



**Registration of a Charge**

Company name: **AD RENEWABLE LENDING LIMITED**

Company number: **11285121**



X758EGZS

Received for Electronic Filing: **04/05/2018**

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**Details of Charge**

Date of creation: **27/04/2018**

Charge code: **1128 5121 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.**

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

Certified by: **JEROME GODFREY**



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

Company number: 11285121

Charge code: 1128 5121 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th April 2018 and created by AD RENEWABLE LENDING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th May 2018 .

Given at Companies House, Cardiff on 9th May 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

DATED 27 April 2018

**CITY PARTNERSHIP TRUSTEE LIMITED** (1)

and

**AD RENEWABLE LENDING LIMITED** (2)

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**DEBENTURE**

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DATE OF DEBENTURE

27 April

2018

## PARTIES

- (1) **AD RENEWABLE LENDING LIMITED** (Company No: 11285121) whose registered office is at 112 Houndsditch, London EC3A 7BD (the "**Company**")
- (2) **CITY PARTNERSHIP TRUSTEE LIMITED** (Company No: 08909187) whose registered office is at 27-28 Eastcastle Street, London W1H 8DH acting as the security trustee for and on behalf of the Bondholders (the "**Security Trustee**")

## BACKGROUND

- (A) The Company intends to issue a series of fixed rate bonds. The proceeds of the Bonds will be used to fund investments into asset backed renewable energy projects and associated sectors. The Company intends to take security over these assets (**Secured Assets**). The Security Trustee has agreed to act as security trustee for all Bondholders (as defined in the Bond) in respect of the Secured Assets as they arise from time to time.
- (B) This Deed is for the benefit of the Security Trustee and, notwithstanding the terms of this Deed, is subject to the terms of the Bond Deed.

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Deed:

**Alternative Remedy** means any contractual right or remedy, any guarantee, indemnity, bill or note or any Security Interest held by the Security Trustee or any Bondholder from time to time over or from any assets or any person;

**Bond** means (i) a bond of the series described as ADRL Series 1 Bond 2020 and issued by the Company from time to time and; (ii) subject to the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed), such further bonds of the series described as ADRL Series 1 Bond 2020 as the Company may issue ranking pari passu with the bond issued on the date hereof.

**Bond Deeds** means the bond deeds governing the terms of the Bonds (in the form set out in Schedule 1) and Bond Deed means any one of them.

**Bond Security** shall bear the meaning set out in the Bond Deed.

**Bondholder** means each person for the time being entered in the Register (as defined in clause 1.1 of the Bond Deed);

**Book and other Debts** means all book debts (but excluding any Cash at Bank) and other monetary debts and claims and the benefit of all rights relating thereto, including things in action which give rise or may give rise to a debt or debts including any policies of insurance or assurance;

**Cash at Bank** means all or any deposits, credit balances and other sums with any bank or financial institution and the accounts in respect of the same;

**Charged Assets** means all property, assets, business, undertaking, rights, benefits or documents which are from time to time the subject of a Security Interest created under or pursuant to this Deed;

**Charged Property** means the Charged Assets which are charged under clause 3.1(a) (Existing Land) or 3.1(b) (Other Land);

**Communications** means any notice, demand or other communication required to be given under this Deed;

**Deed** means this Debenture;

**Default Rate** means the interest rate stated in Schedule 2 of the Bond Deed plus 5% per annum;

**Dispute** means any dispute or claim arising out of or in connection with this Deed, its subject matter or formation (including non-contractual disputes and claims);

**Equipment** means the plant, machinery and equipment, or such other assets as they arise;

**Expenses** means all costs (including legal costs), charges, expenses and damages (and any VAT thereon) (in each case on a full indemnity basis) reasonably and properly incurred from time to time by the Security Trustee in connection with:

