



**Registration of a Charge**

Company name: **HARVEST GENERATION SERVICES LIMITED**

Company number: **09353790**



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Received for Electronic Filing: **01/04/2021**

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**Details of Charge**

Date of creation: **19/03/2021**

Charge code: **0935 3790 0003**

Persons entitled: **TEEC HOLDINGS LIMITED**

Brief description: **THE LEASEHOLD LAND LYING TO THE EAST OF MAIN ROAD, ARRETON, NEWPORT, ISLE OF WIGHT - FOR MORE DETAILS OF THE REGISTERED LAND PLEASE REFER TO THE INSTRUMENT.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

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

Certified by:

**GOWLING WLG (UK) LLP**



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

Company number: 9353790

Charge code: 0935 3790 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th March 2021 and created by HARVEST GENERATION SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st April 2021 .

Given at Companies House, Cardiff on 6th April 2021

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**

Private & Confidential

**Dated** 19 March **2021**

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**TEEC HOLDINGS LIMITED (1)**

**AND**

**HARVEST GENERATION SERVICES LIMITED (2)**

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**DEBENTURE**

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**PARTIES:**

- (1) **HARVEST GENERATION SERVICES LIMITED**, a company incorporated and registered in England and Wales with company registration number 09353790 whose registered address is 1 King William Street, London, United Kingdom, EC4N 7AF (the "**Chargor**"); and
- (2) **TEEC HOLDINGS LIMITED** a company incorporated in England and Wales (Registered No. 12695849) whose registered office is at 1 King William Street, London, United Kingdom, EC4N 7AF as lender (the "**Lender** ").

**BACKGROUND**

- (A) The Lender has agreed, pursuant to the Facility Agreement, to provide the Chargor with a loan facility on a secured basis.
- (B) Under this Deed, the Chargor provides security to the Lender for the loan facility made or to be made available under the Facility Agreement.

**IT IS AGREED** as follows:

**1 INTERPRETATION**

**1.1 Defined expressions**

Words and expressions defined in the Facility Agreement shall have the same meanings when used in this Deed unless the context otherwise requires.

In this Deed:

**Account**

- (a) any current, deposit or other account which the Chargor has, or has an interest in, at any time with the Lender or any other bank, financial institution or other person; and
- (b) any other account which may be opened in the place of an account referred to in (a) above irrespective of

the number or designation of any replacement account, and any sub-account of those accounts or replacement account, and includes, without limitation, each account specified in schedule 1 part B;

**Account Bank** any bank, financial institution or other person with whom an Account is held;

**Assigned Contract** each contract set out in part C of schedule 1;

**Assigned Property** all rights and interests which the Chargor now or at any later time has to, in or in connection with:

- (a) each Assigned Contract and its Contract Benefits;
- (b) the rights, interest and title of the Chargor in relation to the Insurances; and
- (c) the Insurance Proceeds;

**Book Debts** all book and other debts of any nature (whether present, future or contingent) due to the Chargor including, without limitation, trade receivables, royalties, fees and income and all other rights to receive money (but excluding Credit Balances);

**Capacity Agreement** has the meaning given to it in the Facility Agreement;

**Charged Accounts** the Accounts specifically referred to in schedule 1 part B and all other Accounts, together with all amounts standing to the credit of such Accounts including any interest accruing or accrued from time to time;

**Charged Property** all the assets of the Chargor which from time to time are, or are expressed to be, or intended to be, the subject of the Security Interests created by this Deed;

**Contract Benefit**

in relation to an Assigned Contract, all of the Chargor's rights under and interest in that Contract, including:

- (a) all moneys which may become payable, and the benefit of all property and claims, under that Contract;
- (b) any claim or action against any other party to that Contract and all rights, powers and discretions to deal with each other party to each Contract; and
- (c) all rights to give valid receipts and a good discharge for any amount received from, or on behalf of, any other party to that Contract;

**Credit Balance**

in relation to each Account:

- (a) the amount for the time being standing to the credit of or invested for that Account;
- (b) any amount received by or for the account of the Account Bank which the Account Bank is under a duty to credit to that Account but which the Account Bank has not yet credited to that Account;
- (c) any interest earned on an amount covered by paragraph (a) or (b) above, whether or not the interest earned has been credited to that Account; and
- (d) any other rights and benefits accruing to or arising in connection therewith including any rights against the Account Bank in connection with the Account;

**Delegate**

any delegate, agent, attorney or co-trustee appointed by the Lender or any Receiver;

**Facility Agreement**

the facility agreement dated on or around the date of this Deed between the Chargor (as Borrower) and the Lender ;



<b>Financial Collateral</b>	shall have the meaning given to that expression in the Financial Collateral Regulations;
<b>Financial Collateral Regulations</b>	the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226);
<b>Fixtures</b>	the buildings, fixtures and fittings described in paragraph (d) of the definition of " <b>Real Property</b> " in this clause 1.1;
<b>Insolvency Proceedings</b>	<p>any corporate action, legal proceedings or other procedure or step which is taken in relation to:</p> <ul style="list-style-type: none"> <li>(a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the relevant party;</li> <li>(b) a composition, compromise, assignment or arrangement with any creditor of the relevant party;</li> <li>(c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of the relevant person or any of its assets; or</li> <li>(d) enforcement of any Security Interest over any assets of the relevant person,</li> </ul> <p>or any analogous procedure or step which is taken in any other jurisdiction;</p>
<b>Insurance Proceeds</b>	all proceeds of Insurances payable to or received by the Chargor (whether by way of claims, return of premium, ex gratia settlements or otherwise);
<b>Insurances</b>	(a) all policies and contracts of insurance, effected or assigned in respect of or in relation to the assets or

business of the Chargor, whether before or after the date of this Deed; and

- (b) all rights and other assets relating to, or derived from, any of the foregoing, including any rights to a return of a premium,

and includes, without limitation, the policies specified in part C of schedule 1;

**Insurer**

an insurer or reinsurer with whom Insurance is effected and maintained;

**Investment**

- (a) all rights of the Chargor relating to securities and investments which are deposited with, or registered in the name of, any depositary, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee, in each case whether or not on a fungible basis (including rights against any such person); and
- (b) securities and investments of all kinds owned by the Chargor (or in which the Chargor otherwise has rights or is interested) including without limitation, shares, loan stock, debentures, units, depositary receipts, commercial paper, notes, bonds and certificates of deposit;
- (c) warrants, coupons, options or other rights of the Chargor to subscribe for, purchase or otherwise acquire securities and;
- (d) any other rights of the Chargor attaching or relating to securities or investments as defined in paragraphs (a) to (d) above and all cash or other securities or investments in the future deriving from any investments as defined in paragraphs (a) to (d) above or such rights, including, without limitation, all

dividends, distributions, interest and other income and any shares (whether by way of conversion, consolidation, sub division, substitution, redemption, bonus, preference, option or otherwise);

<b>LP (MP) Act</b>	the Law of Property (Miscellaneous Provisions) Act 1994;
<b>LPA</b>	the Law of Property Act 1925;
<b>Plant and Machinery</b>	the Project Equipment and any plant and machinery owned by the Chargor (or in which the Chargor otherwise has rights or is interested) that is not construed as a " <b>Fixture</b> " pursuant to this clause 1.1, including, without limitation, any computers, computer software, office equipment and vehicles;
<b>Real Property</b>	<p>(a) the real property referred to in part A of schedule 1;</p> <p>(b) any and all freehold, leasehold and commonhold property (including moveable and immoveable property) in England and Wales (whether registered or unregistered) as may be held by the Chargor (or in which the Chargor is otherwise interested) from time to time;</p> <p>(c) any real property elsewhere in the world as may be held by the Chargor (or in which the Chargor is otherwise interested) to the extent of its interest from time to time; and</p> <p>(d) all buildings, fixtures and fittings (including trade fixtures and fittings), fixed plant and machinery and apparatus on the property described in paragraphs (a) and (b) above,</p>

including all rights attaching or relating thereto;

