



Registration of a Charge

Company name: **PRIME BOND RENEWABLES PLC**

Company number: **11033580**



X71D3L63

Received for Electronic Filing: **09/03/2018**

Details of Charge

Date of creation: **28/02/2018**

Charge code: **1103 3580 0001**

Persons entitled: **CITY PARTNERSHIP TRUSTEE LIMITED**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **GRAHAM MAY, COMPANY SECRETARY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11033580

Charge code: 1103 3580 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th February 2018 and created by PRIME BOND RENEWABLES PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 9th March 2018 .

Given at Companies House, Cardiff on 13th March 2018

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

RW Blears

Solicitors

DATED 28 February **2018**

- (1) **PRIME BOND RENEWABLES PLC**
- (2) **CITY PARTNERSHIP TRUSTEE LIMITED**
(as Security Trustee)

DEBENTURE

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BETWEEN:

- (1) **PRIME BOND RENEWABLES PLC** a public limited company incorporated in England (Companies House Number: 11033580) whose registered office is at 4th Floor, 36 Spital Square, London, E1 6DY; and
- (2) **CITY PARTNERSHIP TRUSTEE LIMITED**, a private limited company incorporated in England and Wales with company number: 08909187 whose registered office is at 27-28 Eastcastle Street, London, W1W 8DH (as security trustee for itself and the Bondholders from time to time on the terms set out in the Security Trust Deed (as defined below)).

It is Agreed as follows:

1. Definitions and Interpretation

1.1 In this Deed:

Administrative Receiver: means one or more administrative receivers appointed, or to be appointed, under this Deed;

Administrator: means one or more administrators appointed, or to be appointed, under this Deed;

Bonds: means the Series 1 Bonds, the Series 2 Bonds, the Series 3 Bonds, and such other bonds as may be issued by the Company from time to time on terms which incorporate by reference the benefit of the charges contained in this Deed.

Bondholder: means each of the persons named for the time being in the register of Bondholders as a Bondholder to be kept by the Company and any person which accedes to this Deed as a Bondholder;

Bond Documents; has the meaning given to it in the Security Trust Deed

Bond Instrument: means the instrument executed by the Company as a deed on 28 February 2018 by which the Bonds are constituted;

Charged Assets: means the Fixed Charge Assets and the Floating Charge Assets;

Collateral: means all Security created in favour of the Company to secure Obligations owed to the Company together with the benefit of any guarantee or indemnity of such Obligations.

Company: means PRIME BOND RENEWABLES PLC company number 11033580

Debt: means a monetary claim of any kind (whether present, future or contingent and whether originally owing to the person entitled to it or acquired by that person from someone else) and all Rights (including Security) connected with it;

This Deed; means this fixed and floating charge;

Default Rate: means the additional rate of interest specified in the Bond Instruments as being payable in the event of late payment of principal or interest;

Disposal: means any transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right over an asset in favour of another person;

Enforcement Time: in relation to the Company, means any time at which:

- (a) any amount owing under a Finance Document is payable but has not been paid;
- (b) an Event of Default has occurred and is continuing; or
- (c) any step is being taken by any person to put the Company into administration;

Equipment: means plant, machinery, vehicles and other equipment used in a business, except equipment of a type which is disposed of in the ordinary course of trading, and all warranties and other Rights relating to them;

Event of Default: means any event of default specified in any of the Bond Instruments;

Final Terms of Issue: means any supplemental document issued by the Company in respect of a series of Bonds specifying the commercial details of such series, including (but not limited to) the interest rate, the maximum nominal amount, the minimum nominal amount, the commencement date, the closing date, the repayment date, and interest payment dates;

Finance Parties: means the Security Trustee and the Bondholders;

Finance Documents: means:

- (a) the Bond Instrument;
- (b) Final Terms of Issue;
- (c) the Bonds;
- (d) this Deed, the Security Trust Deed and any other Finance Party Security Document;
and
- (e) any other document designated as such by the Company and the Security Trustee at any time;

Finance Party Security: means the Security created by this Deed and any other existing or future Security granted by the Company to the Security Trustee to secure the payment and discharge of Secured Obligations;