- (a) the enforcement, defence or protection of this Security (including the costs of any investigation by any person for the purposes of determining whether any action is appropriate to so enforce, defend or protect);
- (b) the appointment of any Receiver, delegate or sub-delegate under this Deed; or
- (c) the pursuit of any rights contained in this Deed or under or in connection with the Charged Assets or any document referred to in this Deed;

**Floating Charge** means the floating charge created under clause 3.1(j) (Floating Charge);

**Intellectual Property Rights** means all patents, patent applications, trademarks and service marks (howsoever styled or represented), designs, design rights, copyrights, confidential information, know-how and all other intellectual property rights;

**Lease** means any lease, agreement for lease or license to occupy the Charged Property;

**LPA'25** means the Law of Property Act 1925;

**L&T(C) A '95** means the Landlord & Tenant (Covenants) Act 1995;

**Permitted Security Interest** means any Security Interest granted with the prior written consent of the Security Trustee or any that arise by operation of law;

**Proceedings** means any proceedings in respect of any Dispute;

**Receiver** means a receiver, receiver and manager or administrative receiver appointed pursuant to the provisions of this Deed;

**Relevant Person** means any of the Security Trustee, any Receiver or any delegate or sub-delegate of either of the same or any Stock Transferee;

**Secured Liabilities** means all Expenses and all monies, obligations and liabilities (actual or contingent, present or future) from time to time due, owing or incurred by the Company to:

- (a) the Security Trustee under or in connection with this Deed, the Bond and/or any other Bond Security;
- (b) any Bondholder under the Bond or in respect of the Bonds.

**Securities** means all stocks, shares and/or other securities from time to time legally and/or beneficially owned by the Company or any nominee including all dividends (whether in cash or in specie), credits, rebates, refunds (including in respect of Taxes) and other distributions paid or payable in respect thereof including by way of bonus, capitalisation, preference, option or redemption;

**Security** means the security created by this Deed;

**Security Interest** means any mortgage, charge, hypothecation, pledge, lien, encumbrance, trust arrangement, contractual arrangement or assignment having the effect of security, conditional sale or other title retention agreement, combination of accounts or other security interest whatsoever, howsoever created or arising;

**Stock Transferee** means the Security Trustee or any other person to whom any of the Securities are transferred by or at the direction of the Security Trustee in accordance with the provisions of this Deed;

**Security Trust Deed** means the security trust deed to be entered into between (1) the Company on behalf of the Bondholders from time to time; and (2) the Security Trustee, on or around the date of this deed and as amended from time to time.

**Taxes** means all present and future income and other taxes, levies, deductions and charges whatsoever in any jurisdiction together with interest thereon and penalties with respect thereto, if any, and any payments made in respect thereof; and

**Tax Deduction** means any withholding or deduction for or on account of Taxes from any payment or receipt under this Deed.

## **1.2 Interpretation**

In this Deed, save as the context otherwise requires, references to:

- (a) Security Trustee and Company include their respective transferees, successors and assigns whether immediate or derivative;

- (b) clauses, paragraphs or schedules are to clauses of, paragraphs of or schedules to this Deed;
- (c) statutes and/or statutory provisions include the same as may have been and may, from time to time, be amended, supplemented, consolidated, re-enacted or replaced;
- (d) the table of contents and headings to clauses or schedules are for convenience only and have no legal effect;
- (e) the liquidation, administration, insolvency, bankruptcy or other similar incapacity of any body corporate includes the equivalent proceeding or occurrence in any other relevant jurisdiction;
- (f) any agreement or document (including this Deed) include the same as may have been, or may from time to time be, varied, amended, supplemented, substituted, novated or assigned howsoever fundamentally and whether or not the same results in any increased liability on the part of any person (including in respect of fees or rates of interest);
- (g) any "person" includes any person, firm, company, partnership, corporation or unincorporated body of persons or any state or government or any agency thereof;
- (h) items, events or words as a list of possibilities following the words "include", "includes" or "including" shall be construed as a non-exhaustive list and shall not limit the generality of the relevant provision of this Deed;
- (i) "in writing" shall include email but not faxes;
- (j) words (including definitions) denoting the singular shall include the plural and vice versa;
- (k) "Charged Assets" or "Charged Property" include reference to all or any part thereof; and
- (l) reference to a "demand" shall mean a demand in writing.