<b>Receiver</b>	an administrative receiver, a receiver or a receiver and manager (and shall include any joint administrative receivers, joint receivers or joint receivers and managers) of the whole or any part of the Charged Property;
<b>Secured Liabilities</b>	all liabilities due, owing or payable or expressed to be due, owing or payable by the Chargor as at the date of this Deed or at any later time or times, to the Lender or the Secured Parties, whether actual or contingent, owed jointly or severally or as principal, agent or surety or trustee; and for this purpose, there shall be disregarded any total or partial discharge of the Secured Liabilities, any non-provability, unenforceability or nonallowance of those amounts or any other variation of their terms which is effected by, or in connection with, any bankruptcy, liquidation, arrangement or other procedure under the insolvency laws of any country or any other proceedings commenced in any country;
<b>Security Financial Collateral Arrangement</b>	shall have the meaning given to that expression in the Financial Collateral Regulations;
<b>Security Interest</b>	<p>(a) any mortgage, pledge, lien, charge (whether fixed or floating), assignment, assignation, hypothecation, or security interest, set-off or trust arrangement for the purpose of creating security;</p> <p>(b) any reservation of title or other interest securing any obligation of any person; or</p> <p>(c) any other agreement or arrangement having a similar effect to any of the above;</p>
<b>Security Period</b>	the period commencing on the date of this Deed and ending on the date the Lender notifies the Chargor that the Secured Liabilities have been satisfied in full and that the Lender, acting reasonably, does not consider that there will be a significant risk that any payment or transaction under a Finance Document could be set aside or would have to be

reversed in any present or possible future bankruptcy of the Chargor or in any present or possible future proceedings relating to a Finance Document or any asset covered by a Security Interest created by a Finance Document.

## 1.2 Construction of certain terms

Clause 1.2 of the Facility Agreement applies, with any necessary modifications, to this Deed but in this Deed references to:

- (a) a reference to the "**Charged Property**" (or any part thereof) includes the proceeds of sale of such Charged Property;
- (b) "**full title guarantee**" shall be construed in accordance with the LP (MP) Act but so that the covenants implied by the LP (MP) Act in respect of the Security Interests created or intended to be created under this Deed do not include:
  - (i) the words "other than any charges, encumbrances or rights which that person does and could not reasonably be expected to know about" in section 3(1)(b) of the LP (MP) Act; and
  - (ii) section 6(2) of the LP (MP) Act;
- (c) the "**Lender**", and any "**Party**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (d) "**assets**" includes present and future properties, revenues and rights of every description;

## 1.3 Third party rights

Subject to paragraph (b) of clause 10.11 (*Exclusion of liability*), a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

#### 1.4 **Perpetuity period**

The trusts constituted by this Deed are governed by English law and the perpetuity period under the rule against perpetuities, if applicable to this Deed, shall be the period of one hundred and twenty-five years from the date of this Deed.

#### 1.5 **Incomplete security details**

In the event that no details or incomplete details of any asset or assets are inserted in schedule 1, this will not affect the validity or enforceability of the Security Interests created by this Deed.

#### 1.6 **Disposition under LP (MP) Act**

The terms of any Finance Document between the Chargor and the Lender under which Secured Liabilities arise are incorporated in this Deed to the extent required to ensure that any purported disposition of the Charged Property contained in this Deed is a valid disposition in accordance with section 2(1) of the LP (MP) Act.

### 2 **COVENANT TO PAY**

#### 2.1 **Covenant to pay**

The Chargor hereby covenants with the Lender that it shall on demand pay or discharge the Secured Liabilities when the same become due, whether by acceleration or otherwise.

### 3 **GENERAL SECURITY PROVISIONS**

#### 3.1 **Security Interests**

Each Security Interest created by this Deed is:

- (a) created over the present and future assets of the Chargor;
- (b) security for the payment or discharge of the Secured Liabilities;
- (c) save only as provided in clause 3.3 (*Third party consents*), made with full title guarantee.

### 3.2 **Continuing security**

This Deed shall remain in force until the end of the Security Period as a continuing security for the payment, discharge and performance of all the Secured Liabilities.

### 3.3 **Third party consents**

If any of the Security Interests which the Chargor purports to give in respect of any asset under this Deed cannot be granted fully and effectively in the manner envisaged by this Deed without the consent of a third party:

- (a) the Chargor must notify the Lender immediately upon becoming aware of the same;
- (b) such Security Interests will take effect in respect of all amounts which the Chargor may receive, or has received, in respect of the relevant asset but exclude the asset itself, until such consent is received; and
- (c) the Chargor must use all reasonable endeavours to obtain such consent as soon as practicable and, once obtained, will promptly provide a copy of that consent to the Lender.

### 3.4 **Separate and independent Security Interests**

Each asset intended to be comprised within the Charged Property shall be the subject of a separate Security Interest and each Security Interest created in respect of such asset by clauses 4 (*Mortgages and Charges*) and 5 (*Assignments*) or by any part of clauses 4 (*Mortgages and Charges*) and 5 (*Assignments*) is a separate and independent Security Interest and if any one of them is to be construed and categorised as a floating charge, that construction and categorisation shall not result in the others being so construed or categorised.

### 3.5 **Ineffective Security Interests**

If, for any reason, any purported assignment or charge of any of the Charged Property pursuant to this Deed is found to be ineffective (including by reason of the lack of consent referred to in clause 3.3), the Chargor will hold the benefit of the Charged Property and any

sums received in respect of the Charged Property on trust for the Lender during the Security Period and will:

- (a) account to the Lender for or otherwise apply all such sums as the Lender may direct,
- (b) at its own cost exercise any rights it may have in respect of the Charged Property at the direction of the Lender, and
- (c) at its own cost take such action and execute such documents in connection with the foregoing as the Lender may in its sole discretion require.

### 3.6 **Trust of proceeds**

The Chargor shall at all times during the continuance of this Deed hold all monetary proceeds whether in the nature of capital or income received by it as a result of getting in, collecting, selling or otherwise disposing of any item of the Charged Property (other than to the extent that such Charged Property is covered by a floating charge created by this Deed) and any cheques, warrants, drafts or other instruments representing any of those proceeds upon trust for the Lender to be paid over to the Lender and applied in the manner set out in clause 12 (*Application of moneys*).

### 3.7 **No obligations imposed on Lender**

The Chargor shall remain liable to perform all obligations connected with the Charged Property and the Lender shall not, in any circumstances, have or incur any obligation or liability of any kind in connection with the Charged Property.

### 3.8 **Right of appropriation**

- (a) For the purposes of the Financial Collateral Regulations, to the extent that:
  - (i) the Charged Property constitutes Financial Collateral; and
  - (ii) this Deed and the obligations of the Chargor under it constitute a Security Financial Collateral Arrangement,

the Lender shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or



towards the payment and discharge of the Secured Liabilities in any order that the Lender, in its absolute discretion, may from time to time determine.

- (b) The value of any Secured Assets appropriated in accordance with this clause 3.8 shall be determined by any method that the Lender may select, including independent valuation.
- (c) The Chargor agrees that the method of valuation provided for in this clause 3.8 is commercially reasonable for the purposes of the Financial Collateral Regulations.

### 3.9 **Release**

Upon expiry of the Security Period but subject to clause 9.3 (*Reinstatement*), the Lender shall, at the request and expense of the Chargor, release the Security Interests created by this Deed and re-assign (without any warranty, representation, covenant or other recourse) to the Chargor such rights, if any, as the Lender then has to, or in connection with the Charged Property.

### 3.10 **No Security**

The Charged Property is free from any Security Interest (other than any Permitted Security).

## 4 **MORTGAGES AND CHARGES**

### 4.1 **Legal mortgage**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender, by way of first legal mortgage, the Property specified in part A of schedule 1.

