the Security Period with reference to the facts and circumstances then existing.

6. Covenants

The Borrower covenants with the Security Trustee during the continuance of the security constituted by this Debenture in the terms set out in Schedule 3 (Covenants).

7. Powers of the Security Trustee

The Security Trustee shall have the powers set out in Schedule 4 (Powers of Security Trustee).

8. Enforcement

8.1 Enforcement events

The security constituted by this Debenture shall, subject to the terms of the Intercreditor Agreement, be immediately enforceable in any of the circumstances set out in paragraph 1 of Schedule 5 (Enforcement). The parties to this Debenture agree that the provisions of Schedule 5 (Enforcement) shall apply to this Debenture and shall be binding between them.

8.2 Receiver's powers

A Receiver shall have, in addition to the powers conferred on receivers by statute, the further powers set out in Schedule 6.

8.3 Right of appropriation

To the extent that the Charged Property constitutes Financial Collateral and this Debenture and the obligations of the Borrower hereunder constitute a Security Financial Collateral Arrangement, the Security Trustee shall have the right, at any time after the security constituted this Debenture has become enforceable, to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as the Security Trustee in its absolute discretion may from time to time determine. The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Security Trustee may select (including independent valuation). The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

9. Costs and indemnity

9.1 Costs

The Borrower shall pay to or reimburse the Security Trustee and any Receiver on demand, on a full indemnity basis, all Costs reasonably incurred by the Security Trustee and/or any Receiver in relation to:

- 9.1.1 this Debenture or the Charged Property; or
- 9.1.2 protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's or the Receiver's rights under this Debenture; or
- 9.1.3 suing for, or recovering, any of the Secured Liabilities,

(including, without limitation, the Costs of any proceedings in relation to this Debenture or

the Secured Liabilities) together with, in the case of clause 9.1.2 and 9.1.3, interest on the amount due at the default rate of interest specified in the Discounted Capital Bonds.

9.2 Indemnity

The Security Trustee and any Receiver and their respective employees and agents shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 9.2.1 the exercise or purported exercise of any of the powers, authorities or discretions vested in them under this Debenture; or
- 9.2.2 any matter or thing done or omitted to be done in relation to the Charged Property under those powers; or
- 9.2.3 any default or delay by the Borrower in performing any of its obligations under this Debenture.

10. Release

Upon the expiry of the Security Period (but not otherwise) the Security Trustee shall, at the request and cost of the Borrower, take whatever action is necessary or desirable to release the Charged Property from the security constituted by this Debenture.

11. Assignment and transfer

11.1 Assignment by Security Trustee

The Security Trustee may assign or transfer the whole or any part of the Security Trustee's rights and/or obligations under this Debenture to any person.

11.2 Assignment by Borrower

The Borrower may not, without the prior written consent of the Security Trustee, assign any of its rights or transfer any of its obligations under this Debenture or enter into any transaction, which would result in any of those rights or obligations passing to another person.

12. Further provisions

12.1 Independent security

This Debenture shall be in addition to and independent of every other security or guarantee which the Security Trustee may at any time hold for any of the Secured Liabilities and no prior security held by the Security Trustee over the whole or any part of the Charged Property shall merge in the security created by this Debenture.

12.2 Continuing security

This Debenture shall remain in full force and effect as a continuing security for the Secured Liabilities until the expiry of the Security Period, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever, unless and until the Security Trustee discharges this Debenture in writing.

12.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Security Trustee shall be deemed conditional upon no payment or security received by the Security Trustee 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 and, notwithstanding any such release, discharge or settlement:

12.3.1 the Security Trustee or its nominee shall be at liberty to retain this Debenture and the security created by or pursuant to this Debenture, including all certificates and documents relating to the whole or any part of the Charged Property, for such period as the Security Trustee shall reasonably deem necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and

12.3.2 the Security Trustee shall be entitled to recover the value or amount of such security or payment from the Borrower subsequently as if such release, discharge or settlement had not occurred.

12.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it from the Borrower shall (in the absence of any manifest error) be conclusive evidence of the amount due.

12.5 Rights cumulative

The rights and powers of the Security Trustee conferred by this Debenture are cumulative, may be exercised as often as the Security Trustee considers appropriate, and are in addition to its rights and powers under the general law.