### **1.3 Exercise of discretion**

Any discretion or power which may be exercised or any determination which may be made by the Security Trustee under this Deed may (save as otherwise provided in this Deed) be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

The Company acknowledges that the Security Trustee may, before exercising any right, discretion or power, seek the views of or instructions from the Bondholders.

### **1.4 Effect as a deed**

The parties to this Deed intend it to take effect as a deed notwithstanding that the Security Trustee may have executed it under hand only.



## **2 COVENANT TO PAY**

### **2.1 Amount secured**

The Company agrees that it will on demand (when the same are due and payable) pay and discharge the Secured Liabilities.

### **2.2 Indemnities**

The Company indemnifies and agrees to keep indemnified each Relevant Person and any employee or other person for whose liability, acts or omissions such Relevant Person may be answerable, from and against all liabilities, costs, charges, losses and expenses suffered incurred by them or any of them (other than as a result of such Relevant Person's gross negligence, wilful default or fraud) arising from or as a result of:

- (a) the execution or the purported execution of any powers, authorities or discretions vested in any of them pursuant to this Deed;
- (b) any matter or thing done or omitted or in any way relating to the provisions of this Deed;
- (c) any breach by the Company of any of its covenants or other obligations to the Security Trustee under this Deed; or
- (d) the enforcement of any of the provisions of this Deed,

or from or as a result of any action, claim or proceeding relating to any of the above.

### **2.3 Interest**

The Company agrees (save to the extent interest accrues on the relevant Secured Liabilities in accordance with their terms) to pay interest to the Security Trustee on the Secured Liabilities. Such Interest shall:

- (a) accrue (after as well as before judgment or the liquidation, administration or other incapacity of the Company) from the date of demand (or, in the case of any Expenses incurred by any Receiver, the date the same are incurred) until payment at the Default Rate from time to time.
- (b) be compounded (after as well as before any demand, liquidation or judgment) in accordance with monthly (but without prejudice to the right of the Security Trustee to require payment of such interest); and
- (c) be payable on such days as the Security Trustee may from time to time determine.

## **3 SECURITY**

### **3.1 Fixed and floating charges**

The Company, with full title guarantee (but without the benefit of section 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994) and as security for the Secured Liabilities, charges to the Security Trustee by way of:

- (a) **Existing Land:** fixed charge all estates or interests in any freehold and leasehold property, if any listed;
- (b) **Other Land:** fixed charge all estates or interests in any freehold and leasehold property from time to time belonging to or charged to the Company (other than such estates or interests charged under clause 3.1(a) (Existing Land), all licences and other agreements from time to time held or entered into by the Company relating to land or to enter upon or use land and the proceeds of sale thereof;
- (c) **Plant and machinery:** fixed charge all fixtures (including trade fixtures, tenant's fixtures and fixed plant and machinery other than the Equipment) from time to time in or on the Charged Property and the proceeds of sale thereof;
- (d) **Equipment:** fixed charge all Equipment and the proceeds of sale thereof;
- (e) **Securities:** fixed charge all Securities together with all bills of exchange, promissory notes, negotiable instruments, loan capital indebtedness or liabilities on any account or in any manner from time to time owing to the Company;
- (f) **Intellectual Property:** fixed charge all Intellectual Property Rights from time to time belonging to the Company;
- (g) **Goodwill:** fixed charge all the uncalled capital and goodwill (including all brand names) from time to time belonging to the Company;
- (h) **Cash:** all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person together with all other rights and benefits accruing to or arising in connection with each account (including, but not limited to, entitlements to interest);
- (i) **Agreements:** all rights in respect of any agreements, instruments and rights relating to the Secured Assets to the extent not effectively assigned under clause; and
- (j) **Floating Charge:** floating charge its undertaking and all its other business, property, assets and rights (present or future and wheresoever situated) other than such of the same as are effectively mortgaged, or charged in sub-clauses (a) to (i) (inclusive).