### 4.2 **Fixed and floating charges**

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor hereby charges in favour of the Lender with full title guarantee:

- (a) by way of first fixed charge, all its Real Property not effectively mortgaged under clause 4.1 including all Real Property acquired by it in the future;

- (b) by way of first floating charge the Credit Balances on the Charged Accounts and the Book Debts;
- (c) by way of first fixed charge:
  - (i) the Assigned Contracts to the extent not assigned or effectively assigned under clause 5 (*Assignments*);
  - (ii) the Insurance Proceeds to the extent not assigned or effectively assigned under clause 5 (*Assignments*);
  - (iii) the Plant and Machinery;
  - (iv) the Intellectual Property;
  - (v) uncalled capital and goodwill;
  - (vi) all the Investments; and
  - (vii) any licences, consents, authorisation (statutory or otherwise), guarantees, rents, deposits, contracts, covenants and warranties held in connection with its business or the use of any Charged Property (to the extent not effectively assigned under clause 5.1 (*Assigned Property*)).

## **5 ASSIGNMENTS**

### **5.1 Assigned Property**

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor hereby assigns and agrees to assign to the Lender absolutely (subject to a proviso for re-assignment on redemption) with full title guarantee the Assigned Property and all future similar property.

### **5.2 Notices**

- (a) The Chargor shall, immediately following the execution of this Deed, give written notice of the charges over the Credit Balances contained in clause 4.2(b) to each Account Bank, in the form set out in part A of schedule 2 (or otherwise in such form as the

Lender shall require) and thereafter shall use all reasonable endeavours to procure that the Lender receives as soon as is reasonably practicable an acknowledgement from each such Account Bank in the form set out in part B of schedule 2. Upon opening any further Accounts, the Chargor shall do the same.

- (b) The Chargor shall, immediately following the execution of this Deed (or, if later, the date of entry into the relevant Assigned Contract or transfer of the Capacity Agreement (as applicable)) and thereafter from time to time upon the written request of the Lender, give written notice of the assignment pursuant to clause 5.1 (*Assigned Property*) to each person who is party to an Assigned Contract (other than the Chargor), in the form set out in part A of schedule 3 (or otherwise in such form as the Lender shall require) and thereafter shall use all reasonable endeavours to procure that the Lender receives as soon as is reasonably practicable an acknowledgement from each such party in the form set out in part B of schedule 3.
- (c) The Chargor shall, immediately following the execution of this Deed, give written notice of the assignment of the Insurances contained in clause 5.1 (*Assigned Property*) to each Insurer (or, in relation to any Insurance that is effected and maintained through an insurance broker, to that insurance broker) in the form set out in part A of schedule 4 and shall use all reasonable endeavours to procure that the Lender receives as soon as is reasonably practicable an acknowledgement from each Insurer (or broker, where applicable) in the form set out in part B of schedule 4.

## **6 FLOATING CHARGE**

### **6.1 Creation of floating charge.**

As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor charges in favour of the Lender by way of first floating charge with full title guarantee all of the Chargor's undertaking and property, assets and rights whatsoever and wheresoever situated both present and future other than those effectively mortgaged, charged or assigned under clause 4 (*Mortgages and Charges*) or clause 5 (*Assignments*).

### **6.2 Qualifying floating charge**

The floating charge created under clause 6.1 (*Creation of floating charge*) and any other charge created by this Deed which is construed and categorised as a floating charge shall constitute a "**qualifying floating charge**" for the purposes of paragraph 14 of schedule B1 to

the Insolvency Act 1986 and accordingly the Lender may appoint an administrator of the Chargor pursuant to that paragraph.

### 6.3 **Conversion by notice**

Without prejudice to clause 6.5 (*Automatic conversion*), the Lender may at any time by notice to the Chargor convert the floating charge created by the Chargor under this Deed into a fixed charge as regards any or all of the Chargor's assets or class of assets specified (specifically or generally) in that notice if an Event of Default has occurred and is continuing and may take possession of or appoint a Receiver in respect thereof.

### 6.4 **Subsequent notices and rights**

Any notice issued by the Lender under clause 6.3 (*Conversion by notice*) in relation to any of the Chargor's assets shall not be construed as a waiver or abandonment of the Lender's right to give similar notices in respect of any other of the Chargor's assets nor of any of the Lender's rights under the other Finance Documents.

### 6.5 **Automatic conversion**

The floating charge created under this Deed will (without prejudice to automatic conversion as a matter of law) automatically and immediately convert into a fixed charge over all of the assets the subject of that floating charge:

- (a) as soon as the Lender takes any other action which constitutes the enforcement of a Security Interest created by a Finance Document; or
- (b) if, and as soon as, the Chargor takes any step to create a Security Interest in breach of any term of a Finance Document; or
- (c) if and as soon as the Chargor takes any step to sell, transfer or otherwise dispose of any asset forming part of the Charged Property otherwise than in accordance with the Finance Documents; or
- (d) if, and as soon as, any person takes any step to effect any expropriation, attachment, sequestration, distress, execution or other process against any of the Charged Property; or

- (e) on the convening of any meeting of the members of the Chargor to consider a resolution to wind the Chargor up (or not to wind the Chargor up) or if a petition is presented in England and Wales for the winding up of the Chargor or any steps are otherwise taken to appoint a liquidator, Receiver or administrator or another similar officer in respect of the Chargor or any of its assets.

## **6.6 Insolvency Act 2000**

For as long as such action is prohibited under the Insolvency Act 2000 or otherwise at law, the floating charge created under this Deed may not be converted into a fixed charge solely by reason of the obtaining of a moratorium or anything done with a view to obtaining a moratorium.

## **6.7 Assets acquired after crystallisation**

Any asset acquired by the Chargor after any crystallisation of the floating charge created under this Deed which, but for such crystallisation would be subject to a floating charge shall be charged to the Lender by way of first fixed charge.

# **7 CHARGED ACCOUNTS**

## **7.1 Assignment of Credit Balance not permitted**

During the Security Period, the Chargor shall not attempt to assign any right (future or contingent) relating to the Credit Balance on any Charged Account without the Lender's prior written consent.

## **7.2 Right to determine order of application of Credit Balance**

If, on any occasion on which the Lender exercises its rights under this Deed with respect to the Credit Balances the aggregate amount of the Credit Balance is less than the aggregate of the Amounts Eligible for Set-Off, the Lender may exercise those rights in respect of such of the Amounts Eligible for Set-Off, and in such proportions, as the Lender on that occasion decides.

### 7.3 **Certification of application of Credit Balance**

A certificate signed by a director or other senior officer of the Lender and which states that a notice of set-off of which a copy is attached to the certificate was served by the Lender on the Chargor on a specified date, and (if the certificate also states this) at or before a specified time, shall be conclusive evidence that the liabilities of the Lender in respect of the Credit Balance, and the Secured Liabilities, which were referred to in the notice were extinguished and discharged on the specified date and (if the certificate so states) at or before the specified time.

### 7.4 **Meaning of "assignment"**

In this clause 7, references to assignment include the creation, or permitting to arise, of any form of beneficial or security interest and every other kind of disposition.

### 7.5 **Meaning of "Amount Eligible for Set-Off"**

In this clause 7, "Amount Eligible for Set Off" means any amount which is at the relevant time outstanding from the Chargor to the Lender.

### 7.6 **Independent rights**

The Lender's rights under this clause 7 are in addition to, and entirely separate from, and exercisable independently of, the Lender's rights under clause 4.1 and shall constitute "**close-out netting provisions**" for the purpose of the Financial Collateral Regulations.

## 8 **SECURITY COVENANTS**

### 8.1 **Negative pledge**

The Chargor shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Charged Property other than any Security created by this Deed;
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Charged Property (except,

in the ordinary course of business, Charged Property that is only subject to an uncrystallised floating charge); or

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

## 8.2 **Real Property**

The Chargor shall:

- (a) deposit with the Lender, and the Lender shall be entitled to hold, all title deeds and documents including, without limitation, land charges and Land Registry search certificates relating to the Real Property;
- (b) in relation to the Real Property, make such applications and / or registrations, submit such notices and other documents, to the Land Registry, Companies House or to such other persons as the Lender may direct in writing to the Chargor;
- (c) at its own expense, pay any application, administration or similar fees which are required to be paid to the Land Registry, Companies House or such other persons as a result of the Chargor taking the action described in paragraph (b);
- (d) provide the Lender with all such information and documents as the Lender may from time to time request in connection with the Real Property; and
- (e) at its own expense, do whatever the Lender may require in connection with any application that is able to be made under the Land Registration Rules 2003 in relation to this Deed, and not initiate any such application unless directed to do so by the Lender.