12.6 Waivers

Any waiver or variation of any right by the Security Trustee (whether arising under this Debenture or under the general law) shall only be effective if it is in writing and signed by the Security Trustee and applies only in the circumstances for which it was given and shall not prevent the Security Trustee from subsequently relying on the relevant provision.

12.7 Further exercise of rights

No act or course of conduct or negotiation by or on behalf of the Security Trustee shall in any way preclude the Security Trustee from exercising any right or power under this Debenture or constitute a suspension or variation of any such right or power.

12.8 Delay

No delay or failure to exercise any right or power under this Debenture shall operate as a waiver.

12.9 Single or partial exercise

No single or partial exercise of any right under this Debenture shall prevent any other or further exercise of that or any other such right.

12.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the Law of Property Act 1925 shall not apply to this Debenture.

12.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this Debenture under the laws of any jurisdiction shall not affect the validity, enforceability or

legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

12.12 Counterparts

This Debenture may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document. Delivery of executed counterparts may be made by facsimile or electronic transmission.

12.13 Third party rights

A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this Debenture.

12.14 Perpetuity period

If the rule against perpetuities applies to any trust created by this Debenture, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

13. Notices

- 13.1 All notices or other communications under or in connection with the Debenture shall be given in writing and sent by post, email or facsimile. Any notice will be deemed to be given as follows:

13.1.1 if by post, when delivered; and

13.1.2 if by facsimile or email, when received.

However, a notice given in accordance with the above but received on a non-Business Day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

- 13.2 The addresses and email accounts for notices as at the date of issue of the Debenture are set out in Schedule 7.

14. Governing law and jurisdiction

14.1 Governing law

This Debenture and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed according to the law of England and Wales.

14.2 Jurisdiction

The parties to this Debenture irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Debenture or its subject matter or formation (including non-

contractual disputes or claims). Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

14.3 Other service

The Borrower irrevocably consents to any process in any proceedings being served on it in accordance with the provisions of this Debenture relating to service of notices. Nothing contained in this Debenture shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 Property

None

Schedule 2 Representations and warranties

1. OWNERSHIP OF CHARGED PROPERTY

The Borrower is the legal and beneficial owner of the Charged Property free from any Encumbrance other than the Permitted Security and the Encumbrances created by this Debenture.

2. ADVERSE CLAIMS

The Borrower has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.

3. ADVERSE COVENANTS

Save for any Permitted Security, there are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever, , which materially adversely affect the Charged Property.

4. NO BREACH OF LAWS

There is no breach of any law or regulation, which materially adversely affects the Charged Property.

5. NO OVERRIDING INTERESTS

Nothing has arisen or has been created or is subsisting, which would be an overriding interest in any Property, other than Permitted Security.

Schedule 3 Covenants

6. NEGATIVE PLEDGE AND DISPOSAL RESTRICTIONS

The Borrower shall not at any time, except with the prior written consent of the Security Trustee (such consent not to be unreasonably withheld or delayed):

(a) create, purport to create or permit to subsist any Encumbrance on, or in relation to, the Charged Property other than this Debenture and the Permitted Security; or

(b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property, except in accordance with any Permitted Security or in the ordinary course of business in the case of Charged Property which is only subject to an uncrystallised floating charge; or

(c) create or grant (or purport to create or grant) any interest other than Permitted Security in the Charged Property in favour of a third party.

7. TRADING AND PRESERVATION OF CHARGED PROPERTY

7.1 The Borrower shall not do, or permit to be done, any act or thing, which will or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this Debenture, except for in accordance with the SVB Facility.

8. PROVISION OF INFORMATION

The Borrower shall:

- (a) give to the Security Trustee such information, documents or papers relating to the Charged Property as the Security Trustee may from time to time reasonably request; and
- (b) inform the Security Trustee of any acquisition by the Borrower of, or contract made by the Borrower to acquire, any freehold, leasehold or other interest in any Property.

9. NOTICE OF BREACH

The Borrower shall promptly upon becoming aware of the same give the Security Trustee notice in writing of any breach of:

- (a) any representation or warranty set out in Schedule 2;
- (b) any covenant set out in this Schedule 3
- (c) any Event of Default under Discounted Capital Bond that may lead to enforcement under Schedule 5 (Enforcement) of this Debenture.

10. FURTHER ASSURANCE

The Borrower shall execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Security Trustee may reasonably require) in favour of the Security Trustee as the Security Trustee may reasonably require, from time to time, as continuing security for the Secured Liabilities, over all or any part of the Charged Property and give all notices, orders and directions which the Security Trustee may require in its absolute discretion for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

11. BORROWER'S WAIVER OF SET-OFF

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this Debenture).