### **3.2 Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee assigns to the Security Trustee absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities the benefit of all agreements, instruments and rights relating to the Secured Assets.

### **3.3 Qualifying floating charge**

Paragraph 14 of Schedule B1 of the Insolvency Act 1986 applies to and was intended to apply to the floating charge created under clause 3.1.

## **4 LAND REGISTRY**

### **4.1 Memorandum & Articles**

The Company certifies that this Deed does not contravene its Memorandum and Articles of Association and has been executed in accordance with the same.

### **4.2 Further advances**

This Deed secures further advances and application is made under and by the terms of this Deed to the Chief Land Registrar for a note to be entered on the register to that effect.

## **5 EFFECT OF COVENANTS**

The provisions of clauses 6 (Restrictions on dealing) to 13 (Floating charge) (inclusive) constitute covenants and undertakings of the Company in favour of the Security Trustee and shall apply until this Deed is fully and finally discharged. The Company may at any time seek the prior written consent of the Security Trustee to any act which would otherwise breach such covenants.

## **6 RESTRICTIONS ON DEALING**

### **6.1 Negative pledge**

The Company shall not create, attempt to create, agree to create or permit to subsist any Security Interest or permit or agree to permit any other proprietary right, right to occupy or other interest to arise in, on or to affect the Charged Assets other than a Permitted Security Interest.

### **6.2 Non-disposal**

The Company shall not part with possession of, transfer, sell, lease or otherwise dispose of the Charged Assets, any interest in the same, grant any option to do the same or attempt or agree so to do (whether by a single or a series of transactions) (each a "disposal"). However, the restriction on disposals shall not apply to a disposal of the Charged Assets which are charged to the Security Trustee by the Floating Charge only where such disposal is made in the ordinary course of trading as it is now conducted for full value and for the purpose of carrying on its business.

## **7 GENERAL COVENANTS**

### **7.1 Conduct of business**

The Company shall conduct and carry on its business in a proper and efficient manner and shall not make any substantial alteration in the nature of or mode of conduct of that business and shall keep or cause to be kept proper books of account relating to such business.

### **7.2 Notice of claims**

The Company shall as soon as reasonably practicable give notice in writing to the Security Trustee of any action, claim or demand made by or against the Company in

connection with the Charged Assets or of any fact, matter or circumstance which may give rise to the same.

### **7.3 Outgoings**

The Company shall pay punctually all rents, rates, Taxes and other outgoings of whatever nature (including governmental and municipal) from time to time payable by the owner or occupier of the Charged Assets and shall observe and perform punctually all restrictive and other covenants under which the Charged Assets are held.

## **8 INSURANCE COVENANTS**

### **8.1 General Insurance**

The Company shall maintain such insurances as are normally maintained by prudent companies carrying on similar businesses.

### **8.2 Interest noted**

The Company shall if the Security Trustee shall require, ensure that the interest of the Security Trustee is noted upon all its policies of insurance referred to in clause 8.1 (General Insurance).

### **8.3 Insurance receipts**

The Company shall, if the Security Trustee shall require, produce to or deposit with the Security Trustee all policies and receipts for all premium and other payments necessary for effecting and maintaining all insurances referred to in clauses 8.1 (General Insurance).

### **8.4 Requirements of insurers**

The Company shall expeditiously execute all works and provide and maintain all arrangements at or over all the Charged Assets which may from time to time be recommended, directed or required by the insurers thereof.

### **8.5 Insurance proceeds**

The Company shall hold all moneys which may at any time be received under any insurance covering the Charged Assets on trust for the Security Trustee, and shall apply all such moneys in replacing, restoring or reinstating the Charged Assets to a standard satisfactory to the Security Trustee (any deficiency being made good by the Company) or, at the Security Trustee's option, in discharge or reduction of the Secured Liabilities.