## 8.3 **Fixtures and Plant and Machinery**

So long as an Event of Default has occurred and is continuing, the Chargor shall take any action which the Lender may reasonably require to evidence the interest of the Lender in the Fixtures and the Plant and Machinery which shall include fixing a nameplate to such Fixtures and Plant and Machinery in a prominent position (which nameplate shall not be concealed, altered or removed without the consent of the Lender) stating that such Fixtures and Plant and Machinery are subject to a first legal mortgage and/or fixed charge (as appropriate) in favour

of the Lender and such Fixtures and Plant and Machinery shall not be transferred, sold, destroyed or otherwise interfered with without the prior written consent of the Lender.

#### 8.4 **Book Debts**

The Chargor shall:

- (a) not at any time without the prior written consent of the Lender sell, assign, discount, factor, charge, deal with, amend the terms of, exchange, compromise, or grant time or indulgence in respect of its Book Debts;
- (b) promptly get in and realise its Book Debts and immediately pay the proceeds in to the relevant Charged Accounts;
- (c) so long as an Event of Default has occurred and is continuing, if required by the Lender, promptly execute an assignment of its Book Debts and give written notice of such assignment to the debtor each in such form as the Lender shall prescribe; and
- (d) provide to the Lender at its request a list of debtor names, addresses, amounts and due dates in respect of its Book Debts together with such other information as the Lender may require.

#### 8.5 **Assigned Contracts**

The Chargor shall:

- (a) not:
  - (i) amend or waive the term of an Assigned Contract in a manner which materially and adversely affects the interest of the Lender in the Assigned Contracts; or
  - (ii) terminate an Assigned Contract without the Lender's consent;
- (b) promptly, on demand, deliver to the Lender executed originals or certified copies of all Assigned Contracts and shall promptly deliver such other documents relating to the Assigned Contracts as the Lender requests;



- (c) the Chargor shall:
- (i) provide the Lender with all information relating to the Assigned Contracts which the Lender requests;
  - (ii) duly and promptly perform and pay all obligations and moneys to be performed or paid by it from time to time in respect of each Assigned Contract and promptly produce to the Lender on request all receipts for any such payments;
  - (iii) do all things necessary to maintain each Assigned Contract in full force and effect;
  - (iv) promptly inform the Lender if a Assigned Contract becomes void or unenforceable or subject to any material dispute;
  - (v) observe and perform all covenants, undertakings, laws and regulations from time to time affecting any Assigned Contract or its use or enjoyment;
  - (vi) at its own cost, defend any proceedings brought by a third party relating to any Assigned Contract or Contract Benefits;
  - (vii) notify the Lender of any default by itself or any other party to the Assigned Contracts and institute and maintain any proceedings necessary or expedient to preserve or protect the interest of the Lender in the Assigned Contracts; and
  - (viii) promptly and duly pay, and indemnify the Lender against, all existing and future taxes, duties, fees, charges, assessments, impositions and outgoings (whether imposed by deed or statute or otherwise and whether in the nature of capital or revenue and even though of a wholly novel character) which now or at any time during the continuance of the security constituted by or pursuant to this Deed are properly payable in respect of the Assigned Contracts or Contract Benefits.

## 8.6 **General**

The Chargor shall:

- (a) carry on its trade and business in accordance with the standards of good management from time to time current in its trade or business on those parts of the Real Property as are, or may be, used for the purposes of its trade or business;
- (b) not do, or permit to be done, any act or thing, which will or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this debenture;
- (c) at all times keep in good and substantial repair and condition all the Charged Property including, without limitation, all buildings, erections, structures and Fixtures;
- (d) keep all Plant and Machinery in good repair, working order and condition and fit for its purpose; and
- (e) where it is uneconomic to repair any part of the Charged Property, replace such part by another similar asset of equal or greater quality and value.

## 9 **PRESERVATION OF SECURITY**

### 9.1 **Protecting or maintaining security**

The Lender may take any action which, acting reasonably, it thinks necessary for the purpose of protecting or maintaining the Security Interests created by this Deed.

### 9.2 **Power to remedy**

Without limiting the generality of clause 9.1 (*Protecting or maintaining security*), if the Chargor fails to discharge any liability or to perform any of its obligations under, or to comply with any term of, the Finance Documents or with respect to any item of the Charged Property, the Lender or any Delegate may, without prejudice to any other rights of the Lender hereunder or otherwise under the Finance Documents:

- (a) enter any of the Chargor's premises;

- (b) effect, replace and renew any Insurances; and
- (c) take any action which the Lender may consider to be necessary so as to discharge any such liability, perform any such obligation or comply with any such term.

### 9.3 **Reinstatement**

If any payment or settlement by the Chargor or any discharge given by the Lender in respect of the obligations of the Chargor under a Finance Document or any Security Interests for those obligations is avoided, set aside, refunded or reduced as a result of any provision or enactment, insolvency or for any other reason or in the opinion of the Lender, acting reasonably, is capable of being so avoided, set aside, refunded or reduced:

- (a) that amount will not be considered to have been irrevocably paid for the purposes of this Deed;
- (b) the liability of the Chargor and the Security Interests created by this Deed shall continue; and
- (c) the Lender shall be entitled to recover the value or amount of that Security Interest or payment from the Chargor,

as if the payment, discharge, avoidance, refund or reduction had not occurred.

## 10 **ENFORCEABILITY AND LENDER'S POWERS**

### 10.1 **Right to enforce security**

If:

- (a) an Event of Default occurs which is continuing or if the Chargor requests the Lender in writing to enforce the security:
  - (i) the Security Interests created by this Deed shall immediately become enforceable for all purposes (including those of paragraph 14 of schedule B1 of the Insolvency Act 1986);

- (ii) the Lender shall be entitled at any time or times to serve a notice on the Chargor crystallising each charge created by this Deed which is a floating charge and to give notice thereof to any Account Bank or other person party to a contract assigned or charged hereunder;
- (iii) the Lender shall be entitled at any time or times to exercise the powers set out in this clause 10 and in any other Finance Document without first appointing a Receiver and irrespective of any appointment; and
- (iv) the Lender shall be entitled at any time or times:
  - (A) to exercise the powers possessed by it as the holder of any Security Interests over or in respect of any item of the Charged Property conferred by the law of any country or territory in which any item of the Charged Property is physically present or deemed to be sited, the courts of which have or claim any jurisdiction in respect of the Chargor or any item of the Charged Property; and
  - (B) without limiting the scope of the Lender's powers under subparagraph (A) above, to exercise the powers possessed by it as a creditor or as a person with a Security Interest in any item of the Charged Property conferred by English law.

## 10.2 **Secured Liabilities**

For the purpose of all powers implied by law only, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

## 10.3 **Receipt of sums**

On or after the occurrence of an Event of Default which is continuing, the Lender may require that sums recoverable in respect of the Insurances shall be payable to the Lender.

## 10.4 **Power to appoint Receiver**

The Lender shall have the power at any time after the Security Interests created by this Deed have become enforceable, to appoint any one or more persons to be a Receiver of any or any part of the Charged Property as may be specified or described in the appointment.

## 10.5 **Administrator**

Without prejudice to the Lender's power to appoint an administrative receiver where permitted by law, the Lender shall have full power to appoint an administrator of the Chargor or, at the option of the Lender, to apply to court for an administration order in respect of the Chargor when, or at any time after, the Security Interests created by this Deed have become enforceable.