Finance Party Security Document: means a document creating or evidencing Finance Party Security;

Financial Collateral: has the meaning given to it by the Financial Collateral Arrangements (No 2) Regulations 2003;

Fixed Charge Assets: means those assets which are from time to time the subject of clauses 3.2 and 3.3;

Floating Charge Assets: means those assets which are from time to time the subject of clause 3.4;

FSMA means the Financial Services and Markets Act 2000 (as may be amended or extended from time to time);

Group: means the Company and any subsidiary of the Company and **Group Company** means any of them;

Group Company Charged Assets; means in relation to each Group Company any assets charged or mortgaged by that Group Company to the Company from time to time.

Insolvency Event: in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or
- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction;

Insolvency Legislation: means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation;

Intellectual Property: means copyright (including rights in computer software), patents, trademarks, trade names, service marks, business names (including internet domain names), design rights, database rights, semi-conductor topography rights and all other intellectual

property or similar proprietary rights (whether registered or not and including applications to register or rights to apply for registration) which, in each case, are of a type which are not disposed of in the ordinary course of trading;

Investment: means:

- (a) an investment described in SCHEDULE 2;
- (b) any shares or loan capital held in a Subsidiary;
- (c) any investment acquired after the date of this Deed which is designated as an Investment by the Company and the Security Trustee; and
- (d) any other debt or equity security or any warrant or option to acquire or subscribe for any such security (whether it is held directly or through a custodian, clearing house or other person) unless it is of a type which is not held as an investment and is accordingly disposed of in the ordinary course of trading,

and any accretions to them and other Rights arising in connection with them;

Key Account: means:

- (a) an account described in SCHEDULE 3;
- (b) any account that replaces an account described in SCHEDULE 3;
- (c) any account established after the date of this Deed which is designated as a Key Account by the Company and the Security Trustee; and
- (d) any other account with a bank or financial institution which cannot be drawn on by the account holder in the ordinary course of its trading without the consent of the Security Trustee;

Key Contract: means:

- (a) a contract described in SCHEDULE 4;
- (b) any contract that amends or replaces a contract described SCHEDULE 4;
- (c) any contract entered into after the date of this Deed which is designated as a Key Contract by the Company and the Security Trustee;

Land: means:

- (a) freehold, leasehold or commonhold land;
- (b) any estate or interest in, and any Rights attaching or relating to, that land; and

(c) any buildings, fixtures and fittings (including trade fixtures and fittings) and other equipment attached to, situated on or forming part of that land;

Obligations: in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;
- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else;

Officer: in relation to a person, means any officer, employee or agent of that person;

Permitted Security: means any Security described in SCHEDULE 5;

Receiver: means an Administrative Receiver or a Specific Receiver;

Right: means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary;

Secured Obligations: means the Obligations undertaken to be paid or discharged in clause 2;

Security: means:

- (a) any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, trust arrangement for the purpose of providing security or other security interest of any kind in any jurisdiction;
- (b) any proprietary interest over an asset, or any contractual arrangement in relation to an asset, in each case created in relation to financial indebtedness and which has the same commercial effect as if security had been created over it; and
- (c) any right of set-off created by agreement;

Security Trust Deed: means the deed so named entered into on or about the date of this Deed between the Company and the Security Trustee;

Security Trustee: means **CITY PARTNERSHIP TRUSTEE LIMITED**, a private limited company incorporated in England and Wales with company number 08909187 whose registered office

is at 27-28 Eastcastle Street, London, W1W 8DH or any other person appointed as security trustee for the Finance Parties under the Finance Documents;

Series 1 Bonds; means the 5.5% fixed rate secured Bonds of the Company constituted by an instrument executed by the Company on or about the date of this document or as the case may be the principal amount of the Bonds for the time being issued and outstanding and a reference to a Series 1 Bond is a reference to any one of such Bonds;

Series 2 Bonds: means the 6.5% fixed rate secured Bonds of the Company constituted by an instrument executed by the Company on or about the date of this document or as the case may be the principal amount of the Bonds for the time being issued and outstanding and a reference to a Series 2 Bond is a reference to any one of such Bonds;

Specific Receiver: means one or more receivers or managers appointed, or to be appointed, under this Deed who is not an Administrative Receiver;

Specified Majority: as defined in the Bond Instrument;

Subsidiary: has the meaning given to it in Section 1159 of the Companies Act 2006;

Third Parties Act: means the Contracts (Rights of Third Parties) Act 1999; and

VAT: means value added tax.