## **9 PROPERTY COVENANTS**

### **9.1 Landlord's consent**

The Company shall, in the case of any leasehold property which is subject to a restriction on the creation of mortgages or charges without the consent of the landlord, use its best endeavours to obtain such consent and, until such consent is obtained, the charge or mortgage thereof shall be conditional upon such consent being granted.

## **9.2 Title**

The Company shall ensure that no person other than the Company shall be registered at HM Land Registry as the proprietor of the Charged Property.

## **9.3 Variation of title**

The Company shall not effect or concur in any variation of the terms of any conveyance, grant, assignment, contract, agreement or other deed or document from time to time affecting the Charged Property, its development or use.

## **9.4 Leases**

The Company shall not exercise the statutory and common law power of leasing and/or accepting surrenders of leases conferred on mortgagors by Sections 99 and 100 LPA'25 or otherwise.

Provided that if the Company is obliged to grant an overriding lease under Section 17 L&T(C)A'95 the Security Trustee shall not unreasonably withhold or delay its consent to the granting and terms of the same but the Company shall provide the Security Trustee with a copy of any request for an overriding lease promptly on receipt and a copy of any such overriding lease promptly on completion.

## **9.5 Notice of damage**

The Company shall promptly give notice to the Security Trustee if the Charged Property is damaged or destroyed.

## **9.6 Repairs**

The Company shall keep all buildings, plant, machinery, fixtures and fittings contained in or on the Charged Property in good repair and condition, and permit any person or persons nominated by the Security Trustee free access at all reasonable times and upon giving reasonable prior written notice to view the state and condition thereof (without the Security Trustee becoming liable as mortgagee in possession). The Company shall comply with all reasonable recommendations of such persons relating to such state and condition.

## **9.7 Rebuilding**

The Company shall not carry out or permit to be carried out any rebuilding, reconstruction, demolition or alteration of the Charged Property, or (except for the purpose of effecting necessary repairs thereto) sever, unfix or remove any fixtures, fittings or plant or machinery in or on the Charged Property so as to diminish its value.

## **9.8 Change of use**

The Company shall notify the Security Trustee prior to a change or alteration of the use of the Charged Property. The Company will, before the change or alteration is implemented, duly obtain all necessary permissions from all relevant authorities and give notice to the Security Trustee on obtaining all such permissions.

## **9.9 After acquired property**

The Company shall inform the Security Trustee as soon as reasonably practicable after contracting to purchase any estate or interest in any freehold, leasehold or heritable property, and shall supply the Security Trustee with such details of the purchase as the Security Trustee may from time to time reasonably require.

## **10 EQUIPMENT**

### **10.1 Maintenance**

The Company shall make its best endeavours to ensure that any Equipment is maintained in good and serviceable condition (fair wear and tear excepted) and shall not permit the Equipment to be used or handled by persons who are not appropriately trained and otherwise contrary to the applicable manufacturer's specifications and recommendations.

### **10.2 Name Plating**

The Company shall, if so requested by the Security Trustee, affix to each item of Equipment a clearly legible identification plate with such wording as the Security Trustee may reasonably specify for the purpose of stating that the Equipment is subject to a fixed charge under the Debenture.

### **10.3 Inspection**

The Company shall not remove any item of Equipment from the existing premises and shall allow the Security Trustee (or any person specified by the Security Trustee) during normal business hours to inspect the Equipment and any records relating to the same.

## **11 SECURITIES**

### **11.1 Share certificates**

The Company shall, and shall procure that any nominee of it shall, deposit with the Security Trustee or otherwise as the Security Trustee may direct, all stock and share certificates and all other documents of title as the Security Trustee may from time to time require.

### **11.2 Stock transfer forms**

The Company shall, and shall procure that any nominee of it shall, on request by the Security Trustee, execute legal transfers of the Securities to any Stock Transferee and shall authorise such Stock Transferee to complete and register the same and take such other actions as may be required for perfecting its title to the Securities or for vesting or enabling it to vest the same in itself or in any purchaser.