## 10.6 **Lender's specific powers**

The statutory power of sale and the other statutory powers conferred on mortgagees by section 101 of the LPA or otherwise by law, as varied and extended by this Deed, shall arise on the date of this Deed and, on the occurrence of an Event of Default which is continuing, the Lender shall be entitled then or at any later times or times without further notice:

- (a) without becoming liable as mortgagee in possession, to exercise any right in relation to any part of the Charged Property including the right to take possession of, get in and collect as well as relinquish possession of all or part of the Charged Property at any time;
- (b) to enter into contracts or arrangements of any kind and to perform, amend, repudiate, cancel or terminate any contract or arrangement which the Chargor has entered into (including without limitation, the Assigned Contracts);
- (c) to release, waive, suspend, subordinate or permit to be lost or impaired any rights which the Chargor possesses under or in connection with any contract or arrangement which the Chargor has entered into (including without limitation, the Assigned Contracts);
- (d) to assign, novate, transfer or dispose of any of the Chargor's rights and obligations under any contract or arrangement which the Chargor has entered into (including without limitation, the Assigned Contracts);
- (e) to release any Security Interest relating to any person's obligation or liabilities under any contract or arrangement which the Chargor has entered into (including without limitation, the Assigned Contracts);

- (f) to lease, license, and grant other real estate interests, to make agreements for leases, licences and other real estate interests, to accept surrenders or other arrangements for the termination of leases, licences and other real estate interests, to enter into any arrangement with landlords, licensees and other holders of real estate interests as well as to grant or terminate options in respect of the Charged Property;
- (g) to collect, recover, give good discharge for and require payment of any amount payable to the Chargor under or in connection with the Charged Property;
- (h) to appropriate all or any part of the Credit Balances in or towards the discharge of the then outstanding Secured Liabilities notwithstanding that any maturity or roll-over date attached to any part or parts of the Credit Balances may not yet have arrived;
- (i) to manage and carry on the business of the Chargor in such manner as it thinks fit and to exercise such rights in respect of the Charged Property and the business as are consistent with the Lender having absolute beneficial Lendership of the Charged Property and the business;
- (j) to sell, exchange, assign, transfer, lease, pledge or otherwise dispose of or realise the Charged Property whether by public auction or private contract on such terms as the Lender considers fit and the consideration involved may comprise, without limitation, cash, debentures, shares or stock and the timing of payment shall be decided by the Lender;
- (k) to borrow or otherwise raise funds whether secured on the Charged Property or not;
- (l) to lend money to any third party;
- (m) to enter into financial instruments and obligations, including, without limitation, covenants, bonds, guarantees, indemnities and letters of credit;
- (n) to insure the Charged Property and to carry out such repairs, alterations, decoration and improvements to the Charged Property as the Lender thinks fit;
- (o) to apply for any consents, licences, registrations, permissions, approvals and authorisations as the Lender considers desirable in respect of the Charged Property or the business generally;

- (p) to redeem any Security Interests attaching to the Charged Property or the Chargor's business;
- (q) to employ, hire and/or appoint employees, officers, agents, contractors and advisers to work for the business, to vary the employment terms of such employees, officers, agents, contractors and advisers and to dismiss the same;
- (r) to petition or apply for, or prove or claim in, any Insolvency Proceedings in respect of any person having any liability in relation to any item of the Charged Property;
- (s) to vote for or against and participate in, any Insolvency Proceedings in respect of any person having any liability in relation to any item of the Charged Property;
- (t) to appoint all kinds of agents, whether to enforce or exercise any right under or in connection with any item of the Charged Property or for any other purpose permitted by the Finance Documents;
- (u) to take over, commence or defend (if necessary using the Chargor's name) any claims, disputes, demands or legal proceedings (including arbitration claims) relating to, or affecting, any item of the Charged Property (or rights relating thereto) or the Chargor's business generally which the Lender may think fit and to abandon, release or settle in any way such claims, disputes, demands and proceedings;
- (v) to form a new company and to subscribe for shares or otherwise acquire an interest in any company and to sell, assign, exchange or otherwise transfer its rights and interests in the Charged Property to such company and/or to sell its rights and interests in such company to a third party;
- (w) generally, to enter into any transaction of any kind and to do anything in relation to any item of the Charged Property or the business which the Lender may think fit and any action taken by the Lender may be taken if necessary or desirable in the name of the Chargor.

#### 10.7 **Lender's general powers**

Without prejudice to any other provision of this Deed, the Lender is entitled to all the rights, powers, privileges and immunities conferred by law on mortgagees and receivers including

without limitation under Section 42 of the Insolvency Act 1986 and schedule 1 to that Act (general powers of an administrative receiver).

- (a) Any restrictions or conditions imposed by law on the Lender and/or any Receiver are hereby disapplied to the fullest extent permitted by law including, without limitation, restrictions and/or conditions imposed regarding:
  - (i) consolidation of mortgages under section 93 of the LPA;
  - (ii) provisions regarding real property under sections 99 and 100 of the LPA;
  - (iii) the power of sale under section 103 of the LPA;
  - (iv) provisions regarding the application of proceeds under sections 105, 107(2), 109(6) and 109(8) of the LPA; and
  - (v) the right of a mortgagee to appoint a Receiver under s109(1) of the LPA,

save that, for as long as such action is prohibited under the Insolvency Act 2000 or otherwise at law, the Lender is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under the Insolvency Act 2000 except with the leave of the court.

#### **10.8 Supplementary provisions regarding Receivers**

The following shall have effect as regards any Receiver appointed under this clause 10:

- (a) the appointment shall be by deed or, at the Lender's option, by a document signed by any of its officers; and an appointment in respect of some only of the Charged Property may later be extended to all or some of the other Charged Property;
- (b) to the fullest extent permitted by law, a Receiver shall be the Chargor's agent, and the Chargor shall be responsible, to the exclusion of any liability on the part of the Lender, for his remuneration, contracts, engagements, liabilities, acts, omissions, losses and defaults;



- (c) the Lender shall not be liable to the Chargor or any third party for any liabilities or losses incurred by the Chargor or a third party as a result of the appointment of a Receiver;
- (d) the remuneration of a Receiver and the other terms of his appointment shall be fixed and may be revised by the Lender who shall not be bound by the maximum rate of remuneration imposed by section 109(6) of the LPA or otherwise by law;
- (e) the Receiver shall have all the rights, powers, privileges and immunities conferred upon and exercisable by the Lender under this Deed and the Finance Documents generally (excluding the power to appoint a receiver or an administrator), subject to any express restrictions or conditions set out in the Finance Documents generally and the specific terms of his appointment;
- (f) the Chargor irrevocably and by way of security appoints every Receiver its attorney on its behalf and in its name or otherwise to execute or sign any document and do any act or thing which that Receiver considers necessary or desirable with a view to or in connection with any exercise or proposed exercise of any of his powers;
- (g) in the case of joint Receivers, any of their rights, powers and discretions may be exercised by any one or more of them, unless their appointment specifically states to the contrary;
- (h) in the event that a Receiver is not an administrative receiver, the Lender may remove him, with or without appointing another Receiver; and such a removal may be effected by a document signed by any of the Lender's officers;
- (i) the Lender may appoint a Receiver to replace a Receiver who has resigned or for any other reason ceased to hold office;
- (j) a Receiver shall be entitled to retain out of any money received by him such amounts in respect of his expenses (or to cover estimated future expenses) as he may from time to time agree with the Lender;
- (k) in the event of any conflict between the powers of the Lender, Receiver and/or Delegate under this Deed and the provisions of the LPA, the Insolvency Act 1986, the Insolvency Act 2000 and any other relevant legislation, the provisions of this Deed shall take priority to the fullest extent permitted by law; and

- (l) to the fullest extent permitted by law, the rights, powers and discretions awarded to the Lender and/or any Receiver under this Deed shall not be affected by any insolvency or dissolution proceedings (including without limitation), any receivership (whether administrative or not), administration, provisional liquidation, liquidation, dissolution, or arrangement (of any kind) affecting the Chargor and/or its assets.