1.2 In this Deed:

- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;
- (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
- (c) references to the Bond Instrument, any Finance Document or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity and references to any gender includes all other genders;
- (e) references to a person include its successors in title, permitted assignees and permitted transferees;
- (f) words importing the plural include the singular and vice versa; and
- (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Security Trustee, after consultation with the

Company, determines to be necessary in order to preserve the intended effect of this Deed.

- 1.3 Where this Deed imposes an obligation on the Company to do something if required or requested by the Security Trustee, it will do so as soon as practicable after it becomes aware of the requirement or request.
- 1.4 This Deed may be executed in counterparts.
- 1.5 It is intended that this document takes effect as a deed even though the Security Trustee may only execute it under hand.
- 1.6 The provisions of any other Finance Document relating to any disposition of an interest in Land are deemed to be incorporated in this Deed.
- 1.7 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.
- 1.8 The Rights conferred on each Finance Party under clauses 2, 4, 14.4 and 15 are enforceable by it under the Third Parties Act.
- 1.9 The Rights conferred on each Officer of the Security Trustee and each Receiver under clauses 16 and 17 are enforceable by each Officer of the Security Trustee and each Receiver under the Third Parties Act.
- 1.10 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.11 The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they may not terminate this Deed or vary any of its terms if this would have the effect of terminating or adversely affecting:
 - (a) the Rights of the Finance Parties under the clauses described in clause 1.8 without their consent; or
 - (b) the Rights of an Officer of the Security Trustee or a Receiver under the clauses described in clause 1.9 without its consent, but only to the extent that a claim could have been brought by it under that clause at the time of the termination or variation.
- 1.12 This Deed is subject to the terms of the Security Trust Deed.

2. Payment of Secured Obligations

- 2.1 The Company will pay or otherwise discharge all Obligations from time to time incurred by it under or in connection with the Finance Documents when they become due for payment or discharge.

3. Charges

- 3.1 The charges contained in this clause 3:

- (a) are given to the Security Trustee as trustee for the Bondholders;
- (b) secure the payment and discharge of the Secured Obligations; and
- (c) are given with full title guarantee.

- 3.2 The Company charges, by way of first legal mortgage all Land now owned by it, and any Rights accruing to, derived from or otherwise connected with it (including insurances and proceeds of Disposal and of insurances).

- 3.3 The Company charges, by way of first fixed charge, all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:

- (a) Land, other than that charged under clause 3.2;
- (b) Equipment;
- (c) Investments;
- (d) Key Contracts;
- (e) Key Accounts;
- (f) Intellectual Property;
- (g) Debts;
- (h) Collateral; and
- (i) goodwill and uncalled capital,

and in any Rights accruing to, derived from or otherwise connected with them (including insurances and proceeds of Disposal and of insurances).

- 3.4 The Company charges, by way of first floating charge, its undertaking and all its present and future assets other than those effectively charged under clauses 3.2 or 3.3.

3.5 The Security Trustee may convert all or part of the floating charge created by the Company under clause 3.4 into a fixed charge by giving notice to that effect to the Company and specifying the identity of the assets concerned. This may be done on one or more occasion, but only:

- (a) during an Enforcement Time; or
- (b) if the Security Trustee reasonably considers that its security over the assets concerned is in jeopardy and that it is necessary to do so to protect or preserve its security.

4. Set-Off

4.1 A Finance Party may set off any matured Secured Obligation due from the Company (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to the Company, regardless of the place of payment, booking branch or currency of either obligation.

4.2 If the Obligations referred to in clause 4.1 are in different currencies, the Finance Party may convert either Obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.

