



Registration of a Charge

Company name: **SO ENERGY TRADING LIMITED**

Company number: **09263295**



X7XNES94

Received for Electronic Filing: **22/01/2019**

Details of Charge

Date of creation: **16/01/2019**

Charge code: **0926 3295 0002**

Persons entitled: **CFP TRADING LIMITED**

Brief description: **BY WAY OF FIRST LEGAL MORTGAGE ALL PRESENT AND FUTURE FREEHOLD AND LEASEHOLD PROPERTY OR IMMOVABLE PROPERTY OF THE COMPANY SITUATED IN ENGLAND AND WALES AND ANY BUILDINGS, FIXTURES, FITTINGS, PLANT AND MACHINERY FROM TIME TO TIME ON OR FORMING PART OF THE PROPERTY. BY WAY OF FIRST FIXED CHARGE: (A) ANY PATENTS, TRADEMARKS, SERVICE MARKS, DESIGNS, BUSINESS NAMES, COPYRIGHTS, DATABASE RIGHTS, COMPUTER SOFTWARE, DESIGN RIGHTS, DOMAIN NAMES, MORAL RIGHTS, INVENTIONS, CONFIDENTIAL INFORMATION, TRADE SECRETS, KNOWHOW AND OTHER INTELLECTUAL PROPERTY RIGHTS AND INTERESTS (WHICH MAY NOW OR IN THE FUTURE SUBSIST), WHETHER REGISTERED OR UNREGISTERED; AND (B) THE BENEFIT OF ALL APPLICATIONS AND RIGHTS TO USE THOSE ASSETS DESCRIBED IN PARAGRAPHS (A) OF THE COMPANY.**

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: **LUNA LI FOR TLT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9263295

Charge code: 0926 3295 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th January 2019 and created by SO ENERGY TRADING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd January 2019 .

Given at Companies House, Cardiff on 23rd January 2019

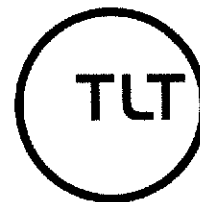
The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES



Debenture

- (1) The Companies named in this Deed as
Original Chargors
 - (2) CFP Trading Ltd as Security Agent
- Dated 16 JANUARY 2019

One Redcliff Street
Bristol BS1 6TP
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This agreement is made the 16 day of JANUARY 2019

Between:

- (1) Each entity listed in Schedule 1 to this Deed (together the **Original Chargors** and each an **Original Chargor**); and
- (2) **CFP Trading Ltd** as agent and trustee for the Secured Parties as (**Security Agent**)

This Deed witnesses as follows:

It is agreed as follows:

1 Definitions and interpretation

- 1.1 Unless otherwise defined in this Deed, terms defined in the Facilities Agreement shall have the same meanings when used in this Deed and at all times the following terms have the following meanings:

Accession Deed	means a document substantially in the form set out in Schedule 4 (<i>Form of Accession Deed</i>) or such other form as the Security Agent may require (acting reasonably).
Account	means each account (present or future) held by a Chargor with any bank or other person and all monies standing to the credit of each such account and all Related Rights in respect of any such account.
Account Bank	means any bank with which an Account is maintained from time to time in accordance with the terms of this Deed and the Facilities Agreement.
Administrator	means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage a Chargor's affairs, business and property.
Assigned Contract	means: <ol style="list-style-type: none">(a) each contract specified in Part 4 (<i>Assigned Contracts</i>) of Schedule 2 (<i>Security Assets</i>);(b) all Customer Contracts;(c) all other contracts to which a Chargor is a party and which is designated as an Assigned Contract by the Security Agent; and(d) (with effect from the date of the relevant Accession Deed or Supplemental Security Agreement) each contract specified as an Assigned Contract in an Accession Deed or a Supplemental Security Agreement (if any).

Authorisation	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.
Blocked Accounts	means: <ul style="list-style-type: none"> (a) any Account in respect of which the Security Agent has required a notice of charge to be served on the relevant Account Bank in accordance with clause 5.4; and (b) all monies standing to the credit of any account referred to in paragraph (a) above and all Related Rights in respect of such account or the monies standing to the credit thereof.
Charged Agreement	means any present or future agreement to which a Chargor is a party (or any present or future agreement in which a Chargor has a right, title or interest) which does not prohibit, either absolutely or conditionally (including requiring the consent of any third party), that Chargor from assigning its rights under, or creating a charge over its interest in, that agreement.
Chargors	means each Original Chargor and any person that executes and delivers an Accession Deed in favour of the Security Agent after the date of this Deed.
Customer Contracts	means all of the retail customer contracts for the sale and / or supply of energy to which a Chargor is a party from time to time together with the benefit of any guarantee or security for the performance of the same and any receivables arising therefrom.
Customer Contracts Power of Attorney	means a power of attorney issued by an Obligor in the form shown at Schedule 7 in accordance with clause 5.4.2.
Debts	means: <ul style="list-style-type: none"> (a) all monies or liabilities due, owing or incurred by a person to a Chargor at present or in the future, in any manner, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety; and (b) any Related Rights in respect thereof.
Delegate	means any delegate, agent, attorney or co-trustee appointed by the Security Agent.
Derivative Asset	means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any asset and all money or property accruing or offered at

	any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of an asset.
Enforcement Event	means where any Obligor fails to pay any sum which is due and payable by it in accordance with the terms of any Finance Document.
Facilities Agreement	means an agreement dated on or around the date of this deed and made between (1) the Security Agent, (2) CFP Energy Limited, (3) SO Energy Limited and (4) SO Energy Trading Limited as amended, novated, supplemented, extended or restated from time to time.
Finance Documents	means the Finance Documents as defined in the Facilities Agreement in each case as amended, novated, supplemented, extended or restated from time to time.
Floating Charge Asset	means an asset charged under sub-clause 3.3 (<i>Floating charge</i>) of this Deed or sub-clause 4.1.5 (<i>Security</i>) of an Accession Deed.
Group	means each Borrower and its Subsidiaries for the time being.
Hedging Agreement	means any master agreement, confirmation, schedule or other agreement entered into or to be entered into by a Chargor for the purpose of hedging liabilities and/or risks from time to time.
Insurance Proceeds	means all monies from time to time payable to a Chargor under or pursuant to the Insurances, including the refund of any premium.
Insurances	means all policies of insurance and all proceeds of them either now or in the future held by, or written in favour of, a Chargor or in which it is otherwise interested, but excluding any third party liability or public liability insurance and any directors' and officers' insurance.
Intellectual Property Rights	means: <ul style="list-style-type: none"> (a) all of the assets (if any) specified in Part 2 (<i>Intellectual Property Rights</i>) of Schedule 2 (<i>Security Assets</i>); (b) all of the assets (if any) described in Part 2 (<i>Intellectual Property Rights</i>) of the schedule to an Accession Deed (if any); (c) any patents, trademarks, service marks, designs, business names, copyrights, database rights, computer software, design rights, domain names, moral rights, inventions, confidential information, trade

secrets, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered;

- (d) the benefit of all applications and rights to use those assets described in paragraphs (a) to (c) (inclusive) of each Chargor (which may now or in the future subsist); and
- (e) any Related Rights arising in relation to any of the assets described in paragraphs (a) to (d) (inclusive).

Investment

means any present or future stock, share, debenture, loan stock, interest in any investment fund and any other present or future security (whether or not marketable) whether owned directly or by or to the order of a Chargor or by any trustee, fiduciary or clearance system on its behalf, including any Derivative Asset and any Related Rights in respect of any of the foregoing.

LPA

means the Law of Property Act 1925.

Obligor

means each Chargor and each other Obligor as defined in the Facilities Agreement.

Party

means a party to this Deed.

Plant and Machinery

means all plant and machinery, equipment, fittings, installations and apparatus, tools, motor vehicles and all other similar assets (other than any assets that are deemed by law to be immoveable property), wherever they are situated, which are now, or at any time after the date of this Deed become, the property of a Chargor.

Property

means:

- (a) all of the freehold and/or leasehold property of a Chargor described in Part 1 (*The Property*) of Schedule 2 (*Security Assets*), the schedule to each Supplemental Security Agreement and Part 1 (*The Property*) of the schedule to each Accession Deed (if any);
- (b) all present and future freehold and leasehold property or immovable property of a Chargor situated in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures, fittings, plant and machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b); and
- (d) any Related Rights arising in relation to any of the assets described in paragraphs (a) to

(c) (inclusive),

and **Properties** shall be construed accordingly.

PSC Register

means the register of people with significant control maintained under Part 21A of and Schedules 1A and 1B to the Companies Act 2006 (as inserted by the Small Business Enterprise and Employment Act 2015)

Receiver

means a receiver or receiver and manager of the whole or any part of the Security Assets.

Related Rights

means, where used in relation to an asset, the following:

- (a) the proceeds of sale and/or other realisation of that asset (or any part thereof or interest therein);
- (b) all Security, Authorisations, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such asset; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such asset.