#### 10.9 **No obligation to check payments**

Neither the Lender nor any Receiver nor any Delegate shall be obliged to check the nature or sufficiency of any payment received by it or him under this Deed.

#### 10.10 **Administrator's general powers**

To the extent permitted by law, any administrator appointed under this Deed shall have all the rights, powers, privileges and immunities conferred upon and exercisable by the Lender and a Receiver under this Deed in addition to the rights, powers, privileges and immunities which are conferred on administrators by law.

#### 10.11 **Exclusion of liability**

- (a) Without limiting paragraph (b) below, none of the Lender, any Receiver, any Delegate nor any officer, employee or agent of any of the Lender, any Receiver or any Delegate will be liable for any losses (including, without limitation, for any shortfall which arises on the enforcement or realisation of the Charged Property) to any person or have any liability for any action taken by it or not taken by it at any time under, in connection with or in relation to, any Finance Document or the Charged Property or the transactions contemplated by the Finance Documents (both before and after execution of the Finance Documents) unless directly caused by its gross negligence or wilful misconduct.
- (b) The Chargor shall not take any proceedings against any officer, employee or agent of the Lender or any Receiver or any Delegate in respect of any claim it might have against the Lender or any Receiver or any Delegate or in respect of any act or omission of any kind by that officer, employee or agent at any time under, in connection with, or in relation to any Finance Document or the transactions contemplated by the Finance Documents (both before and after execution of the Finance Documents) and any officer, employee or agent of the Lender or any Receiver or any Delegate may rely on

this clause pursuant to the provisions of the Contracts (Rights of Third Parties) Act 1999.

## **11 INDEMNITY**

### **11.1 Indemnity by Chargor.**

The Chargor shall, within five Business Days of demand, pay to, or reimburse, the Lender, and any Receiver (and their respective directors, officers, employees, servants or agents) on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate (and their respective directors, officers, employees, servants or agents) in connection with:

- (a) any breach by the Chargor of its obligations under this Deed and / or in relation to the Charged Property;
- (b) enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities.

### **11.2 Indemnity out of Charged Property**

Without prejudice to clause 11.1 (*Indemnity by Chargor*) and to any indemnity given to the Lender, any Receiver and any Delegate (and their respective directors, officers, employees, servants or agents) under a Finance Document or otherwise at law, in either case entitling the Lender, any Receiver and any Delegate (and their respective directors, officers, employees, servants or agents) to an indemnity in respect of and/or reimbursement of, any costs, losses or liabilities incurred or suffered by it in connection with a Finance Document, the Lender, any Receiver and any Delegate may indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnities in its favour.

### **11.3 Late Payment**

The Chargor shall pay interest at the Late Payment Rate on the sums payable under this clause 11 from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

## **12 APPLICATION OF MONEYS**

### **12.1 Application**

All sums received by the Lender, a Receiver or a Delegate after the Security Interests created by this Deed have become enforceable shall, subject to any claims ranking in priority to the Security Interests created by this Deed, be held by the Lender or the Receiver or Delegate (as the case may be) upon trust and shall be applied:

- (a) first, in or towards payment of costs, expenses losses or liabilities incurred by the Lender or any Receiver under or in connection with this Deed and all remuneration due to any Receiver or any Delegate under or in connection with this Deed;
- (b) second, in or towards satisfaction of any interest payable to the Lender (both before and after judgment) from the date it became due until the date it is irrevocably paid in full;
- (c) third, in or towards satisfaction of the Secured Liabilities and for this purpose the Lender may allocate such amounts as it may determine in its absolute; and
- (d) fourth, in the payment of the surplus (if any) to the Chargor or other persons entitled to it.

### **12.2 Shortfall**

Clause 12.1 (*Application*) does not prejudice the right of the Lender to recover from the Chargor any shortfall which arises due to the Secured Liabilities exceeding the proceeds of enforcement of the security created by this Deed.

## **13 POWER OF ATTORNEY**

### **13.1 Appointment of attorneys**

By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Chargor and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (a) the Chargor is required to execute and do under this Deed; and/or

- (b) any attorney deems proper in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

### **13.2 Ratification of acts of attorneys**

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 13.1.

### **13.3 Delegation**

- (a) Each of the Lender, any Receiver and any Delegate may, at any time, act in relation to the Finance Documents through its personnel and agents and may 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 any of the Finance Documents.
- (b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Lender, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Lender 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.

## **14 PROTECTION OF THIRD PARTIES**

### **14.1 No duty to enquire**

No person dealing with the Lender shall be concerned to enquire:

- (a) whether the Secured Liabilities have become payable and if any monies remain due under the Finance Documents;
- (b) whether the rights conferred by or pursuant to any Finance Document are exercisable or have been properly exercised;
- (c) whether any laws, directions, restrictions, consents and/or, regulations affecting the rights of the Lender have been obtained or complied with; or

- (d) as to the application of any monies received by the Lender.

#### **14.2 Protection of purchasers**

All the protections for purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable law or regulation shall apply to any person purchasing from or dealing with the Lender.

#### **14.3 Redemption of prior mortgages**

At any time after the Security Interests created by this Deed have become enforceable, the Lender may:

- (a) redeem any prior Security Interest against any part of the Charged Property; and/or
- (b) use all reasonable endeavours to procure the transfer of that Security Interest to itself; and/or
- (c) settle the accounts of any prior mortgagee, chargee or encumbrancer and any accounts so settled will be, in the absence of manifest error, conclusive and binding on the Chargor; and/or
- (d) claim the costs and expenses incurred by it in connection with any such redemption and/or transfer including the payment of any principal, which costs and expenses shall be payable by the Chargor to the Lender immediately upon demand.

### **15 RIGHTS AND WAIVERS**

#### **15.1 Discretion**

The Lender may exercise all and any of the rights conferred on it by this Deed and the Finance Documents generally as the Lender deems fit and without reference to the Chargor (save where expressly stated).

#### **15.2 Rights cumulative**

The rights of each Party under this Deed are cumulative and not exclusive of its rights or remedies under the general law.

### 15.3 **No restriction on other rights**

Nothing in this Deed shall be taken to exclude or restrict any power, right, discretion or remedy which the Lender may at any time have under:

- (a) any other Finance Document; or
- (b) the law of any country or territory the courts of which have or claim any jurisdiction in respect of the Chargor or any of its assets.

### 15.4 **Exercise of other rights**

The Lender may exercise any right under this Deed before it has exercised any right referred to in clause 15.3 (*No restriction on other rights*).

### 15.5 **Appropriations**

Until all the Secured Liabilities have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may refrain from applying or enforcing any other monies, security or rights held or received by the Lender (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same;

## 16 **NOTICES**

Clause 23 of the Facility Agreement shall apply.

## 17 **FURTHER ASSURANCE**

### 17.1 **Further Assurance.**

The Chargor agrees that it shall, promptly on request by the Lender:

- (a) at the reasonable cost of the Chargor, execute, sign, perfect, do and (if required) register such further documents as in the reasonable opinion of the Lender may be necessary for the purpose of maintaining the intent and purpose of this Deed and the other Finance Documents and to establish and protect the rights and remedies of the

Lender created or intended to be created by the Finance Documents, such documents to include, without limitation, supplemental first fixed charges or assignments (in such form as the Lender requires) over Book Debts that are created after the date of this Deed; and

- (b) after the occurrence of an Event of Default which is continuing and at the cost of the Chargor, execute, sign, perfect, do and (if required) register such further documents as in the reasonable opinion of the Lender may be necessary for the purpose of enforcing or facilitating the realisation of the security created by any Finance Document.

## **18 SUPPLEMENTAL**

### **18.1 Certificates and determinations**

Any certificate or determination by the Lender under the terms of this Deed is conclusive evidence of the matters to which it relates.