4.3 These Rights are in addition to the security conferred on the Security Trustee under this Deed.

5. Restrictions

5.1 The Company will ensure that the restrictions contained in this clause 5 are complied with unless the Security Trustee agrees to the contrary.

5.2 No Security will exist over, or in relation to, any Charged Asset other than a Permitted Security.

5.3 There will be no Disposal of any Fixed Charge Asset except with the consent of the Security Trustee.

5.4 There will be no Disposal of any Floating Charge Asset otherwise than for market value in the ordinary course of trading of the Company concerned.

6. Perfection

6.1 The Company will, at its own expense, create all such Security, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Security Trustee may require from time to time in order to:

- (a) ensure that it has an effective first-ranking fixed charge (or, in the case of Land then owned by the Company, a charge by way of legal mortgage) over the Fixed Charge

Assets, subject only to such Permitted Security as the Security Trustee has agreed should rank in priority;

- (b) ensure that it has an effective first-ranking floating charge over the Floating Charge Assets, subject only to such Permitted Security as the Security Trustee has agreed should rank in priority; and
- (c) facilitate the enforcement of the Finance Party Security, the realisation of the Charged Assets or the exercise of any Rights held by the Security Trustee or any Receiver or Administrator under or in connection with the Finance Party Security.

6.2 The scope of clause 6.1 is not limited by the specific provisions of the rest of this clause 6 or by any other provision of the Finance Party Security Documents.

6.3 If, after the date of this Deed, the Company acquires:

- (a) Rights in Land;
- (b) a new Subsidiary;
- (c) Rights in Collateral; or
- (d) Rights in any other material asset,

it will notify the Security Trustee as soon as reasonably practicable and will provide it with such information about the acquisition as the Security Trustee may reasonably require.

6.4 If required to do so by the Security Trustee, the Company will execute a first charge by way of legal mortgage over any Land in England and Wales owned by it at that time which is not already the subject of such a charge, in any form which the Security Trustee may reasonably require.

6.5 The Company agrees to the entry of the following restriction in the proprietorship register of the title to any Land in England and Wales which now or in the future is the subject of a charge by way of legal mortgage in favour of the Security Trustee and which is, or is required to be, registered at the Land Registry:

“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 charge dated [*date of this Deed*] in favour of [*beneficiaries*] of [*address for service*] referred to in the Charges Register.”

- 6.6 If any Land in which the Company has Rights now or in the future is required to be registered at the Land Registry, the Company will, within the relevant priority period under the Land Charges Act 1972:
- (a) apply to the Land Registry for first registration of the title to that Land and registration of the Company as proprietor of that Land and notify the Security Trustee of its title number; and
 - (b) if so required by the Security Trustee, create a first charge by way of legal mortgage over that Land in favour of the Security Trustee or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.7 If any Land in which the Company has Rights is already registered when those Rights are acquired, that Company will within the priority period of the relevant Land Registry Official Search:
- (a) apply to the Land Registry for its title to that Land to be registered and give notice of the title number to the Security Trustee; and
 - (b) if so required by the Security Trustee, create a first charge by way of legal mortgage over that Land in favour of the Security Trustee or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.8 If any Land in which the Company has Rights now or in the future is not required to be registered at the Land Registry, the Company will, within the relevant priority period under the Land Charges Act 1972, apply to register a Class C Land Charge in respect of this Deed at the Land Charges Registry if the title deeds and documents to that Land are not deposited with the Security Trustee under clause 6.9.
- 6.9 The Company will deposit with the Security Trustee all deeds and documents of title and all leases, licences and other ancillary documents received by it or on its behalf in relation to its Land.
- 6.10 If required to do so by the Security Trustee, the Company will to the extent possible create a first legal mortgage over any Equipment owned by it at that time, in any form which the Security Trustee may reasonably require.
- 6.11 If, at any time, the Company owns shares in a Subsidiary, it will:
- (a) on the date of this Deed (or, if it acquires the shares later, as soon as practicable after it does so), deposit with the Security Trustee all certificates or other documents of title to those shares and stock transfer forms for them, executed in blank by the Company;
 - (b) if required to do so by the Security Trustee (and to the extent that the Company is able to do so) amend the articles of association of the Subsidiary concerned in the manner reasonably required by the Security Trustee (and procure that the Subsidiary takes, or

omits to take, all such other steps as the Security Trustee may require) in order to enable it to enforce its security without restriction; and

- (c) if reasonably required to do so by the Security Trustee, procure that the Security Trustee or its nominee becomes registered as the legal owner of the shares concerned.