Schedule 4 Powers of Security Trustee

The powers of the Security Trustee are subject to the terms of the Intercreditor Agreement for so long as the Intercreditor Agreement remains in place.

12. Power to remedy

The Security Trustee shall be entitled (but shall not be bound) to remedy a breach at any time by the Borrower of any of its obligations under Clause 6 and Schedule 3 (Covenants) and the Borrower irrevocably authorises the Security Trustee and its agent to do all such things as are necessary or desirable for that purpose.

13. EXERCISE OF RIGHTS

The rights of the Security Trustee under paragraph 12 of this Schedule 4 are without prejudice to any other rights of the Security Trustee under this Debenture and the exercise of those rights shall not make the Security Trustee liable to account as a mortgagee in possession.

14. POWER TO DISPOSE OF CHATTELS

At any time after the security constituted by this Debenture shall have become enforceable, the Security Trustee or any Receiver:

- (a) may dispose of any chattels or produce that is Charged Property found on any Property as agent for the Borrower; and
- (b) without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce, shall be indemnified by the Borrower against any liability arising from such disposal made in accordance with (a) above.

15. PRIOR ENCUMBRANCES

At any time after the security constituted by this Debenture shall have become enforceable or after any powers conferred by any Encumbrance having priority to this Debenture shall have become exercisable, the Security Trustee may:

- (a) redeem such or any other prior Encumbrance or procure its transfer to itself; and
- (b) settle any account of the holder of any prior Encumbrance.

The settlement of any such account shall be conclusive and binding on the Borrower and all monies paid by the Security Trustee to an encumbrancer in settlement of such an account shall, as from its payment by the Security Trustee, be due from the Borrower to the Security Trustee on current account and shall bear interest and be secured as part of the Secured Liabilities.

5. CONVERSION OF CURRENCY

For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by the Security Trustee under this Debenture (including the proceeds of any previous conversion under this paragraph 5) from their existing currencies of denomination into such other currencies of denomination as the Security Trustee may think fit. Any such conversion shall be effected at the market rate of exchange. Each reference in this paragraph 5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

6. NEW ACCOUNTS

- 6.1 If the Security Trustee receives notice of any subsequent Encumbrance or other interest affecting all or part of the Charged Property other than Permitted Security, the Security Trustee may open a new account or accounts for the Borrower in the Security Trustee's books and (without prejudice to the Security Trustee's right to combine accounts) no money paid to the credit of the Borrower in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities.
- 6.2 If the Security Trustee does not open a new account or accounts immediately on receipt of notice under paragraph 6.1 of this Schedule 4, then, unless the Security Trustee gives express written notice to the contrary to the Borrower, as from the time of receipt of the relevant notice by the Security Trustee all payments made by the Borrower to the Security Trustee shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities.

7. SECURITY TRUSTEE'S SET-OFF RIGHTS

If the Security Trustee shall have more than one account for the Borrower in its books the Security Trustee may at any time after:

- (a) the security constituted by this Debenture has become enforceable; or
- (b) the Security Trustee has received notice of any subsequent Encumbrance or other interest affecting all or any part of the Charged Property other than Permitted Security,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account which may be in debit but the Security Trustee shall notify the Borrower of the transfer once made.

8. INDULGENCE

The Security Trustee may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not being a party to this Debenture (whether or not such person or persons are jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this Debenture or to the liability of the Borrower for the Secured Liabilities.

Schedule 5 Enforcement

1. Enforcement events

With effect from the lapse of the Intercreditor Agreement, this Debenture shall be enforceable if an Event of Default (as defined in the Discounted Capital Bonds) occurs which is not remedied within 21 days of such an event occurring and is continuing.

2. STATUTORY POWER OF SALE

The powers of sale conferred upon mortgagees under the Law of Property Act 1925 shall, as between the Security Trustee and a purchaser from the Security Trustee, arise on and be exercisable at any time after the execution of this Debenture, but the Security Trustee shall not exercise such power of sale until the security constituted by this Debenture has become enforceable under paragraph 1 of this Schedule 5.