### **11.3 Stock Transferees**

The Company indemnifies and agrees to keep indemnified each Stock Transferee against any liability in respect of any calls or other liabilities in connection with the Securities

#### **11.4 Voting and dividend rights**

The Company shall, until this Security shall become enforceable, be entitled to:

- (a) exercise all voting rights (including to declare dividends) attached to the Securities as beneficial owner. If any Stock Transferee is the registered owner of any of the Securities it shall exercise such voting rights in accordance with the directions of the Company from time to time and in the absence of directions shall not exercise such rights; and
- (b) retain any dividends, distributions or interest arising from or in respect of the Securities but shall forward to the Security Trustee promptly on receipt any notices or documents relating to such dividends, distributions or interest or the declaration of the same including any notice of general meeting.

#### **11.5 Return of Securities**

If any of the Securities are released from this Security the Security Trustee will not be obliged to return the Securities in identical form provided that the Securities which are returned are in the same company, of the same type and for the same nominal value in aggregate.

### **12 INTELLECTUAL PROPERTY RIGHTS**

#### **12.1 Preservation**

The Company shall preserve, maintain and renew as and when necessary all Intellectual Property Rights required in connection with its business.

#### **12.2 No cancellation**

The Company shall conduct its business in such a way as not to endanger or lead to the cancellation or suspension of any Intellectual Property Rights or cause any penalty or disqualification.

### **13 FLOATING CHARGE**

#### **13.1 Crystallisation**

The Security Trustee may from time to time by notice to the Company convert the Floating Charge into a specific fixed charge as regards any assets specified in the notice or directions.

#### **13.2 Automatic crystallisation**

Notwithstanding any other provision of this Deed, the Floating Charge shall automatically and without need for notice operate as a fixed charge the moment:

- (a) the Security Trustee serves demand under clause 2 (Covenant to pay); or
- (b) the Company breaches clause 6.1 (Negative pledge); or

- (c) any person levies or attempts to levy any distress, execution, sequestration or other process against any of the Charged Assets.

PROVIDED THAT in the case of sub-clauses (b) and (c) the Floating Charge shall only operate as a fixed charge over such of the Charged Assets to which the breach or levy relates.

## **14 NATURE OF SECURITY**

### **14.1 Continuing Security**

This Security is created as, and shall remain, a continuing security notwithstanding any settlement of account or other matter whatsoever.

### **14.2 No Consolidation**

This Security is additional to and shall not merge with any Alternative Remedy. Accordingly, section 93 LPA '25 shall not apply to this Security.

### **14.3 No prejudice**

This Security shall not prejudice or affect or be prejudiced or affected by (or by the invalidity of) any Alternative Remedy or by the Security Trustee from time to time:

- (a) dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any Alternative Remedy; or
- (b) giving time for payment or indulgency or compounding with any person liable.

## **15 PERFECTION**

### **15.1 Further assurance**

The Company shall, at its own cost, from time to time on request by the Security Trustee execute and deliver or create such further Security Interests over the Charged Assets (including legal assignments over the Book and other Debts), transfers or other documents and do all acts in each case as so requested (such request, prior to this Security becoming enforceable to be reasonable) for the purpose of:

- (a) perfecting or protecting the security intended to be created by this Deed;
- (b) obtaining the full benefit of the rights conferred on the Security Trustee under this Deed; or
- (c) exercising any of the Security Trustee's rights and powers under this Deed.

### **15.2 Power of attorney**

The Company irrevocably appoints by way of security whilst this Security is enforceable each of the Security Trustee and any person nominated in writing under the hand of any officer of the Security Trustee including every Receiver as the Company's attorney with full power of substitution for the Company and in its name and on its behalf and as its act and deed to execute, seal and deliver and otherwise perfect any deed, assurance,



agreement or act which may be required or deemed proper for any purposes of this Security and/or to facilitate the exercise by the Security Trustee of any of its rights and powers under this Deed.