6.12 If a Finance Party receives notice that any Security has been created over Charged Assets which the Finance Documents do not permit to rank in priority to the Finance Party Security, that Finance Party will be treated as if it had immediately opened a new account for the Company and all payments received by that Finance Party from that Company will be treated as if they had been credited to the new account and will not reduce the amount then due from that Company to that Finance Party.

6.13 The parties to this Deed designate those Charged Assets which constitute Financial Collateral to be under the control of the Security Trustee, whether they are the subject of a fixed charge or of a floating charge under this Deed.

7. Enforcement

7.1 The Security Trustee may enforce the Finance Party Security created by the Company at any time which is an Enforcement Time or if the Company requests it to do so.

7.2 The Security Trustee may enforce the Finance Party Security by:

- (a) appointing an Administrator of the Company;
- (b) if permitted to do so by the Insolvency Legislation, appointing an Administrative Receiver of the Company;
- (c) appointing a Specific Receiver of assets of the Company; or
- (d) going into possession of, receiving the benefit of, or selling assets of the Company, giving notice to the Company or any other person in relation to any assets of the Company, exercising a right of set-off or in any other way it may decide.

7.3 An Administrator must be appointed in accordance with the Insolvency Legislation.

7.4 A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.

7.5 The appointment of a Receiver may be made subject to such limitations as are specified by the Security Trustee in the appointment.

7.6 If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Security Trustee may specify to the contrary in the appointment.

- 7.7 Subject to the Insolvency Legislation, the Security Trustee may remove or replace any Receiver.
- 7.8 If required by the Insolvency Legislation, an Administrator or Receiver must be a person qualified to act as such under it.
- 7.9 An Administrator will have the powers given to him by the Insolvency Legislation.
- 7.10 An Administrative Receiver of the Company will have:
- (a) the powers given to him by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in Section 103 of that Act; and
 - (c) the power to do, or omit to do, on behalf of the Company, anything which the Company itself could have done, or omitted to do, if its assets were not the subject of Security and the Company were not in insolvency proceedings.
- 7.11 A Specific Receiver will have the same powers as an Administrative Receiver in respect of the assets over which he is appointed.
- 7.12 The Security Trustee will, if it enforces the Finance Party Security itself, have the same powers as an Administrative Receiver in respect of the assets which are the subject of the enforcement.
- 7.13 Except to the extent provided by law, none of the powers described in this clause 7 will be affected by an Insolvency Event in relation to the Company.
- 7.14 A Receiver of the Company will be the agent of the Company until the Company goes into liquidation. He will have no authority to act as agent for the Security Trustee, even in the liquidation of the Company.
- 7.15 The Security Trustee may from time to time determine the remuneration of any Receiver.
- 7.16 A person dealing with the Security Trustee or with a Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:
- (a) those persons have the power to do those things which they are purporting to do; and
 - (b) they are exercising their powers properly.

8. Application of Proceeds

- 8.1 All money received by the Security Trustee or a Receiver in the exercise of its Rights under the Finance Party Security (whether during, or before, its enforcement) will, subject to the rights of any persons having priority, be applied in the following order of priority:
- (a) first, in satisfaction of all costs, charges, expenses (including legal expenses and any costs of currency conversion and liabilities properly incurred by the Security Trustee, or any Receiver appointed under the Finance Party Security or their Officers and of the remuneration of such Receiver (and all interest on such sums as provided in the Bond Documents and/or this Deed);
 - (b) second, in payment of all reasonable costs and expenses properly incurred by or on behalf of any Bondholder in connection with such enforcement;
 - (c) third, in payment or towards discharge of the remaining indebtedness under the Bond Documents and or this Deed and all other Secured Obligations on a pro rata pari passu basis without priority amongst themselves to the Bondholders; and
 - (d) fourth in payment of any surplus to such persons as may be entitled to it.