### **18.2 Demands**

Any demand for payment made by the Lender of all or any Secured Liabilities due at the date of such demand under the Finance Documents shall be valid and effective even if the demand contains an estimate or incomplete statement of the relevant Secured Liabilities PROVIDED THAT it describes the nature of the liabilities; and such due Secured Liabilities shall not cease to become due only by reason of the demand containing no or an incomplete statement of what those Secured Liabilities are.

### **18.3 Conflict**

Where there is any conflict between the rights conferred by law and those conferred by or pursuant to this Deed, the terms of this Deed shall prevail and where there is any conflict between the terms of this Deed and the terms of any other Finance Document, the terms of this Deed shall prevail.

### **18.4 Counterparts**

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



## 18.5 **Assignment**

- (a) The Chargor shall not be entitled to assign or transfer any of its rights, benefits or obligations under this Deed.
- (b) The Lender may, at any time, assign or transfer all or any of its rights, benefits or obligations under this Deed to the extent to which it may assign or transfer its rights under the Facility Agreement and shall notify the Chargor of such assignment or transfer in writing.
- (c) The Chargor shall execute and sign such further documents as in the reasonable opinion of the Lender are necessary to effect or perfect any assignment or transfer by the Lender of its rights or obligations this Deed.

## 19 **GOVERNING LAW AND JURISDICTION**

### 19.1 **Governing law**

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

### 19.2 **Jurisdiction**

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

**THIS DEED** has been duly executed by or on behalf of the parties and has, on the date stated at the beginning of this Deed, been delivered as a Deed.

## **SCHEDULE 1**

### **Charged Property**

#### **Part A**

##### **Real Property**

##### **Part 1 - Registered Property**

The leasehold land lying to the east of Main Road, Arreton, Newport, Isle of Wight demised by the lease dated 5 March 2020 made between (1) IOW Squirrel Limited and (2) Harvest Generation Services Limited as is registered at HM Land Registry under title number IW89712.

##### **Part 2 - unregistered property**

#### **Part B**

##### **Accounts**

<b>Account Name</b>	<b>Sort Code</b>	<b>Account Bank</b>	<b>Account Number</b>
Proceeds Account	■■■■■	Coutts & Co	■■■■■
Reserve Account	■■■■■	Coutts & Co	■■■■■

#### **Part C**

##### **Assigned Contracts**

The following contracts to which the Chargor is party:

<b>Contract</b>	<b>Counterparty / Counterparties</b>
Rolls Royce Purchase Contract	Bergen Engines Ltd
Rolls Royce Purchase Contract Parent Guarantee	Bergen Engines As (Norway)
Long term service and maintenance agreement between Bergen Engines Ltd and the Chargor dated 8 May 2015	Bergen Engines Ltd
Rolls Royce LTSA Parent Guarantee	Bergen Engines As (Norway)
Service and maintenance agreement dated 8 May 2015 between Steuler Catalyst Service Netherlands BV and the Chargor	Steuler Catalyst Service Netherlands BV
APH/Wight Side letter dated 8 May 2015 re Steuler contract	Wight Salads Limited and A Pearson Holdings Limited
P3P O&M Contract (Energy Centre Management Agreement)	P3P IOW OPCO Limited
Cambridge HOK Contract	Cambridge Glasshouse Company Limited (Trading as Cambridge HOK)
Energy Services Agreement between the Chargor, Wight Salads Limited, A Pearson Holding Limited and A Person & Sons (1949) LLP dated 8 May 2015	Wight Salads Limited, A Pearson Holding Limited and A Person & Sons (1949) LLP
Gas Compressor Agreement	Compressor Systems Holland (CSH) B.V.
Operation and Maintenance contract between the Chargor and Compressor Systems Holland (CSH) B.V. dated 29 April 2015	Compressor Systems Holland (CSH) B.V.

<b>Contract</b>	<b>Counterparty / Counterparties</b>
Grid Connection Usage Agreement between the Chargor and Arreton Valley Grid Connection Limited dated 8 May 2015	Arreton Valley Grid Connection Limited
Interim Operations Contract	Isle of Wight Energy Company Limited
Owner's Engineer Agreement (Arup)	Ove Arup & Partners Limited
P3P Construction Management Agreement	P3P IOW DEVCO Limited
Industrial Gas Supply Terms & Conditions between the Chargor, Coulomb Energy Supply Limited and P3P Energy Supply Limited dated 25 September 2020	Coulomb Energy Supply Limited and P3P Energy Supply Limited
Gas and Electricity Supply Agreement between the Chargor and P3P Energy Supply Limited dated 20 November 2020	P3P Energy Supply Limited
Capacity Agreement in place in respect of the Project (ref. Capacity Agreement Notice issued by National Grid ESO on 9 February 2021 (CMU ID HARV15)).	
Shareholder's Agreement between Isle of Wight Energy Company Limited, the Chargor and Arreton Valley Grid Connection Limited dated 8 May 2015	Isle of Wight Energy Company Limited and Arreton Valley Grid Connection Limited

**PART D**  
**Insurance Policies**

<b>Policy</b>	<b>Insurer</b>	<b>Broker</b>	<b>Date of Issue</b>
DC-13818020L5	DUAL Corporate Risks Limited	N/A	30/06/2020
CL00314720	Amlin UK Ltd.	N/A	Expires on 31/03/2021
CL00314720	Arag UK Ltd.	N/A	Expires on 31/03/2021
DC-13817920L5	Dual Corporate Risks Limited	N/A	Expires on 31/03/2021
153501548	Hagelunie BV	N/A	Expires on 31/03/2021
Y116146QBE0120A	QBE Insurance Plc.	N/A	Expires on 31/03/2021
53/NZ/27986805/3	Allianz Insurance Plc.	N/A	Expires on 31/03/2021

## SCHEDULE 2

### Notices Regarding Accounts

#### Part A

[Account Bank]

[Address]

Dear Sirs

#### Harvest Generation Services Limited

- 1 We refer to the bank accounts of Harvest Generation Services Limited numbered [•] (the "**Accounts**").
- 2 By a debenture dated 2021 ("**Debenture**") we have granted TEEC Holdings Limited (the "**Assignee**") a first floating charge over the Account and, in particular, the Credit Balance as security for, inter alia, our liabilities and obligations under a Facility Agreement and related documents.
- 3 We may continue to deal with you with respect to the Account and the Credit Balance until such time as you receive a written notice from the Assignee informing you that the security interests created by the Debenture have become enforceable.
- 4 Please ensure that the Assignee receives by the third Business Day after the date of this notice an acknowledgement in the attached form signed by two of your duly authorised officers.
- 5 The terms of that acknowledgement shall be binding upon us for all purposes; any payment or transfer or other action which you may, in good faith, make or take in pursuance or in connection with that acknowledgement shall, be valid and binding in relation to ourselves; and we irrevocably instruct you to disregard any instruction or communication which you may receive from us or any other person (except the Assignee) and which you or the Assignee consider to be in any respect contrary to or inconsistent with that acknowledgement.

6 We confirm that all previous charges granted by us over the Accounts and/or the Credit Balances were irrevocably and unconditionally released and discharged prior to the grant of the floating charge pursuant to the Debenture described above.

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

Dated 2021

.....  
Director

for and on behalf of

**Harvest Generation Services Limited**

## **Part B**

Account Bank's Acknowledgement to the Assignee

TEEC Holdings Limited

1 King William Street, London, United Kingdom, EC4N 7AF Cc Harvest Generation Services Limited

Dear Sirs

**Harvest Generation Services Limited (the "Assignor")**

We refer to the account of Harvest Generation Services Limited numbered [•] (the "**Accounts**").

1 We acknowledge that we have received from the Assignor a notice, of which a copy is attached to this acknowledgement, relating to a Debenture dated 2021 to you of the Assignor's rights in relation to the Account.