## **16 ENFORCEMENT**

### **16.1 Enforceability**

This Security shall become enforceable on or at any time after:

- (a) any of the Secured Liabilities are not paid and/or discharged in accordance with clause 2 (Covenant to pay);
- (b) (notwithstanding the terms of any other agreement between the Company and the Security Trustee), the presentation of a petition for an administration order in relation to the Company pursuant to the Insolvency Act 1986 or the presentation by any person of any notice of intention to appoint an administrator; or
- (c) being requested by the Company,

and any reference in this Deed to this Security being or becoming enforceable shall be read and construed accordingly.

### **16.2 Power of sale**

The power of sale and other powers conferred by Section 101 LPA'25 (as varied or extended by this Deed) shall arise on execution of this Deed but shall not be exercisable until this Security becomes (and whilst it remains) enforceable. Accordingly, Section 103 LPA'25 shall not apply to this Security.

### **16.3 Statutory powers of leasing**

The provisions of Sections 99 and 100 LPA'25 shall not apply to this Security and the Security Trustee may, whilst this Security is enforceable, grant leases, make agreements for lease, accept surrenders of leases and grant options in relation to the Charged Assets on such terms as it thinks fit.

### **16.4 Appointment of Receiver**

Whilst this Security is enforceable, the Security Trustee may by writing under the hand of any officer of the Security Trustee appoint (free from the restrictions imposed by Section 109(1) LPA'25) any person or persons to be a Receiver of all or any of the Charged Assets (with power to authorise any joint Receiver to exercise any power independently of any other joint Receiver) and may similarly remove any Receiver (subject to any applicable limitations in any statute) and appoint another in his stead.

### **16.5 Receiver as agent**

Any Receiver shall be the agent of the Company and the Company shall be solely responsible for his acts or defaults and for remuneration. Such agency shall continue until the Company shall go into liquidation and thereafter such Receiver shall act as principal and shall not become the agent of the Security Trustee.

## **16.6 Remuneration of Receiver**

The Company irrevocably authorises the Security Trustee to agree as it sees fit and free from the restrictions contained in Section 109(6) LPA'25, the remuneration payable to any Receiver.

## **17 SECURITY TRUSTEE AND RECEIVERS POWERS**

### **17.1 General powers**

The powers conferred on mortgagees or receivers by any statute shall apply to the Security Trustee and any Receiver (except where expressly or impliedly excluded by any provision of this Deed) and where there is any conflict or ambiguity between such powers and the provisions of this Deed the provisions of this Deed shall prevail.

### **17.2 Receiver's powers**

Any Receiver shall, subject to any limitations set out by the Security Trustee in the relevant appointment, have the powers conferred on administrative receivers under Section 42 of and Schedule 1 to the Insolvency Act 1986 including the power to borrow any monies and to secure the repayment of such monies in priority to the Secured Liabilities.

### **17.3 Power to acquire and develop**

Any Receiver shall have the power to:

- (a) purchase or acquire any land or any interest or right over or to the land;
- (b) obtain all permissions, approvals, consents and licenses (including governmental and municipal) for the development of the Charged Assets;
- (c) carry out any alterations or additions to the Charged Assets; and
- (d) negotiate for compensation with any person intending to, proposing to or in the process of compulsorily acquiring the Charged Assets and to represent the Company at any enquiry to consider the same and make any objections it considers fit to the same.

### **17.4 Power to employ**

Any Receiver may in the exercise of its powers employ any agents, professional advisers or such other persons as it considers fit.

### **17.5 Severance of fixtures**

Any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and any sale or other disposition may be made upon any such terms as to indemnity as such Receiver may think fit.

#### **17.6 Exercise of powers**

Any Receiver may exercise its powers in its absolute discretion, as it considers necessary or desirable to realise or to maintain the value of any Charged Assets or the efficacy of this Security.