Secured Liabilities

means all present and future liabilities and obligations at any time due, owing or incurred by each Chargor to any Secured Party under any Finance Document, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

Security Assets

means:

- (a) the assets mortgaged, charged or assigned by way of security to the Security Agent by this Deed, any Accession Deed or any Supplemental Security Agreement; and
- (b) any assets held on trust by a Chargor for the Security Agent.

Secured Parties

means each Finance Party.

Security Period

means the period from the date of this Deed until the date on which the Security Agent has determined (acting reasonably) that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full and that no commitment is outstanding.

Shares

means:

- (a) the shares described in Part 3 (*Shares*) of

Schedule 2 (*Security Assets*) and Part 3 (*Shares*) of the schedule to each Accession Deed (if any);

- (b) all Derivative Assets in relation to the shares referred to in paragraph (a); and
- (c) all Related Rights in respect of paragraphs (a) to (b) (inclusive).

Subsidiary means a subsidiary within the meaning of Section 1159 of the Companies Act 2006 and, in interpreting this provision for the purposes of this Deed, a company is to be treated as a member of a subsidiary even if the subsidiary's shares are registered in the name of a party holding the shares by way of security, or that secured party's nominee.

Supplemental Security Agreement means a Supplemental Security Agreement to this Deed in the form set out in Schedule 6 (*Supplemental Security Agreement*) or such other form as the Security Agent may require.

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

1.2 Interpretation

- 1.2.1 Unless a contrary indication appears, in this Deed the provisions of clause 1 (*Definitions and Interpretation*) and clause 25 (*Third Party Rights*) of the Facilities Agreement apply to this Deed as though set out in full in this Deed, with any reference to **this Agreement** being deemed to be a reference to **this Deed**.
- 1.2.2 Any references in this Deed to a Chargor, the Security Agent or any Receiver shall include its Delegate, successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents.
- 1.2.3 Any references in this Deed to this Deed, to the Facilities Agreement, to any other Finance Document or to any other agreement or instrument is a references to this Deed, the Facilities Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced from time to time (however fundamentally and even if any of the same increases the obligations of any member of the Group or provides for further advances).
- 1.2.4 Any references in this Deed to the Secured Liabilities includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any member of the Group.
- 1.2.5 Unless a contrary indication appears, references to clauses and schedules are to clauses and schedules to this Deed and references to sub-clauses and paragraphs are references to sub-clauses and paragraphs of the clause or schedule in which they appear.

1.3 Law of Property (Miscellaneous Provisions) Act 1989

To the extent necessary for any agreement for the disposition of the Security Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous

Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

1.4 Implied Covenants for Title

The obligations of each Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.5 Effect as a Deed

This Deed is intended to take effect as a deed notwithstanding that the Security Agent may have executed it under hand only.

1.6 Trusts

The Security Agent holds the benefit of this Deed and all Security and dispositions made or created, and all obligations and undertakings contained in this Deed in favour of or for the benefit of the Security Agent are made, created and entered into in favour of the Security Agent as trustee for the Secured Parties from time to time. The perpetuity period for any trusts created by this Deed is 125 years.

1.7 Finance Document

This Deed is a Finance Document.

2 Covenant to pay

Each Chargor as primary obligor covenants with the Security Agent (as trustee for the Secured Parties) that it will on demand pay to the Security Agent the Secured Liabilities when the same fall due for payment.

3 Security Assets

3.1 Fixed charges

Each Chargor, as security for the payment of the Secured Liabilities, charges in favour of the Security Agent, with full title guarantee, the following assets, from time to time owned by it or in which it has an interest:

3.1.1 by way of first legal mortgage, each Property; and

3.1.2 by way of first fixed charge:

- (a) all Property not effectively mortgaged under sub-clause 3.1.1;
- (b) all fixed and permanent Plant and Machinery;
- (c) all Plant and Machinery not effectively charged under sub-clause 3.1.2(b);
- (d) all Shares;
- (e) all Debts;
- (f) all Accounts;
- (g) all Investments;
- (h) all Intellectual Property Rights;
- (i) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;

- (j) any Charged Agreement;
- (k) its goodwill and uncalled capital; and
- (l) if not effectively assigned by way of security pursuant to sub-clause 3.2 (*Security assignment*), all its rights and interests in (and claims under) the assets described in sub-clause 3.2 (*Security assignment*).

3.2 Security assignment

As security for the payment of the Secured Liabilities, each Chargor assigns, by way of security, with full title guarantee to the Security Agent all its rights, title and interest in:

- 3.2.1 the Insurances and the Insurance Proceeds and all claims under the Insurances;
- 3.2.2 each Assigned Contract together with all rights and remedies in connection with the Assigned Contracts and all proceeds and claims arising from them;
- 3.2.3 any Hedging Agreement; and
- 3.2.4 all Related Rights in respect of each of the above.

3.3 Floating charge and qualifying floating charge

- 3.3.1 As further security for the payment of the Secured Liabilities, each Chargor charges with full title guarantee in favour of the Security Agent by way of first floating charge its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clause 3.1 (*Fixed charges*) or which are effectively assigned by way of security under sub-clause 3.2 (*Security assignment*).
- 3.3.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to the floating charge created by this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

3.4 Conversion of floating charge by notice

The Security Agent may, by notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards those assets which it specifies in that notice if:

- 3.4.1 an Enforcement Event has occurred; or
- 3.4.2 the Security Agent considers that (acting reasonably) that any legal process or execution is being enforced against any Floating Charge Asset or that any Floating Charge Asset is in danger of being seized, sold or otherwise in jeopardy,

and the relevant Chargor shall promptly following request by the Security Agent execute a fixed charge or legal or equitable assignment over those assets in such form as the Security Agent may require.

3.5 Automatic conversion of floating charge

The floating charge created by this Deed over the Floating Charge Assets of that Chargor will immediately and automatically convert to a fixed charge if:

- 3.5.1 a Chargor creates any Security over all or any of the Security Assets or attempts to do so;
- 3.5.2 any person levies or attempts to levy any distress, attachment, execution or other legal process against any of the Security Assets;
- 3.5.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of a Chargor; or

- 3.5.4 any steps are taken for the appointment of, or notice is given of intention to appoint, or a petition is filed or application is made, or a competent court makes an order for the appointment of an administrator, in relation to a Chargor,.

3.6 Small company moratorium

The floating charge created under this Deed by any Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under section 1A of the Insolvency Act 1986, or anything done with a view to obtaining such a moratorium (in respect of such Chargor.

4 Nature of Security

4.1 Continuing security

- 4.1.1 The Security created by this Deed is continuing security notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities or any other matter and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.
- 4.1.2 If any provision of this Deed (or part of any provision of this Deed) is or becomes illegal, invalid or unenforceable but would be legal, valid or enforceable if some part of it was deleted, the provision or part the provision in question shall be deemed modified to the minimum extent necessary to make the provision legal, valid and enforceable and if such modification is not possible the relevant provision (or part of such provision) shall be deemed deleted.
- 4.1.3 Any modification to or deletion of a provision (or part of a provision) pursuant to clause 4.1.2 shall not affect the legality, validity and enforceability of the rest of the Deed.
- 4.1.4 The obligations and liabilities of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this sub-clause, would reduce, release or prejudice any of its obligations or liabilities under this Deed (without limitation and whether or not known to any Secured Party) including:
- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any person;
 - (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over any assets of any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
 - (e) any amendment (however fundamental) or replacement of any Finance Document or any other document or Security;
 - (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security; or
 - (g) any insolvency or similar proceedings.
- 4.1.5 Until the Security Period has ended and unless the Security Agent otherwise directs, a Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by any other Obligor (including any rights it may have by way of subrogation);
- (b) to claim any contribution from any guarantor of any other Obligor of the obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Security Agent or any of the other Secured Parties under any Finance Document or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents;
- (d) to claim, rank, prove or vote as a creditor of any other Obligor or its estate in competition with the Security Agent or any of the other Secured Parties; and/or
- (e) receive, claim or have the benefit of any payment, distribution or security from or on account of any other Obligor, or exercise any right of set-off against any other Obligor.

4.1.6 Each Chargor shall hold on trust for and immediately pay or transfer to the Security Agent any payment or distribution or benefit of Security received by it contrary to this sub-clause.

4.1.7 Each Chargor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or Security or claim payment from any person before claiming from an Obligor under a Finance Document. This waiver applies irrespective of any law or any provision of the Finance Document to the contrary.

4.1.8 Until the Security Period has ended, the Security Agent may refrain from applying or enforcing any other monies, Security or rights held or received by the Security Agent 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 a Chargor shall not be entitled to the benefit of the same.