9. Land and Equipment

- 9.1 The Company will:
- (a) comply with all material statutory, regulatory, environmental and contractual obligations relating to its Land or its use; and
 - (b) comply with all obligations imposed on it, and enforce the observance and performance of all obligations of all other persons, under any lease of its Land.
- 9.2 The Company will keep its Land and Equipment in good repair, working order and condition and permit the Security Trustee and its representatives to enter and view their state and condition upon giving reasonable notice to the Company.

10. Investments

- 10.1 During an Enforcement Time (and also once the Finance Party Security is being enforced), the Security Trustee will be entitled to receive all distributions in respect of the Company's Investments for application in accordance with clause 8 and to exercise all voting and other Rights in respect of them. Otherwise, the Company will be entitled to receive those distributions and to exercise those Rights.
- 10.2 To the extent that the holder of those Investments is not the person entitled to receive those distributions and exercise those Rights, the holder will pay the distributions to the person

entitled to them and will exercise those Rights in accordance with the reasonable requirements of the person entitled to exercise them.

- 10.3 The Company will promptly pay all calls, instalments or other payments which from time to time become due in respect of any of its Investments, and the Security Trustee will not in any circumstances incur any liability in respect of them.

11. Key Contracts, Key Accounts and Debts

- 11.1 The Company will:

- (a) comply with all of its obligations under each Key Contract; and
- (b) use its best endeavours to ensure that the Security Trustee receives the full benefit of each Key Contract.

- 11.2 The Company will not:

- (a) agree to alter the terms of, or terminate, any Key Contract or Key Account; or
- (b) waive its rights under a Key Contract or Key Account,

without the consent of the Security Trustee.

- 11.3 The Security Trustee will give its consent under clause 11.2 if, in its reasonable opinion, any such alteration or waiver will not materially affect the effectiveness or value of its security over the Key Contract or Key Account concerned.

- 11.4 The Company will not make any withdrawal from any Key Account without the consent of the Security Trustee.

- 11.5 The Company will promptly collect all Debts as agent for the Security Trustee and pay all their proceeds into such accounts as the Security Trustee may from time to time specify.

- 11.6 The Company will ensure that all Collateral is registered in a timely manner with, the Companies Registry, HM Land Registry, or such other body as may be required to ensure the effectiveness of such Collateral.

- 11.7 The Company shall take such other steps as may necessary to perfect the security comprised by the Collateral.

12. Intellectual Property

- 12.1 The Company will promptly notify the Security Trustee of its acquisition of, or agreement to acquire, material Intellectual Property and any action taken to register the Intellectual Property.

12.2 The Company will:

- (a) take all necessary action to safeguard and maintain its Rights in connection with Intellectual Property, including obtaining all necessary registrations and paying all applicable renewal fees and licence fees;
- (b) not allow any Intellectual Property to be abandoned or cancelled or to lapse; and
- (c) protect its Intellectual Property against theft, loss, destruction, unauthorised access, copying or use by third parties and, immediately on becoming aware of any material infringement of, or challenge to, any of its Intellectual Property, inform the Security Trustee and take any steps at the cost of the Company as the Security Trustee may from time to time reasonably specify in relation to the infringement or challenge.

13. Insurance

13.1 The Company will:

- (a) maintain insurances in relation to its business and assets with reputable underwriters or insurance companies of a type, to the extent and in an amount which is usual for companies carrying on similar businesses whose practice it is not to self-insure;
- (b) punctually pay all premiums and other money payable under its contracts of insurance and comply with their other provisions; and
- (c) ensure that the Security Trustee's interest is noted on the Company's contracts of insurance.

13.2 During an Enforcement Time (and also once the Finance Party Security has been enforced), all payments in respect of any contract of insurance will be paid to the Security Trustee for application in accordance with clause 8. Otherwise, all such payments will be applied in reinstatement of the assets concerned.