3. EXTENSION OF STATUTORY POWERS

The statutory powers of sale, leasing and accepting surrenders conferred upon mortgagees under the Law of Property Act 1925 and/or by any other statute shall be exercisable by the Security Trustee under this Debenture and are extended so as to authorise the Security Trustee whether in its own name or in that of the Borrower to make any lease or agreement for lease, accepts surrenders of lease or grant any option of the whole or any part or parts of the freehold and leasehold property of the Borrower with whatever rights relating to other parts of it and containing whatever covenants on the part of the Borrower and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Security Trustee thinks fit.

4. PROTECTION OF THIRD PARTIES

No purchaser, mortgagee or other person dealing with the Security Trustee or any Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged, or whether the power the Security Trustee or a Receiver is purporting to exercise has become exercisable; or
- (b) to see to the application of any money paid to the Security Trustee or any Receiver.

5. NO LIABILITY AS MORTGAGEE IN POSSESSION

Neither the Security Trustee nor any Receiver nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property nor shall any of them be liable for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Property for which a mortgagee in possession might as such be liable.

6. APPOINTMENT OF RECEIVER

6.1 At any time after the security constituted by this Debenture has become enforceable, or at the request of the Borrower, the Security Trustee may without further notice:

- (a) appoint under seal or by writing under hand of a duly authorised officer of the Security Trustee any one or more person or persons to be a receiver or a receiver and manager of all or any part of the Charged Property; and
- (b) (subject to section 45 of the Insolvency Act 1986) from time to time under seal or by

writing under hand of a duly authorised officer of the Security Trustee, remove any person appointed to be Receiver and may in like manner appoint another in his place.

Where more than one person is appointed Receiver, they will have power to act separately (unless the appointment by the Security Trustee specifies to the contrary).

- 6.2 The Security Trustee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the Law of Property Act 1925 and the remuneration of the Receiver shall be a debt secured by this Debenture which shall be due and payable immediately upon its being paid by the Security Trustee.

7. POWERS ADDITIONAL

- 7.1 The power of appointing a Receiver conferred by this Debenture shall be in addition to all statutory and other powers of the Security Trustee under the Insolvency Act 1986, the Law of Property Act 1925 or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the Law of Property Act 1925 or otherwise.
- 7.2 The power to appoint a Receiver (whether conferred by this Debenture or by statute) shall be and remain exercisable by the Security Trustee notwithstanding any prior appointment in respect of all or any part of the Charged Property.

8. AGENT OF THE BORROWER

Any Receiver appointed by the Security Trustee under this Debenture shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

9. POWERS OF RECEIVER

Any Receiver appointed by the Security Trustee under this Debenture shall in addition to the powers conferred on him by the Law of Property Act 1925 and the Insolvency Act 1986 have power to do all such acts and things as an absolute owner could do in the management of such of the Charged Property over which the Receiver is appointed and in particular the powers set out in Schedule 6 (Further powers of Receiver).

10. ORDER OF APPLICATION OF PROCEEDS

Subject to the Intercreditor Agreement, all monies received by the Security Trustee or a Receiver in the exercise of any enforcement powers conferred by this Debenture shall be applied:

- (a) first in paying all unpaid fees, costs and other liability incurred by or on behalf of the Security Trustee (and any Receiver, attorney or agent appointed by it);
- (b) second in paying the remuneration of any Receiver (as agreed between him and the Security Trustee);
- (c) third in or towards discharge of the Secured Liabilities in such order and manner as the Security Trustee shall determine; and
- (d) finally in paying any surplus to the Borrower or any other person entitled to it.

11. SECTION 109(8) LAW OF PROPERTY ACT 1925

Neither the Security Trustee nor any Receiver shall be bound (whether by virtue of section 109(8) of the Law of Property Act 1925, which is varied accordingly, or otherwise) to pay or

appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

12. SUSPENSE ACCOUNT

All monies received by the Security Trustee or a Receiver under this Debenture may, at the discretion of the Security Trustee or Receiver, be credited to any suspense or securities realised account and shall bear interest at such rate, if any, as may be agreed in writing between the Security Trustee and the Borrower and may be held in such account for so long as the Security Trustee or Receiver thinks fit.

13. POWER OF ATTORNEY

By way of security the Borrower irrevocably appoints the Security Trustee and every Receiver separately to be the attorney of the Borrower and in its name and on its behalf and as its act and deed to execute any documents, and do any acts and things which:

- (a) the Borrower is required to execute and do under this Debenture; and/or
- (b) any attorney may deem proper or desirable in exercising any of the powers, authorities and discretions conferred by this Debenture or by law on the Security Trustee or any Receiver.