4.1.9 Without prejudice to the generality of sub-clause 4.1.2, each Chargor expressly confirms that it intends that the Security constituted by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to the Secured Liabilities as a result of the amendment and/or restatement of the Facilities Agreement and/or any of the other Finance Documents and/or any additional facility or amount which is made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

4.2 Non-merger of Security

The Security created by this Deed is to be in addition to and shall neither be merged with nor in any way exclude or prejudice or be affected by any other Security or other right which the Security Agent may now or after the date of this Deed hold for any of the Secured Liabilities, and this Deed may be enforced against any Chargor without first having recourse to any other rights of the Security Agent.

5 Further assurances and protection of priority

5.1 General

- 5.1.1 Each Chargor shall, at its own expense, promptly do all such acts or execute all such documents (including Supplemental Security Agreements, assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- (a) to perfect or protect the Security created or intended to be created under, or evidenced by, this Deed (which may include the execution of a Supplemental Security Agreement, mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Secured Parties provided by or pursuant to this Deed or by law;
 - (b) to confer on the Security Agent or confer on the Secured Parties, Security over any assets of a Chargor, located in any jurisdiction, equivalent or similar to the Security intended to be conferred by or pursuant to this Deed and, pending the conferring of such Security, hold such assets upon trust (or in any manner required by the Security Agent) for the Secured Parties; and/or
 - (c) to facilitate the realisation or enforcement of the assets which are, or are intended to be, the subject of the Security created, or intended to be created, by this Deed.
- 5.1.2 Each Chargor shall take all such action (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Secured Parties by or pursuant to this Deed.
- 5.2 HM Land Registry
- 5.2.1 In relation to each Property from time to time, each Chargor irrevocably consents to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) on the prescribed Land Registry form and in the following or substantially similar terms:
- "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the debenture dated [●] in favour of [●] referred to in the charges register."
- 5.2.2 The Finance Parties must perform their obligations under the Facilities Agreement (including any obligation to make available further advances). In relation to each Property, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Property (including any unregistered properties subject to compulsory first registration at the date of this Deed) of the obligation to make further advances.
- 5.3 Register of Intellectual Property Rights
- Each Chargor shall, if requested by the Security Agent, execute all such documents and do all such acts as the Security Agent may reasonably require to record the interests of the Security Agent in any registers relating to registered Intellectual Property Rights.
- 5.4 Notices of assignment and/or charge / Customer Contracts Power of Attorney
- Each Chargor shall, at the request of the Security Agent:
- 5.4.1 give notice of:
- (a) the charge over its Accounts under this Deed to the person at which such accounts are maintained in the form set out in Part 1 (*Form of notice in relation to an Account*) of Schedule 3 (*Form of notices*);

- (b) the assignment of the Insurances under this Deed to its insurers in the form set out in Part 2 (*Form of notice to insurers*) of Schedule 3 (*Form of notices*);
 - (c) the assignment of any Hedging Agreement and any other Assigned Contract under this Deed to each counterparty in the form set out in Part 3 (*Form of notice in relation to Contracts*) of Schedule 3 (*Form of notices*),

and, in each case, shall use all reasonable endeavours to procure that each person on whom a notice is served, executes and delivers to the Security Agent an acknowledgement of that notice in the relevant form scheduled to this Deed or in such other form as the Security Agent may require; and
- 5.4.2 enter into a Customer Contracts Power of Attorney in favour of the Security Trustee.

6 Customer Contracts

- 6.1 If an Enforcement Event occurs the Security Agent may give notice in writing to the Chargors that it intends to procure the transfer (the "**Transfer**") of each existing Customer Contracts from the relevant Chargor to a third party (the "**Transferee**") pursuant to the Customer Contracts Power of Attorney (a "**Notice of Transfer**").
- 6.2 As soon as possible after a Notice of Transfer is given, the Security Agent shall give further notice to the relevant Chargor setting out:
- 6.2.1 the identity of the Transferee;
 - 6.2.2 the total price for the Customer Contracts as calculated by the Security Agent on the basis of the sale to a third party (the "**Transfer Price**"); and
 - 6.2.3 the proposed date of the Transfer (the "**Transfer Date**").
- 6.3 Following receipt of a Transfer Notice, each Chargor:
- 6.3.1 shall comply with all requests of the Security Agent, in accordance with the terms of the relevant agreement, for the supply either to the Security Agent, the Transferee and any independent advisor to provide:
 - (a) copies of the Customer Contracts; and
 - (b) up to date financial information in respect of billings, collection and the aggregate credit balance from the counterparties to each Customer Contract held by the relevant Chargor; and
 - 6.3.2 shall not enter into any further Customer Contracts.
- 6.4 On the Transfer Date:
- 6.4.1 the Security Agent shall, in accordance with the Customer Contracts Power of Attorney, execute a transfer agreement to transfer the interest of each Chargor in the Customer Contracts to the Transferee;
 - 6.4.2 each Chargor will warrant that the information provided pursuant to paragraph 3 is accurate and complete;
 - 6.4.3 the Security Agent shall pay the Transfer Price less the Secured Liabilities; and
 - 6.4.4 the Chargors shall do and procure the execution of all other things and execute of all such documents as the Security Agent and/or the Transferee may reasonably require to give effect to the Transfer.

- 6.5 The Chargors shall promptly account to the Transferee for all monies paid under the Customer Contracts in respect of the period falling on and after the Transfer Date. Any such amounts that are not paid to the Transferee within five (5) Business Days of receipt by a Chargor shall bear interest in accordance with clause 7.4 of the Facilities Agreement.

7 Representations and warranties

Each Chargor makes the representations and warranties listed below in favour of the Security Agent and to each of the Secured Parties.

7.1 Ownership of Security Assets

- 7.1.1 Immediately prior to and on the date of this Deed each Chargor was and is the sole legal and beneficial owner of the Security Assets which it charges and/or assigns pursuant to this Deed with the right to transfer with full title guarantee all or any part of the Security Assets and had good and marketable title to the Security Assets.
- 7.1.2 Schedule 2 (*Security Assets*) identifies:
- (a) all the freehold and leasehold property situated in England and Wales;
 - (b) all the registered patents, designs and trademarks, and applications in respect of the same; and
 - (c) all the shares in respect of companies incorporated in England and Wales, beneficially owned by each Chargor at the date of this Deed.

7.2 Charged Securities

- 7.2.1 All Investments and the Shares are fully paid and none are subject to any option to purchase or similar rights.
- 7.2.2 It has not appointed any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.
- 7.2.3 The constitutional documents of any company whose shares are the subject of the Security created by this Deed do not and could not restrict or prohibit any transfer of those shares on creation or on enforcement of that Security.

7.3 PSC Register

The copy of its PSC Register (and that of each other member of the Group, in each case, if that Chargor or other member of the Group is required to maintain one) that was delivered to the Security Agent on or prior to the date of this Deed:

- 7.3.1 is correct, completed and in full force and effect;
- 7.3.2 has not been amended or superseded since that date; and
- 7.3.3 sets out the required particulars (within the meaning of section 790K of the Companies Act 2006 and any other information prescribed under Part 21A of the Companies Act 2006 (including section 790M) and/or any associated law, in each case, in relation to all of the Relevant Legal Entities and Persons with Significant Control that are registerable (within the meanings set out at section 790C(4) or section 790C(8), as applicable) in respect of that Chargor (or that other member of the Group) in accordance with Part 21A of the Companies Act 2006.

7.4 Repetition

The representations in this sub-clause are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of this Deed and each day of the Security Period.

8 Undertakings

8.1 Duration of undertakings

Each Chargor undertakes to the Security Agent in the terms of this clause for the duration of the Security Period.

8.2 General undertakings

8.2.1 Negative pledge and disposal restrictions

No Chargor shall without the prior written consent of the Security Agent:

- (a) create or agree to create or permit to subsist or arise any Security over all or any part of the Security Assets other than as created by this Deed; or
- (b) sell, transfer, lease out, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not and whether voluntarily or involuntarily) all or any part of the Security Assets (other than Floating Charge Assets on arm's length terms in the ordinary course of trading) or agree or attempt to do the same,

except with the prior written consent of the Security Agent.

8.2.2 Deposit of documents or title deeds

Each Chargor shall deposit with the Security Agent:

- (a) documents of title (or documents evidencing title or the right to title) and agreements relating to a Security Asset (including, without limitation, all deeds and documents of title relating to the Property);
- (b) any stock transfer forms or other instruments of transfer duly completed (save that the details of the transferee shall be left blank) to the Security Agent's satisfaction and in a manner that is customary;
- (c) to the extent requested by the Security Agent from time to time:
 - (i) certified copies of all the Assigned Contracts;
 - (ii) certified copies of all Hedging Agreements;
 - (iii) all deeds and documents of title (if any) relating to the Debts;
 - (iv) details of all Plant and Machinery; and
 - (v) details of all bank accounts;
- (d) any other document which the Security Agent may require for the purposes of perfecting the Security created by this Deed.