14. General Undertakings

14.1 The Company will take all steps as are necessary to preserve the value and marketability of its Charged Assets.

14.2 The Company will notify the Security Trustee as soon as it becomes aware of any matter which might reasonably be expected to have an adverse effect on the Rights of the Security Trustee under the Finance Party Security. Those matters include a breach or purported breach of a Key Contract by any party to it and a claim by any person to an interest in a Charged Asset.

14.3 The Company will provide to the Security Trustee:

- (a) such information about its Charged Assets and about the Group Company Charged Assets:
- (b) such information about the extent to which it has complied with its obligations under this Deed; and
- (c) copies of such documents which create, evidence or relate to its Charged Assets

as the Security Trustee may from time to time reasonably request including without prejudice to the foregoing each month, unless otherwise stated below, (and at such other times as the Security Trustee shall reasonably request) the Company shall provide to the Security Trustee:

- (a) a list of Bondholders together with total funds invested and a “redline” against the previous version;
- (b) on an annual basis a copy of the Company’s audited accounts within 120 days of the year end to which they relate;
- (c) on an annual basis a copy of the audited accounts of each Group Company within 120 days of the year end to which they relate

14.4 The Finance Parties may exchange between themselves any information relating to the Company.

14.5 If the Company does not comply with its obligations under this Deed, the Security Trustee may do so on the Company’s behalf on such basis as the Security Trustee may reasonably decide. The Company will indemnify the Security Trustee on demand against the amount certified by the Security Trustee to be the cost, loss or liability suffered by it as a result of doing so.

15. Duration of the Security

15.1 The Obligations of The Company under the Finance Documents and the security created by the Finance Party Security will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.

15.2 If any payment by the Company or any release given by the Security Trustee (whether in respect of the Secured Obligations or any security for them or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of The Company under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and

- (b) the Security Trustee will be entitled to recover the value or amount of that security or payment from The Company, as if the payment, release, avoidance or reduction had not occurred.

15.3 Section 93 of the Law of Property Act 1925 will not apply to the Finance Party Security.

15.4 The perpetuity period for this Deed is the period of 125 years from the date of this Deed.

16. Expenses, Liability and Indemnity

16.1 The Company will, on demand, pay all reasonable legal and other reasonable costs and reasonable expenses (including any stamp duty, registration or other similar taxes) incurred by the Security Trustee or by any Receiver in connection with the Finance Party Security. This includes any costs and expenses relating to the enforcement or preservation of the Finance Party Security or the Charged Assets and to any amendment, waiver, consent or release required in connection with the Finance Party Security.

16.2 Neither the Security Trustee nor a Receiver nor any of their Officers will be in any way liable or responsible to any Company for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets or the Finance Party Security, except to the extent caused by its own negligence or wilful misconduct.

16.3 The Company will, on demand, indemnify each of the Security Trustee, a Receiver and their Officers in respect of all reasonable costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:

- (a) anything done or omitted in the exercise of the powers conferred on it under the Finance Party Security, unless it was caused by its negligence or wilful misconduct;
- (b) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Finance Party Security had not been granted and which was not caused by its negligence or wilful misconduct; or
- (c) any breach by the Company of the Finance Documents.

17. Payments

17.1 All payments by the Company under the Finance Party Security Documents will be made in full, without any set-off or other deduction.

17.2 If any tax or other sum must be deducted from any amount payable by the Company under the Finance Party Security Documents, the Company concerned will pay such additional amounts as are necessary to ensure that the recipient receives a net amount equal to the full amount it would have received before such deductions.