- 2 We undertake with you that, until you notify us that you have released the security interests created by the Debenture:
- 2.1 after receiving a notice (by letter) from you which states that this paragraph (a) is to come into force, we shall:
- (a) not, without your prior written consent, make any payment or otherwise act upon any instruction or communication which we may receive from the Assignor or any other person except yourselves in relation to the Account; and
  - (b) treat you as fully entitled, with immediate effect, to operate the Account and, in particular, to effect or authorise withdrawals and transfers from the Account;
- 2.2 we shall forward to you by email monthly statements regarding the Account and promptly provide you with any additional information which is in our possession or our power to obtain concerning any sum credited or debited to the Account or any other matter relating to the Account.

Dated 2021

.....

duly authorised for and on behalf of

**[Account Bank]**



## SCHEDULE 3

### Notices Regarding Assigned Contracts

#### Part A

[Name and address of other party to contract]

2021

Dear Sirs

**Contract dated                      and made between ourselves Harvest Generation Services Limited and your company (the "Assigned Contract")**

- 1 By a debenture dated                      (the "**Debenture**"), we have assigned to TEEC Holdings Limited (the "**Assignee**") as first priority assignee and chargee absolutely all interests and rights which now or at any later time we have under, in or in connection with the Assigned Contract.
- 2 We hereby confirm that:
  - 2.1 you are authorised to disclose such information in relation to the Assigned Contract to the Assignee as the Assignee may request;
  - 2.2 subject to paragraph 2.1 above, we may continue to deal with you under the Assigned Contract until such time as you receive a written notice from the Assignee informing you that the security interests created by the Debenture have become enforceable whereupon:
    - (a) we shall no longer be authorised to deal with you;
    - (b) all communications made by you under or in connection with the Assigned Contract shall be sent to the Assignee;
    - (c) all our rights, powers and discretions under or in connection with the Assigned Contract shall be exercisable by the Assignee or as it directs; and

- (d) you must pay or release all monies to which we are entitled under the terms of the Assigned Contract to the bank account specified by the Assignee;
- (e) we will remain liable to perform all of our obligations under the Assigned Contract and none of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Assigned Contract; and
- (f) all previous assignments by us of any interests and/or rights under, in or in connection with the Assigned Contract were irrevocably and unconditionally reassigned to us prior to the assignment described in paragraph 1 above.

3 We acknowledge that you may comply with the instructions in this letter without any further permission from us and without any enquiry by you as to the justification for or validity of any request, notice or instruction. We request you to issue to the Assignee a letter in the attached form.

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

Dated this 2021

[Director]

.....

for and on behalf of

**Harvest Generation Services Limited**

## Part B

To: TEEC Holdings Limited  
1 King William Street, London, United Kingdom, EC4N 7AF  
Cc Harvest Generation Services Limited

2021

Dear Sirs

### Harvest Generation Services Limited (the "Chargor")

- 1 We refer to a letter from the Chargor dated 2021 (the "**Notice**") regarding an assignment by the Chargor to you as first priority assignee and chargee of all interests and rights which it now or at any later time or times may have in, to or under a contract dated entered into by the Chargor as and us as (the "**Assigned Contract**").
- 2 Terms defined in the Notice have the same meanings in this acknowledgement.
- 3 We confirm that we:
  - 3.1 agree to the assignment and accept the instructions contained in the Notice and agree to comply with the terms of the Notice;
  - 3.2 have received no prior notices of any assignment of, or charge or other security interest or trust in or over, the Assigned Contract or any sums payable thereunder;
  - 3.3 shall as soon as reasonably practicable, notify you if, at any later time, any assignment of, or charge or other security interest or trust in or over, the Assigned Contract or any sums payable thereunder is expressly notified to us in writing.
- 4 Reference in this letter to yourselves includes references to your successors and assigns.

Yours faithfully

for and on behalf of

**[Name of other party to contract]**

## SCHEDULE 4

### Notices Regarding Insurances

#### Part A

[Name and address of Insurer/Broker]

Dear Sirs

#### **Notice of security interest over [DESCRIBE RELEVANT INSURANCE POLICY] (the "Policy")**

We hereby notify you that pursuant to a debenture dated                      2021 ("**Debenture**") given by us in favour of TEEC Holdings Limited (the "**Lender**"), we assigned to the Lender by way of security all of our rights and interests of every kind which we have now or at any later time to, in or in connection with the Policy.

We request that you:

- 1        note the Lender's interest on the Policy as additional assureds with no obligation but the right to pay the premiums (but without obligation to pay premium);
- 2        without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, comply with any instructions from time to time received by you from the Lender relating to the Policy;
- 3        not amend modify or terminate the Policy if requested by the Chargor without the Lender's prior written consent;
- 4        hold all sums from time to time due and payable by you under the Policy to the order of the Lender;
- 5        pay or release all monies to which we are entitled under the Policy to the Lender or to such persons as the Lender shall direct;
- 6        not cancel, avoid, release or otherwise allow the Policy to lapse without giving the Lender at least 60 days' notice;

- 7 disclose information in relation to the Policy to the Lender on request by the Lender (which we hereby authorise you to do without any further request to us being necessary);
- 8 subject to the foregoing, continue to deal with us in relation to the Policy until you receive written notice to the contrary from the Lender, which notice may relate to the Policy as a whole or a particular claim or matter. Thereafter we will cease to have any right to deal with you in relation to the Policy or the claim or matter (as the case may be) and we request that you deal only with the Lender with respect thereto.

You may comply with the instructions in this letter without any further permission from us and without any enquiry by you as the justification for or validity of any request, notice or instruction.

We confirm that all previous assignments by us of any interests and/or rights under, in or in connection with the Policy or any insurance proceeds in connection with the Policy were irrevocably and unconditionally reassigned to us prior to the assignment pursuant to the Debenture described above.

Please sign, date and send to the Lender the acknowledgement attached to this letter.

The provisions of this notice may only be revoked with the Lender's written consent. We irrevocably undertake not to give any instructions or send any communications which would be in any way inconsistent with the terms of your letter to the Lender. You are irrevocably instructed to disregard any instruction or communication which you or the Lender consider to be inconsistent with the terms of that letter.

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

Dated this 2021

Director

.....

for and on behalf of

**Harvest Generation Services Limited**

## Part B

### (TO BE ATTACHED TO NOTICE TO INSURER SET OUT IN PART A)

#### Acknowledgement

To: TEEC Holdings Limited  
1 King William Street, London, United Kingdom, EC4N 7AF  
cc: Harvest Generation Services Limited

Re: **[DESCRIBE RELEVANT INSURANCE POLICY] (the "Policy")**

We acknowledge receipt from Harvest Generation Services Limited (the "**Chargor**") of a notice dated \_\_\_\_\_ in relation to the Policy (the "**Notice**"). Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

- 1 We hereby:
  - 1.1 agree to the terms set out in the Notice and to act in accordance with its provisions;
  - 1.2 confirm that we have noted the interest of the Lender on the Policy as "as additional assured with no obligation but the right to pay the premiums (but without obligation to pay premium)" in relation to the Policy;
  - 1.3 confirm there has been no amendment, waiver or release of any rights or interests in the Policy since the date of the Policy;
  - 1.4 confirm that we have not received notice that the Chargor has assigned its rights under the Policy to a third party or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party (other than as set out in the Notice);
  - 1.5 confirm that you shall not be liable for the premiums in relation to the Policy;
  - 1.6 confirm that we will not cancel, avoid, release or otherwise allow the Policy to lapse without giving you at least 60 days' notice; and
  - 1.7 confirm that the Policy shall not be rendered void, voidable or unenforceable by reason of any non-disclosure of any matter by you.

2       Reference in this acknowledgement to yourselves includes references to your successors and assigns.

Dated this               2021

.....

for and on behalf of [Name and address of Insurer/Broker]



EXECUTED as a DEED by )  
HARVEST GENERATION SERVICES LIMITED )  
acting by )

[Redacted Signature]

Director

In the presence of:

Witness: [Redacted Signature]

Name: Charlie Lywood

Address: 41 Dart Street, Walsingham

Signed by  
for and on behalf of  
TEEC HOLDINGS LIMITED

)  
)  
)



.....  
Authorised Signatory