8.2.3 Compliance with laws

Each Chargor shall at all times comply with all laws and regulations applicable to it and shall obtain and maintain in full force and effect all Authorisations which may at any time be required with respect to any of the Security Assets.

8.2.4 Information

Each Chargor shall supply promptly to the Security Agent such information in relation to the Security Assets as the Security Agent may reasonably request.

8.2.5 Insurance

Each Chargor shall:

- (a) supply on request copies of each of its policies of insurance together with the current premium receipts relating to each such policy;
- (b) ensure that the interest of the Security Agent is noted on all its insurance policies in respect of its Security Assets from time to time;
- (c) duly and punctually pay all premiums and any other monies necessary for maintaining its insurance policies in full force and effect. If a Chargor at any time fails to pay any such premiums or other monies, the Security Agent may pay such premiums and other monies and the Chargor(s) shall reimburse the Security Agent for the amount of such premiums and other monies within 3 Business Days of demand;
- (d) not, without the prior written consent of the Security Agent, do any act or commit any default which might prejudice the insurance policies, including, without limitation, any act or default whereby the insurance policies might become void or voidable; and
- (e) apply any monies received by virtue of any insurance relating to the whole or any part of the Security Assets in accordance with the terms of the Finance Documents.

8.3 Charged Investments

8.3.1 Exercise of rights

- (a) Until such time as an Enforcement Event has occurred, each Chargor may exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments or the Shares unless such exercise or refrain from exercising (or direction to do the same):
 - (i) breaches, or might reasonably be expected to breach, any term of the Facilities Agreement; or
 - (ii) would, or might reasonably be expected to, have an adverse effect on the value of any of the Security Assets or otherwise prejudice any Security; or
 - (iii) would, or might reasonably be expected to, affect any rights or powers of the relevant Chargor arising from its legal or beneficial ownership of the Investment or the Shares.
- (b) At any time following an Enforcement Event, no Chargor shall, without the prior written consent of the Security Agent, exercise or refrain from exercising (or direct the same) any of the powers or rights conferred upon or exercisable by the legal or beneficial owner of the Investments or the Shares.

8.3.2 Registration of transfers

If requested by the Security Agent at any time following an Enforcement Event, each Chargor shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Security Agent or its nominee once a transfer relating to those Investments and Shares is presented for that purpose.

8.3.3 Clearance systems etc

If requested by the Security Agent at any time following an Enforcement Event, each Chargor shall instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for its or some nominee's account to the account of the Security Agent (or its nominee) with such clearance system (or as otherwise required by the Security Agent).

8.3.4 Acquisition and calls

- (a) No Chargor shall, without the prior written consent of the Security Agent, acquire any Investments or Shares unless they are fully paid.
- (b) Each Chargor shall:
 - (i) promptly notify the Security Agent of the acquisition of any Investment or Shares; and
 - (ii) duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments or Shares and, for the avoidance of doubt, no Secured Party shall incur any liability in respect of any amounts due from a Chargor in respect of any Investments or Shares.

8.3.5 Dividends

At any time following an Enforcement Event, each Chargor shall immediately pay all dividends or other monies received by it in respect of the Investments and the Shares to the Security Agent, or as the Security Agent may direct from time to time.

8.3.6 Nominees

No Chargor shall appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments or the Shares.

8.4 Debts

8.4.1 Each Chargor:

- (a) undertakes to provide promptly upon a request of the Security Agent following an Enforcement Event (and in a form acceptable to the Security Agent) a certificate showing the aggregate value of the Debts due to it from any person; and
- (b) shall ensure that all Debts are evidenced by a written agreement between it and the debtor or debtors.

8.4.2 During the Security Period, each Chargor undertakes with reference to the Debts:

- (a) to collect the Debts in the ordinary course of its business and to hold the proceeds of those Debts on trust for the Security Agent;
- (b) not, without the prior written consent of the Security Agent, to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so;
- (c) if required by the Security Agent, to pay as the Security Agent may direct from time to time all monies it may receive in respect of the Debts; and
- (d) if called upon so to do by the Security Agent, execute a legal assignment of the Debts to the Security Agent in such terms as the Security Agent in its discretion may require, give such notice of that legal assignment to the debtors from whom the Debts are due, owing or incurred and take any such other step as the Security Agent in its discretion may require to perfect such legal assignment.

8.4.3 Blocked Accounts

During the Security Period, no Chargor shall, except with the prior written consent of the Security Agent, withdraw or attempt or be entitled to withdraw from any Blocked Account all or any monies standing to the credit of any Blocked Account.

8.4.4 Other Bank Accounts

At any time following an Enforcement Event, if the Security Agent has served written notice on any Chargor requiring the same, no Chargor shall, except with the prior written consent of the Security Agent, withdraw or attempt or be entitled to withdraw from any of its bank accounts all or any monies standing to the credit of such bank accounts.

8.5 Intellectual Property Rights

Each Chargor shall:

- 8.5.1 take all necessary action to safeguard and maintain its rights, present and future, in or relating to Intellectual Property Rights (including the payment of all renewal fees and all steps which are necessary or desirable to maintain any applicable registrations with any appropriate registry or other government authority or body);
- 8.5.2 keep the Security Agent fully informed as to the registration or requirement to renew the registration of any Intellectual Property Rights;
- 8.5.3 not use or refrain from using its Intellectual Property Rights in a way which may adversely affect the value of those Intellectual Property Rights; and
- 8.5.4 notify the Security Agent promptly of any infringement or suspected infringement or any challenge to the validity of its Intellectual Property Rights and, at the request of the Security Agent, take all steps necessary to prevent or bring to an end any such infringement and to defend any such challenge.

8.6 Property

8.6.1 Title

- (a) Each Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.
- (b) No Chargor may agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.

8.6.2 Headleases

Each Chargor shall:

- (a) exercise its rights and comply with its obligations under any headlease under which it holds Property;
- (b) use its reasonable endeavours to ensure that each landlord complies with its obligations under any such headlease; and
- (c) if so required by the Security Agent, apply for relief against forfeiture of any such headlease,

in a proper and timely manner.

8.6.3 Maintenance

Each Chargor shall ensure that all buildings, plant, machinery, fixtures and fittings on its Property are in, and maintained in, good and substantial repair and condition and, as appropriate, in good working order.

8.6.4 Development

(a) No Chargor shall:

- (i) make or allow to be made any application for planning permission in respect of any part of its Property; or
- (ii) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its Property.

(b) Sub-clause 8.6.4(a) shall not apply to:

- (i) ordinary course maintenance of buildings, plant, machinery, fixtures and fittings; or
- (ii) the carrying out of non-structural improvements or alterations which affect only the interior of any building on a Property.

(c) Each Chargor shall comply in all respects with all planning laws, permissions, agreements and conditions to which its Property may be subject.

8.6.5 Notices

Each Chargor shall, within 14 days after the receipt of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Property (or any part of it):

- (a) deliver a copy to the Security Agent; and
- (b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant application, requirement, order or notice.

8.7 Power to remedy

If at any time a Chargor does not comply with any of its obligations under this Deed, the Security Agent and/or Receiver (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Security Agent and/or any Receiver and its employees and agents by way of security to do all such things (including entering the property of such Chargor) which are necessary or desirable to rectify that default. Each Chargor shall reimburse to the Security Agent and/or any Receiver, on demand, all amounts expended by the Security Agent or any Receiver in remedying such failure together with interest in accordance with clause 7.4 (*Interest*) of the Facilities Agreement from the date of payment by the Security Agent or Receiver (as the case may be) until the date of reimbursement.

9 Enforcement and powers of the Security Agent

9.1 Enforcement

At any time following an Enforcement Event, the Security created pursuant to this Deed shall become immediately enforceable and the Security Agent may in its absolute discretion and without notice to the Chargors or any of them or the prior authorisation of any court:

- 9.1.1 enforce all or any part of the Security created by this Deed and take possession of or dispose of all or any of the Security Assets in each case at such times and upon such terms as it sees fit; and

- 9.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:
- (a) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
 - (b) granted to a Receiver by this Deed or from time to time by law.
- 9.2 Statutory and other powers on enforcement
- 9.2.1 The power of sale and other powers conferred by section 101 LPA (as amended and extended by this Deed) and all other enforcement powers conferred by this Deed shall be immediately exercisable upon and at any time after an Enforcement Event has occurred.
- 9.2.2 The Security Agent may lease, make agreements for leases at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it thinks fit, without the need to comply with any of the provisions of sections 99 and 100 LPA.
- 9.2.3 In the exercise of the powers conferred by this Deed, the Security Agent may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and it may apportion any rent or other amount without the consent of any Chargor.
- 9.3 Statutory restrictions
- The restriction on the consolidation of mortgages and on power of sale imposed by sections 93 and 103 respectively of the LPA shall not apply to the Security constituted by this Deed.
- 9.4 Redemption of prior charges
- The Security Agent may redeem any prior Security on or relating to any Security Asset or procure the transfer of that Security to itself and may settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on each Chargor. All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the relevant Chargor to the Security Agent on demand
- 9.5 Appropriation
- 9.5.1 In this Deed, **financial collateral** has the definition given to that term in the Financial Collateral Arrangements (No.2) Regulations 2003.
- 9.5.2 At any time after an Enforcement Event has occurred, the Security Agent may appropriate all or part of the financial collateral in or towards satisfaction of the Secured Liabilities.
- 9.5.3 The Parties agree that the value of any such Security Assets appropriated in accordance with sub-clause 9.5.2 shall be the market price of such Security Assets at the time the right of appropriation is exercised as determined by the Security Agent by reference to such method or source of valuation as the Security Agent may reasonably select, including by independent valuation. The Parties agree that the methods or sources of valuation provided for in this sub-clause or selected by the Security Agent in accordance with this sub-clause shall constitute a commercially reasonable manner of valuation for the purposes of the Financial Collateral Arrangements (No.2) Regulations 2003.
- 9.5.4 The Security Agent shall notify the relevant Chargor, as soon as reasonably practicable, of the exercise of its right of appropriation as regards such of the Security Assets as are specified in such notice.