- 17.3 All amounts payable by the Company under the Finance Party Security Documents are exclusive of VAT. The Company will, in addition, pay any applicable VAT on those amounts.
- 17.4 If the Company fails to make a payment to a person under the Finance Party Security Documents, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).
- 17.5 No payment by the Company (whether under a court order or otherwise) will discharge the obligation of the Company unless and until the Finance Parties have received payment in full in the currency in which the Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the Obligation concerned, the Finance Parties will have a separate cause of action against the Company for the shortfall.
- 17.6 Any certification or determination by the Security Trustee of an amount payable by the Company under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

18. Remedies

- 18.1 The Rights created by this Deed are in addition to any other Rights of the Finance Parties against the Company under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.
- 18.2 No failure by a Finance Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by a Finance Party preclude its further exercise.
- 18.3 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

19. Power of Attorney

- 19.1 The Company, by way of security, irrevocably appoints each of the Security Trustee and any Receiver severally to be its attorney:
- (a) to do anything which the Company is obliged to do under the Finance Party Security Documents; and
 - (b) to exercise any of the Rights conferred on the attorney by the Finance Party Security Documents or by law.

- 19.2 The Power of Attorney granted under clause 19.1 shall only be exercised during an Enforcement Time.

20. Parties

- 20.1 The Security Trustee may be replaced by a successor in accordance with the Security Trust Deed.
- 20.2 On the date of its appointment, the successor Security Trustee will assume all the Rights and Obligations of the retiring Security Trustee. However, this does not apply to any Obligations of the retiring Security Trustee which arise out of its acts or omissions as Security Trustee before the appointment of the successor, in respect of which the retiring Security Trustee will continue to have the Obligations imposed by, and the Rights contained in, this Deed and the Security Trust Deed.
- 20.3 The retiring Security Trustee will, at the Company's expense, provide its successor with copies of those of its records as Security Trustee as its successor properly requires to perform its functions as Security Trustee.

21. Notices

- 21.1 Any notice or other communication to a party to this Deed must be in writing. It must be addressed for the attention of such person, and sent to such address or fax number as that party may from time to time notify to the other parties.
- 21.2 It will be deemed to have been received by the relevant party on receipt at that address or fax number.
- 21.3 The initial administrative details of the parties are contained in SCHEDULE 2 but a party may amend its own details at any time by notice to the other parties.
- 21.4 Any notice to the Company may alternatively be sent to its registered office or to any of its places of business or to any of its directors or its company secretary; and it will be deemed to have been received when delivered to any such places or persons.

22. Law

- 22.1 This Deed is governed by English law.
- 22.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed and including non-contractual disputes or claims) (a **Dispute**).
- 22.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.

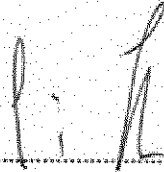
22.4 Clause 22.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee will not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed on the date stated at the beginning of this Deed.

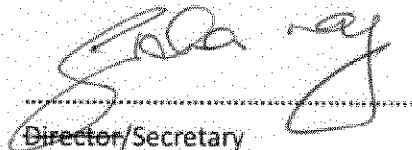
EXECUTION PAGE

Executed as a Deed by

PRIME BOND RENEWABLES PLC by:



Director



Director/Secretary

Executed as a Deed by

CITY PARTNERSHIP TRUSTEE LIMITED:

Director

Director/Secretary

EXECUTION PAGE

Executed as a Deed by


PRIME BOND RENEWABLES PLC by:

.....
Director

.....
Director/Secretary

Executed as a Deed by

CITY PARTNERSHIP TRUSTEE LIMITED:


.....

Director



FOR AND BEHALF OF

THE CITY PARTNERSHIP (UK) LIMITED
.....

Director/Secretary

SCHEDULE 1: INITIAL ADMINISTRATIVE DETAILS OF THE PARTIES

Party	Address	Attention
CITY PARTNERSHIP TRUSTEE LIMITED	27-28 Eastcastle Street, London W1W 8DH	Robin Smeaton
PRIME BOND RENEWABLES PLC	4 th Floor, 36 Spital Square, London E1 6DY	Iain Fulton

SCHEDULE 2: INVESTMENTS

One Ordinary Share of £1 nominal value in PRIME BOND RENEWABLES TRADING LIMITED

SCHEDULE 3: KEY ACCOUNTS

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SCHEDULE 4: KEY CONTRACTS

Deliberately left blank

SCHEDULE 5: PERMITTED SECURITY

1. Finance Party Security.
2. Liens arising in the ordinary course of trading by operation of law.