14. RATIFICATION OF ACTS OF ATTORNEY

The Borrower ratifies and confirms and agrees to ratify and confirm anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Schedule 5.

15. APPOINTMENT OF AN ADMINISTRATOR

15.1 The Security Trustee may without notice to the Borrower appoint any one or more persons to be an administrator of the Borrower pursuant to paragraph 14 Schedule B1 of the Insolvency Act 1986 if this Debenture becomes enforceable.

15.2 Any appointment under this paragraph 15 shall:

- (a) be in writing signed by a duly authorised signatory of the Security Trustee, and
- (b) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.

15.3 The Security Trustee may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 15.2 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

Schedule 6 Further powers of Receiver

16. TO REPAIR AND DEVELOP PROPERTIES

A Receiver may undertake or complete any works of repair, building or development on the Properties.

17. TO SURRENDER LEASES

A Receiver may grant or accept surrenders of any leases or tenancies affecting the Properties upon such terms and subject to such conditions as he thinks fit.

18. TO EMPLOY PERSONNEL AND ADVISORS

A Receiver may provide services and employ, or engage, such managers, contractors and other personnel and professional advisors on such terms and subject to such conditions as he thinks fit.

19. TO MAKE VAT ELECTIONS

A Receiver may make such elections for value added tax purposes as he thinks fit.

20. TO CHARGE REMUNERATION

A Receiver may charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Security Trustee may prescribe or agree with him.

21. TO REALISE CHARGED PROPERTY

A Receiver may collect and get in the Charged Property in respect of which he is appointed or any part thereof and for that purpose make such demands and take any proceedings as may seem expedient and to take possession of the Charged Property with like rights.

22. TO MANAGE OR RECONSTRUCT THE BORROWER'S BUSINESS

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower.

23. TO DISPOSE OF CHARGED PROPERTY

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of the property of the Borrower in respect of which he is appointed in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the Borrower) and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a Borrower to purchase the property to be sold.

24. TO MAKE SETTLEMENTS

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person which he may think expedient.

25. TO IMPROVE EQUIPMENT

A Receiver may make substitutions of, or improvements to, the Equipment as he may think expedient.

26. TO MAKE CALLS ON BORROWER MEMBERS

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of the uncalled capital with such and the same powers for that purpose and for the purpose of enforcing payments of any calls so made as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them.

27. TO APPOINT STAFF AND AGENTS

A Receiver may appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine.

28. TO INSURE

A Receiver may, if he thinks fit, but without prejudice to the indemnity contained in clause 9, effect with any insurer any policy or policies of insurance either in lieu or satisfaction of, or in addition to, such insurance.

29. LAW OF PROPERTY ACT 1925

A Receiver may exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed under that act and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986.

30. TO BORROW

A Receiver may for any of the purposes authorised by this Schedule 6 raise money by borrowing from the Security Trustee or from any other person on the security of all or any of the Charged Property in respect of which he is appointed upon such terms (including if the Security Trustee shall consent to terms under which such security ranks in priority to this Debenture) as he shall think fit.

31. TO REDEEM PRIOR ENCUMBRANCES

A Receiver may redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates and any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower and the monies so paid will be deemed to be an expense properly incurred by him.

32. INCIDENTAL POWERS

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 6 or which he lawfully may or can do as agent for the Borrower.

33. SCOPE OF POWERS

Any exercise of any of these powers may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in paragraph 11 of this Schedule 6) or himself.

Schedule 7 Notice details

The Borrower:

EENERGY GROUP PLC

20 St. Thomas Street, London, England, SE1
9RS

For the attention of: Crispin Goldsmith

Email: crispin.goldsmith@eenergy.com

or as the Borrower may notify to the
Security Trustee by not less than 5 business
days' notice.

The Security Trustee:


Derek Myers [REDACTED]
[REDACTED]


Email: [REDACTED]

or as the Security Trustee may notify to the
Borrower by not less than 5 business days'
notice

SIGNATURE PAGE

EXECUTED as a DEED by **EENERGY GROUP PLC**)
acting by two directors:)
)



83A5EBC6E8A574E2 Director


Director

EXECUTED as a DEED by **DEREK MYERS** in the)
presence of:)
)



Witness



Derek Myers

Witness Name: Sarah Myers

Address: 

Occupation: HR Director