10 Appointment of a Receiver or Administrator

10.1 Appointment

- 10.1.1 At any time after an Enforcement Event has occurred, or at the request of a Chargor or its directors, the Security Agent may, without prior notice to the Chargors or any of them, in writing (under seal, by deed or otherwise under hand) appoint:
- (a) a Receiver in respect of the Security Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his place; or
 - (b) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 10.1.2 Nothing in sub-clause 10.1.1 shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.
- 10.1.3 Section 109(1) LPA shall not apply to this Deed.

10.2 Several Receivers

If at any time there is more than one Receiver, each Receiver may separately exercise all of the powers conferred by this Deed (unless the document appointing such Receiver states otherwise).

10.3 Liability of the Security Agent for actions of a Receiver or Administrator

- 10.3.1 Each Receiver shall be the agent of the relevant Chargor which shall be solely responsible for his acts or defaults, and for his remuneration and expenses, and be liable on any agreements or engagements made or entered into by him. No Secured Party shall be responsible for any misconduct, negligence or default of a Receiver.
- 10.3.2 No Secured Party shall have any liability for the acts or omissions of an Administrator.

10.4 Remuneration of Receiver

10.5 Remuneration of Receiver

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it from time to time. For the purpose of this sub-clause, the limitation set out in section 109(6) LPA shall not apply

11 Powers of a Receiver

11.1 General powers

A Receiver shall have (and be entitled to exercise) in relation to the Security Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

- 11.1.1 all of the specific powers set out at sub-clause 10.2 (Specific powers) ;
- 11.1.2 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

- 11.1.3 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 11.1.4 all of the powers conferred on the Security Agent under this Deed;
- 11.1.5 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which a Chargor itself could do or omit to do; and
- 11.1.6 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, a Chargor; the collection and/or realisation of Security Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of a Chargor (whether under hand, or by way of deed or by utilisation of the company seal of a Chargor)).

11.2 Specific powers

In addition to the powers referred to in sub-clause 10.1 (General powers), a Receiver shall have the following powers:

- 11.2.1 Take immediate possession of, get in and collect the Security Assets or any part thereof.
- 11.2.2 Carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as he in his discretion may think fit.
- 11.2.3 Manage, insure, repair, decorate, maintain, alter, improve, develop, construct, modify, refurbish, renew or add to the Security Assets or concur in so doing;
- 11.2.4 commence, continue or complete any new works, unfinished work, building operations, construction, reconstruction, maintenance, furnishing, finishing or fitting-out on the Property;
- 11.2.5 apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

in each case as he in his discretion may think fit.
- 11.2.6 Sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he in his discretion may think fit. Without prejudice to the generality of the foregoing, he may do any of these things for any valuable consideration, whether full market value or otherwise, including, without limitation, cash, shares, stock, debentures or other obligations. Any such consideration may be payable in a lump sum or by instalments spread over such period as he in his discretion may think fit.
- 11.2.7 Let, hire or lease (with or without premium) and accept surrenders of leases or tenancies or concur in so doing;
- 11.2.8 grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of the Security Assets;
- 11.2.9 exchange or concur in exchanging the Security Assets;

in each such case in such manner and generally on such terms as he may in his discretion think fit, with all the powers of an absolute beneficial owner. The Receiver may exercise any such power by effecting such transaction in the name or on behalf of the relevant Chargor or otherwise.

- 11.2.10 Use a Chargor's name to effect any registration or election for tax or other purposes.
- 11.2.11 Effect, review or vary insurances.
- 11.2.12 For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, to raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the Security created by this Deed or otherwise, and generally on such terms as he in his discretion may think fit. No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of money so raised or borrowed.
- 11.2.13 Lend money to any person.
- 11.2.14 Advance credit, in the ordinary course of a Chargor's business, to any person.
- 11.2.15 Make, or require the directors of any Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital of that Chargor as the Receiver in his discretion may require and enforce payment of any call so made by action (in the name of that Chargor or the Receiver as the Receiver in his direction may think fit) or otherwise.
- 11.2.16 Settle or compromise any claim by, adjust any account with, refer to arbitration any dispute with, and deal with any question or demand from, any person who is, or claims to be, a creditor of any Chargor, as he may in his discretion think fit; and
- 11.2.17 settle or compromise any claim, adjust any account, refer to arbitration any dispute and deal with any question or demand relating in any way to the Security Assets, as he in his discretion may think fit.
- 11.2.18 In the name of any Chargor, bring, prosecute, enforce, defend or abandon all such actions, suits and proceedings in relation to the Security Assets as he in his discretion may think fit.
- 11.2.19 Promote the formation of any subsidiary of any Chargor with a view to such subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- 11.2.20 arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, as the Receiver in his discretion may think fit; and
- 11.2.21 arrange for such subsidiary to trade or cease to trade as the Receiver in his discretion may think fit;
- 11.2.22 Appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he in his discretion may think fit.
- 11.2.23 Give valid receipts for all monies and execute all assurances and things which he in his discretion may think proper or desirable for realising the Security Assets.
- 11.2.24 Delegate any or all of his powers in accordance with this Deed.

12 Application of monies

12.1 Order of application

All amounts from time to time received or recovered by the Security Agent pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security created by this Deed (for the purposes of this sub-clause, the **Recoveries**) shall be held by the Security Agent on trust to apply the same at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this sub-clause), in the following order, after the payment of any preferential debts ranking in priority to the Secured Liabilities:

- 12.1.1 in discharging any sums owing to the Security Agent or any Receiver or Administrator;
- 12.1.2 in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Security created by this Deed;
- 12.1.3 in payment of any Secured Liabilities; and
- 12.1.4 the balance of any Recoveries, after all amounts due under sub-clauses 12.1.1 to 12.1.3 have been paid in full, to the relevant Chargor.

The provisions of this sub-clause will override any appropriation made by a Chargor.

12.2 Prospective liabilities

At any time after an Enforcement Event has occurred, the Security Agent may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) for later application under sub-clause 12.1 (*Order of application*) in respect of:

- 12.2.1 any sum to a Secured Party; and
- 12.2.2 any part of the Secured Liabilities,

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future.

12.3 Investment of proceeds

Prior to the application of the proceeds of the Recoveries in accordance with sub-clause 12.1 (*Order of application*) the Security Agent may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as the Security Agent shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Security Agent's discretion in accordance with the provisions of sub-clause 12.1 (*Order of application*).

12.4 Currency conversion

- 12.4.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities the Security Agent may convert any monies received or recovered by the Security Agent from one currency to another, at a market rate of exchange.
- 12.4.2 The obligations of any Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

12.5 Permitted deductions

The Security Agent shall be entitled, in its discretion:

- 12.5.1 to set aside by way of reserve, amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Deed; and
- 12.5.2 to pay all taxes which may be assessed against it in respect of any of the Security Assets, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Finance Documents or otherwise.

12.6 Good discharge

- 12.6.1 Any payment to be made in respect of the Secured Liabilities by the Security Agent may be made to the Security Agent on behalf of the Finance Parties and any payment made in that way shall be a good discharge, to the extent of that payment, by the Security Agent.
- 12.6.2 The Security Agent is under no obligation to make the payments to the Security Agent under sub-clause 12.6.1 in the same currency as that in which the obligations and liabilities owing to the relevant Finance Party are denominated.

13 Protection of third parties

13.1 No obligation to enquire

No purchaser from, or other person dealing with, a Secured Party shall be obliged or concerned to enquire whether:

- 13.1.1 the right of the Secured Party to exercise any of the powers conferred by this Deed has arisen or become exercisable or as to the propriety or validity of the exercise or purported exercise of any such power; or
- 13.1.2 any of the Secured Liabilities remains outstanding or be concerned with notice to the contrary and the title and position of such a purchaser or other person shall not be impeachable by reference to any of those matters.

13.2 Receipt conclusive

The receipt of the Security Agent or any Receiver shall be an absolute and a conclusive discharge to a purchaser, and shall relieve such purchaser of any obligation to see to the application of any monies paid to or by the direction of the Security Agent or any Receiver.

14 Protection of the Secured Parties

14.1 No liability

No Secured Party shall be liable in respect of any of the Security Assets or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers.

14.2 Possession of Security Assets

Without prejudice to sub-clause 14.1 (*No liability*), if a Secured Party enters into possession of the Security Assets, it will not be liable to account as mortgagee in possession and may at any time at its discretion go out of such possession.

14.3 No proceedings

No Party (other than the Security Agent, a Receiver or a Delegate in respect of its own officers, employees or agents) may take any proceedings against any officer, employee or agent of a Secured Party in respect of any claim it might have against a Secured Party or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document or any Security Asset and any officer, employee or agent of a Secured Party may rely on this sub-clause subject to clause 25 (*Third Party Rights*) of the Facilities Agreement and the provisions of the Third Parties Act.

15 Cumulative powers and avoidance of payments

15.1 Cumulative powers

The powers which this Deed confers on the Security Agent and any Receiver appointed under this Deed are cumulative, without prejudice to their respective powers under the general law, and may be exercised as often as the relevant person thinks appropriate. The Security Agent or the Receiver may, in connection with the exercise of their powers, join or concur with any person in any transaction, scheme or arrangement whatsoever. The respective powers of the Security Agent and the Receiver will in no circumstances be suspended, waived or otherwise prejudiced by anything other than an express consent or amendment.

15.2 Amounts avoided

If any amount paid by a Chargor in respect of the Secured Liabilities is capable of being avoided or set aside on the liquidation or administration of a Chargor or otherwise, then for the purposes of this Deed that amount shall not be considered to have been paid.

15.3 Discharge conditional

Any settlement or discharge between a Chargor and the Security Agent shall be conditional upon no security or payment to the Security Agent by a Chargor or any other person being avoided, set aside, ordered to be refunded or reduced by virtue of any provision or enactment relating to insolvency and accordingly (but without limiting the other rights of the Security Agent under this Deed) the Security Agent shall be entitled to recover from each Chargor the value which the Security Agent has placed on that security or the amount of any such payment as if that settlement or discharge had not occurred.

16 Ruling-off accounts

If the Security Agent receives notice of any subsequent Security or other interest affecting any of the Security Assets it may open a new account for each relevant Chargor in its books. If it does not do so then (unless it gives written notice to the contrary to the Chargors or any of them), as from the time it receives that notice, all payments made by the relevant Chargor to it (in the absence of any express appropriation to the contrary) shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Liabilities.

17 Power of attorney

Following the occurrence of an Enforcement Event which is continuing, each Chargor, by way of security, irrevocably and severally appoints each of the Security Agent and any Receiver as its attorney (with full power of substitution and delegation) in its name and on its behalf and as its act and deed to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed, or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Agent or any Receiver under this Deed or otherwise for any of the purposes of this Deed (including, for the avoidance of doubt, delivery any notices required by the Security Agent in accordance with the terms of clause 5.4) and each Chargor covenants with each of the Security Agent and any Receiver to ratify and confirm all such acts or things made, done or executed by that attorney.

18 Delegation

- 18.1 A Secured Party may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by or pursuant to this Deed.
- 18.2 That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that that Secured Party may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

19 Miscellaneous

19.1 Assignment

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed. The Security Agent may assign and transfer all or any part of its rights and obligations under this Deed to any persons(s) to whom it assigns or transfers its rights under the Facilities Agreement (in accordance with the terms thereof).

19.2 Counterparts

- 19.2.1 This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.
- 19.2.2 Failure by one or more Parties (**Non-Signatories**) to execute this Deed on the date of this Deed will not invalidate the provisions of this Deed as between the other Parties who do execute this Deed. Any Non-Signatories may execute this Deed (or a counterpart of this Deed) on a subsequent date and will thereupon become bound by its provisions.
- 19.2.3 If any one or more of the Chargors is not bound by any or all of the provisions of this Deed (whether by reason of lack of capacity, improper execution, failure to execute or for any other reason whatsoever) the remaining Chargors shall nonetheless continue to be bound as if such Chargor had never been a party.

19.3 Covenant to release

At the end of the Security Period, the Security Agent shall, at the request and cost of the Chargors, release the Security Assets from the security constituted by this Deed (including any assignment by way of security) by executing a release substantially in the form set out in Schedule 5 (*Form of Deed of Release*) with such amendments as the Security Agent may agree.

20 Governing law

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

21 Jurisdiction

- 21.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).
- 21.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

- 21.3 This sub-clause is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

In witness this Deed is executed on the date appearing at the head of page 1.

Schedule 1

The Original Chargors

Name of Original Chargor	Jurisdiction of incorporation/formation (if applicable)	Companies House Registration number (if any)
SO Energy Limited	England and Wales	09144818
SO Energy Trading Limited	England and Wales	09263295

Schedule 2

Security Assets

Part 1

The Property

Chargor	Address or description of Property	Title Number (if registered):
<i>[Intentionally left blank]</i>	<i>[Intentionally left blank]</i>	<i>[Intentionally left blank]</i>

Part 2

Intellectual Property

Chargor	Trademark/Patent number	Jurisdiction	Classes	Trade mark text / details
So Energy Limited	UK00003126677	England and Wales	Class 39	So Energy Logo
So Energy Limited	UK00003109504	England and Wales	Class 39	So Energy

Part 3

Shares

Chargor	Issuer of Shares	Number and class of shares	Details of nominees (if any) holding legal title to shares
SO Energy Limited	SO Energy Trading Limited	1 ordinary share	N/A

Part 4

Assigned Contracts

Chargor	Date of contract	Parties to contract	Details of contract
<i>[Intentionally left blank]</i>	<i>[Intentionally left blank]</i>	<i>[Intentionally left blank]</i>	<i>[Intentionally left blank]</i>

Schedule 3

Form of notices

Part 1

(Form of notice in relation to an Account)

To: [•] insert name and address of Account provider] (the **Account Bank**)

Dated: [•]

Dear [•]

Re: [•]

We hereby notify you that we have charged to [•] (the **Security Agent**) all our right, title and interest in and to the monies from time to time standing to the credit of the accounts set out in the schedule to this notice and to any other accounts from time to time that we maintain with you (together, the **Charged Accounts**) and to all interest (if any) accruing on such accounts.

We irrevocably authorise and instruct you to:

- 1 disclose to the Security Agent any information relating to the Charged Accounts which the Security Agent may from time to time request;
- 2 comply with the terms of any written notice or instruction relating to any Charged Account received by you from the Security Agent; and
- 3 release or pay any sum standing to the credit of any Charged Account in accordance with the written instructions of the Security Agent.

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Agent and we hereby acknowledge that you are permitted to comply with the instructions set out in this notice without any further permission or instruction from us.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of your confirmation that:

- 3.1 you agree to act in accordance with the provisions of this notice;
- 3.2 you have not received notice that we have assigned or charged our rights to the monies standing to the credit of the Charged Accounts or otherwise granted any other interest over those monies in favour of any third party;
- 3.3 you will not exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts, except for the netting of credit and debit balances pursuant to current account netting arrangements previously approved in writing by the Security Agent;
- 3.4 you have not claimed or exercised, nor do you have outstanding any right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Charged Accounts; and
- 3.5 you will not permit any amount to be withdrawn from any Charged Account without the Security Agent's prior written consent.

The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Schedule

Account Designation	Account Number	Sort Code

Yours faithfully,

.....
for and on behalf of
[the relevant Chargor]

[On acknowledgement copy]

To: [insert name of Security Agent]

Copy to: [insert name of the relevant Chargor]

We acknowledge receipt of the above notice, the terms thereof and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs 3.1 to 3.5 (inclusive) of that notice.

.....
for and on behalf of
[Insert name of account provider]

Dated: [●]

Part 2

(Form of notice to insurers)

To: [●] *[insert name and address of insurer]*

Dated: [●]

Dear [●]

Re: [set out the relevant insurance policy[ies]] (the Policy[ies])

We notify you that we have assigned, by way of security, to [●] (the **Security Agent**) all our right, title and interest in the Policy[ies] as security for certain obligations owed by us to the Security Agent.

We further notify you that:

- 1 you may continue to deal with us in relation to the Policy[ies] until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Policy[ies] and therefore from that time you should deal only with the Security Agent;
- 2 you are authorised to disclose information in relation to the Policy[ies] to the Security Agent on their request; and
- 3 the provisions of this notice may only be revoked or amended with the prior written consent of the Security Agent.

We will remain liable to perform all our obligations under the Policy[ies] and the Security Agent is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy[ies].

The instructions in this notice may not be revoked or amended without the prior written consent of the Security Agent and we hereby acknowledge that you are permitted to comply with the instructions set out in this notice without any further permission or instruction from us.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- 3.1 you agree to act in accordance with the provisions of this notice;
- 3.2 you will not amend, waive or release any right, interest or benefit in relation to the Policy[ies] (or agree to do the same) without the prior written consent of the Security Agent;
- 3.3 the interest of the Security Agent as assignee has been noted against the Policy[ies];
- 3.4 after receipt of written notice in accordance with paragraph 1, you will pay all monies to which we are entitled under the Policy[ies] direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing;
- 3.5 you will notify the Security Agent if you propose to repudiate, rescind or cancel any Policy[ies], to treat [it/them] as avoided in whole or in part, to treat [it/them] as expired due to non-payment of premium or otherwise decline any valid claim under [it/them] by or on behalf of any insured party;
- 3.6 you have not received notice that we have assigned or charged our rights under the Policy[ies] to a third party or created any other interest in the Policy[ies] in favour of a third party; and
- 3.7 you have not claimed or exercised nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy[ies].

The provisions of this notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

.....

for and on behalf of
[the relevant Chargor]

[On acknowledgement copy]

To: [insert name of Security Agent]

Copy to: [•] [the relevant Chargor]

We acknowledge receipt of the above notice, the terms hereof and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs 3.1 to 3.7 (inclusive) of that notice.

.....

for and on behalf of
[•] [name of insurer]

Dated: [•]

Part 3

(Form of notice in relation to Contracts)

To: [insert name and address of counterparty]

Dated: [•]

Dear [•]

Re: [identify the relevant agreement] (the Agreement)

We hereby notify you that we have assigned, by way of security to [•] (the **Security Agent**) all our right, title and interest in the Agreement as security for certain obligations owed by us to the Security Agent.

We further notify you that:

- 1 you may continue to deal with us in relation to the Agreement until you receive written notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Agreement and therefore, from that time, you should deal only with the Security Agent;
- 2 you are authorised to disclose information in relation to the Agreement to the Security Agent on request;
- 3 after receipt of written notice in accordance with paragraph 1, you must pay all monies to which we are entitled under the Agreement direct to the Security Agent (and not to us) unless the Security Agent otherwise agrees in writing; and
- 4 the provisions of this notice may only be revoked or amended with the prior written consent of the Security Agent.

Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) by way of confirmation that:

- 4.1 you agree to the terms set out in this notice and to act in accordance with its provisions;
- 4.2 you will not amend in [any/a material] way, waive or release any rights, interest or benefit in relation to the Agreement or terminate the Agreement without the prior written consent of the Security Agent;
- 4.3 you have not received notice that we have assigned or charged our rights under the Agreement to a third party or created any other interest in the Agreement in favour of a third party; and
- 4.4 you have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us any right of set-off, counter-claim or other right relating to the Agreement.

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

Yours faithfully

.....

for and on behalf of
[the relevant Chargor]

[On acknowledgement copy]

To: [insert name of Security Agent]

Copy to: [the relevant Chargor]

We acknowledge receipt of the above notice, the terms hereof and the notifications therein, agree to abide by its terms and confirm the matters set out in paragraphs 4.1 to 4.4 (inclusive) of that notice.

.....

for and on behalf of
[insert name of counterparty]

Dated: [●]

Schedule 4

Form of Accession Deed

This Accession Deed is made on 20[•]

Between:

- (1) [•] Limited (company number: [•]) whose registered office is at [•] (the **New Chargor**); and
- (2) [•] as trustee for itself and for each of the other Secured Parties (the Security Agent),

and is supplemental to a Debenture granted by [insert name of Parent/Company] [and the other Chargors referred to therein] in favour of the Security Agent on [•] 20[•] (as the same may have been supplemented, amended, or varied from time to time (the **Debenture**)).

This Accession Deed witnesses as follows:

1 Definitions and interpretation

- 1.1 Unless a contrary intention appears, words and expressions defined in the Debenture shall have the same meaning in this Accession Deed and sub-clause 1.2 (*Interpretation*) of the Debenture shall apply to this Accession Deed.
- 1.2 In this Deed, unless the context otherwise requires, the following definitions shall apply:

Accession Shares means:

- 1.2.1 The shares described in Part 3 (*Shares*) of the schedule to this Accession Deed;
- 1.2.2 All Derivative Assets in relation to the shares referred to in paragraph (a) above; and
- 1.2.3 All Related Rights in respect of paragraphs (a) to (b) inclusive.

Assigned Contract means each contract specified in Part 4 (*Assigned Contracts*) of the Schedule to this Accession Deed.

Charged Accounts means [insert description].

2 Accession

- 2.1 The New Chargor confirms that it has read and fully understands the content of the Debenture.
- 2.2 With effect from the date of this Accession Deed, the New Chargor becomes a party to, and will be bound by the terms of, and assume the obligations and duties of a Chargor under, the Debenture as if it had been an Original Chargor.

3 Security

- 3.1 Without prejudice to the generality of clause 2(*Accession*), the New Chargor with full title guarantee in favour of the Security Agent:
 - 3.1.1 charges by way of legal mortgage, all of the Property described in Part 1 (*The Property*) of the schedule;
 - 3.1.2 charges by way of first fixed charge:
 - (a) all Property not effectively mortgaged by sub-clause 4.1.1;
 - (b) all fixed and permanent Plant and Machinery;

- (c) all Plant and Machinery not effectively charged by sub-clause 4.1(b)(ii);
 - (d) all Accession Shares;
 - (e) all Debts;
 - (f) all Accounts;
 - (g) all Investments not effectively charged by sub-clause 4.1(b)(iv);
 - (h) all Intellectual Property Rights described in Part 2 (*Intellectual Property Rights*) of the schedule;
 - (i) all Intellectual Property Rights not effectively charged by sub-clause 4.1(b)(ix);
 - (j) any VAT which it is entitled to recover and any other tax refund, rebate or repayment and any sums so received;
 - (k) its goodwill and uncalled capital;
 - (l) any Charged Agreements; and
 - (m) if not effectively assigned by sub-clause 4.1(c), all its rights and interests in (and claims under) the assets described in sub-clause 4.1(c);
- 3.1.3 by way of assignment by way of security:
- (a) all Insurances and Insurance Proceeds;
 - (b) any Assigned Contract; [and]
 - (c) any Hedging Agreement; [and]
 - (d) [describe any other assets which are expressly stated to be assigned]; and
- 3.1.4 by way of first floating charge, all its undertaking and all its present and future assets other than those assets which are effectively charged by way of first fixed charge or legal mortgage under sub-clauses 4.1(a) or 3.1.2 or which are effectively assigned by way of security under sub-clause 4.1(c).
- 3.2 The floating charge created by sub-clause 4.1(d) (*Security*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act.
- 4 Interpretation
- Save as specifically varied in respect of the New Chargor only, the Debenture shall continue and remain in full force and effect and this Accession Deed shall be read and construed as one with the Debenture so that all references to **this Deed** in the Debenture shall include reference to this Accession Deed.
- 5 Governing Law
- This Accession Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

In witness this Accession Deed is executed on the date appearing at the head of page 1.

[Add signature blocks after Schedule]

Schedule to Accession Deed

Part 1

Property

Chargor	Address or Description of Property	Title Number (if registered)
[•] Limited	[•]	[•]

Part 2

Intellectual Property Rights

Trade marks				
Chargor	Trade mark number	Jurisdiction	Classes	Trade mark text
[•] Limited	[•]	[•]	[•]	[•]
Patents				
Chargor	Patent number	Jurisdiction	Description	
[•] Limited	[•]	[•]	[•]	
Designs				
Chargor	Design number	Jurisdiction	Description	

Part 3

Shares

Chargor	Issuer of shares	Number and class of shares	Details of nominees (if any) holding legal title to shares

Part 4

Assigned Contracts

Name of Chargor	Date of contract	Parties to contract	Details of contract

Schedule 5

Form of Deed of Release

This Deed of Release is made on 20[•]

Between:

- (1) [•] [The Security Agent] as trustee for itself and for each of the other secured parties (the **Security Agent**); and
- (2) [The Chargors] (company number [•]) whose registered office is at [•] (the **Chargors**).

It is agreed as follows:

- 1 Capitalised terms used but not otherwise defined in this Deed have the meaning ascribed to them by the debenture granted by the Chargors to the Security Agent on [•] (the **Debenture**).
- 2 The Security Agent releases all and any Security (including any assignment by way of security) created by, or evidenced in, the Debenture (together the **Security Interests**).
- 3 The Security Agent confirms that it is entering into this Deed on behalf of the Secured Parties.
- 4 The Security Agent agrees, subject to its costs for so doing being fully indemnified by the Chargors, to execute such other documents for the release of the Security Interests as the Chargors may reasonably require, including, without limitation, notices of reassignment and Land Registry Forms.
- 5 This Deed and any non-contractual obligations arising out of or in connection with it are governed by English Law.

In witness this Deed is executed on the date appearing at the head of page 1.

[Add signature blocks]

NOTE: *this deed of release is intended to provide a simple template for the Security Agent to execute on redemption of the secured liabilities without needing to take additional legal advice at such time should it choose not to. It cannot therefore be negotiated until the time of release, at which point the Security Agent will consider any proposed amendments from the Chargors.*

Schedule 6

Supplemental Security Agreement

This Supplemental Security Agreement is made on 20[●]

Between:

- (1) [●] Limited (company number [●]) whose registered office is at [●] (the **Chargor(s)**); and
- (2) [●] as agent and trustee for the Secured Parties (the **Security Agent**).

Background

Pursuant to the debenture between [(amongst others)] (1) the Chargors and (2) the Security Agent dated ● (the **Original Debenture**) the Chargors created Security over all of its assets for its present and future obligations and liabilities under the Finance Documents.

The Chargor(s) has/have acquired interests in additional assets and has agreed to enter into this Supplemental Security Agreement to create security over such assets.

This Supplemental Security Agreement is supplemental to the Original Debenture (as defined below).

This Supplemental Security Agreement witnesses as follows:

1 Definitions and interpretation

1.1 Definitions

Unless otherwise defined in this Supplemental Security Agreement terms defined in the Original Debenture shall, bear the same meaning when used in this Supplemental Security Agreement and the following definitions shall also apply:

[Additional Insurance Policy means [●].]

[Additional Property means:

- 1.1.1 all of the freehold and/or leasehold property of the Chargor(s) specified in the schedule (Additional Property);
- 1.1.2 any buildings, fixtures, fittings, plant or machinery from time to time on or forming part of the property referred to in paragraph 1.1.1 above; and
- 1.1.3 the Related Rights arising in relation to any of the assets described in paragraphs 1.1.1 and 1.1.2 above.]

[Assigned Contract means [●].]

[Charged Account means [●].]

Original Debenture means the debenture made between [amongst others] (1) the Chargors and (2) the Security Agent dated [●].

1.2 Interpretation and incorporation

- 1.2.1 Clause 1 (*Definition and Interpretation*) and clause 25 (*Third Party Rights*) of the Facilities Agreement apply to this Supplemental Security Agreement, and shall be deemed to be incorporated into this Supplemental Security Agreement, as though set out in full in this Supplemental Security Agreement, with any reference to **this Agreement** being deemed to be a reference to **this Supplemental Security Agreement**.

- 1.2.2 The provisions of clause [●] (Continuing security) to clause ● (Miscellaneous) (inclusive) of the Original Debenture apply to this Supplemental Security Agreement as though they were set out in full in this Supplemental Security Agreement except that reference to this Deed in the Original Debenture are to be construed as reference to this Supplemental Security Agreement.
- 1.2.3 Any references to the Security Agent or any Receiver shall include its Delegate.
- 1.3 Law of Property (Miscellaneous Provisions) Act 1989
- To the extent necessary for any agreement for the disposition of the Security Assets in this Supplemental Security Agreement to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Supplemental Security Agreement are incorporated into this Supplemental Security Agreement.
- 1.4 Implied covenants for title
- The obligations of the Chargor(s) under this Supplemental Security Agreement shall be in addition to the covenants for title deemed to be included in this Supplemental Security Agreement by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.
- 1.5 Trusts
- 1.5.1 The Security Agent holds the benefit of this Supplemental Security Agreement on trust for the Secured Parties in accordance with the terms of clause [●] of [the Facilities Agreement]/[the Intercreditor Agreement].
- 1.5.2 The perpetuity period for any trusts created by this Supplemental Security Agreement is 125 years.
- 2 Charge and Assignment
- 2.1 Supplemental to clause 3 (*Security Assets*) of the Original Debenture, the Chargor(s), as security for the payment of the Secured Liabilities:
- 2.1.1 [charge(s) in favour of the Security Agent, with full title guarantee, by way of legal mortgage, the Additional Property.]
- 2.1.2 [assign(s), by way of security, with full title guarantee to the Security Agent all its right, title and interest in the Assigned Contract.]
- 2.1.3 [assign(s), by way of security, with full title guarantee to the Security Agent all its right, title and interest in the Additional Insurance Policy.]
- 2.1.4 [charge(s) in favour of the Security Agent, with full title guarantee, by way of first fixed charge, the Charged Account.]
- 2.2 [The Chargor(s) hereby irrevocably consent(s) to the Security Agent applying to the Chief Land Registrar for a restriction to be entered on the Register of Title of all that Additional Property on the prescribed Land Registry form and in the following or substantially similar terms:
- 2.3 ["No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Supplemental Security Agreement dated [●] in favour of [●] referred to in the charges register."]
- 2.4 [The Finance Parties must perform their obligations under the Facility Agreement (including any obligation to make available further advances). In relation to the Additional Property, the Security Agent may apply to the Chief Land Registrar for a notice to be entered onto the Register of Title of all that Additional Property of the obligation to make further advances.]

3 Continuation of Original Debenture

- 3.1 The Original Debenture will remain in full force and effect (as supplemented hereby).
- 3.2 The Chargor(s) agree(s) that the execution of this Supplemental Security Agreement shall in no way prejudice or affect the security granted by it (or the covenants given by it) under the Original Debenture.
- 3.3 References in the Original Debenture to **this Deed** and expressions of similar import shall be deemed to be references to the Original Debenture as supplemented by this Supplemental Security Agreement and to this Supplemental Security Agreement.
- 3.4 This Supplemental Security Agreement is designated as a Finance Document.

4 Effect as a Deed

This Supplemental Security Agreement is intended to take effect as a Deed notwithstanding that the Security Agent may have executed it under hand only.

5 Governing law

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

6 Jurisdiction

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

In witness this Supplemental Security Agreement is executed on the date appearing at the head of page 1.

Schedule

Additional Property

Chargor	Address or description of Additional Property	Title Number (if registered)

[Signature blocks to be inserted here]

Schedule 7

Customer Contract Power of Attorney

POWER OF ATTORNEY

[●], a company incorporated in England and Wales with Company number [●] whose registered office is situated at [●] (the "**Company**") hereby appoints:

CFP Trading Limited (the "**Attorney**") acting by any of its directors to be the true and lawful Attorney of the Company with the full power and authority to act for and in the name and on behalf of the Company to:

- a. execute for and on behalf of the Company any agreements, deeds, instruments or documents that the Attorney requires or considers desirable in its absolute discretion to assign, novate and/or transfer all of the Company's interest, rights and obligations in means all of the retail customer contracts for the sale and / or supply of energy to which the Company is a party (the "**Customer Contracts**") to the Attorney or a nominee of the Attorney; and
 - b. do and perform all such other acts, deeds, matters and things as in the opinion of the Attorney shall be necessary or expedient to achieve the transfer of the Customer Contracts in accordance with paragraph 1 above.
1. All documents executed or signed by the Attorney in exercise of the powers conferred by this Power of Attorney shall be binding on the Company as if such documents were executed or signed by the Company.
 2. The Attorney may take such steps or do any thing which it in its absolute discretion considers desirable in connection with the implementation or execution of the documents and any transaction contemplated above.
 3. The Company hereby ratifies and confirms and agrees to ratify and confirm the lawful actions of the Attorney under this Power of Attorney and shall indemnify the Attorney and keep the Attorney indemnified against all claims, costs and expenses which the Attorney may suffer as a result of such exercise.
 4. The Company declares that a person who deals with the Attorney in good faith may accept a written statement signed by the Attorney to the effect that this Power of Attorney has not been revoked as conclusive evidence of that fact.
 5. This Power of Attorney and any dispute, controversy, proceedings or claim of any nature (including non-contractual disputes or claims) whether arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the

IN WITNESS THEREOF this Power of Attorney has been executed as a deed by the parties hereto and is intended and is hereby delivered on the date at the beginning of this Power of Attorney on the day, month and year first above written.

[●]

[illegible]

Signatories to Debenture

Chargors

Executed as a Deed by)
So Energy Limited)
acting by *simon oscroft* ,)
a director,)
in the presence of:)

Signature of witness

Name of witness

Address of witness

Occupation of witness

DAVID HARRISON

SOLICITOR

**EMW
1st Floor
90 Chancery Lane
London
WC2A 1EU**

Notice Details

Address: So Energy, 107 Power Road, London, W4 5PY
Email address: simon.oscroft@so.energy
Attention: Simon Oscroft

Executed as a Deed by)
So Energy Trading Limited)
acting by *simon oscroft* ,)
a director,)
in the presence of:)

Signature of witness

Name of witness

Address of witness

Occupation of witness

DAVID HARRISON

SOLICITOR

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