#### **17.7 Redemption of prior security**

In the event of any steps being taken to exercise or enforce any Security Interest ranking in priority to this Security the Security Trustee may redeem or procure the transfer of such Security Interest to itself. In connection with such redemption or transfer the Security Trustee may settle and pass the accounts of the beneficiary of such Security Interest which shall be conclusive and binding on the Company.

#### **17.8 Mortgagee's powers**

Whilst this Security is enforceable, all the powers of a Receiver may be exercised by the Security Trustee whether as attorney of the Company or otherwise and whether or not any Receiver shall have been appointed.

#### **17.9 Power to delegate**

The Security Trustee may from time to time delegate (including by power of attorney) to any person or persons any of the powers, authorities and discretions which are from time to time exercisable by the Security Trustee under this Deed. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Trustee may think fit.

### **18 APPLICATION OF PROCEEDS**

#### **18.1 Proceeds**

Any monies received by the Security Trustee or any Receiver shall (subject to the provisions of the Insolvency Act 1986 and to the repayment of any claims having priority to this Security) be applied in the following order without prejudice to the right of the Security Trustee to recover any shortfall from the Company in or towards:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Security Trustee under or in connection with this deed;
- (b) payment of all costs, charges and expenses of and incidental to the appointment of the Receiver, the exercise of his powers and of all outgoings paid by him;
- (c) payment of the Receiver's remuneration;
- (d) satisfaction of the Secured Liabilities in such order (whether as to principal and interest and notwithstanding Section 109(8) LPA'25 or otherwise) as the Security Trustee in its absolute discretion thinks fit; and
- (e) payment of the surplus (if any) to the person entitled to it.

## **18.2 Suspense account**

All monies received, recovered or realised under this Deed may be credited at the discretion of the Security Trustee to any suspense account in any name and may be held in such account for so long as the Security Trustee shall think fit pending its application in accordance with clause 18.1 (Proceeds).

## **19 PROTECTION FOR THIRD PARTIES**

No person dealing with any Receiver or the Security Trustee shall be concerned to enquire whether any power which it is purporting to exercise has become exercisable or the propriety or regularity of any sale by or other dealing with such Receiver or the Security Trustee. All the protection to purchasers contained in Sections 104 and 107 LPA'25 shall apply to any person purchasing from or dealing with a Receiver or the Security Trustee.

## **20 LIABILITY**

### **20.1 To account**

No Relevant Person shall in any circumstances (including the entry into or taking possession of the Charged Assets) be liable (including as mortgagee in possession) to account to the Company for anything except such Relevant Person's actual receipts.

### **20.2 Other liabilities**

No Relevant Person shall in any circumstances be liable to the Company for any loss or damage arising from or as a result of:

- (a) any realisation of the Charged Assets;
- (b) any act, default or omission of such Relevant Person in respect of the Charged Assets or the realisation thereof;
- (c) any exercise or non-exercise of any power, authority or discretion conferred on such Relevant Person under this Deed, under the Security Trust Deed, or by any statute; or
- (d) any negligence or default of such Relevant Person's nominees, correspondents or agents,

or for any other loss of whatsoever nature in connection with the Charged Assets.

### **20.3 Acts of others**

The Security Trustee shall not have any liability to the Company for any act, default or omission of any other Relevant Person.

## **21 PAYMENTS WITHOUT DEDUCTION**

All sums received by the Security Trustee under this Deed shall be received in full without any set-off, counter-claim, withholding or deduction save for any Tax Deduction required by law.

## **22 COMMUNICATIONS**

### **22.1 Addresses**

All Communications shall be in writing given either by email or letter delivered by prepaid first class letter post or in person and shall be addressed, if to:

- (a) the Company: to it at its registered office, email address: duncan@aratuscapital.com for the attention of Duncan Webster; and
- (b) the Security Trustee: the address set out on page 1, email address: Doreen@city.uk.com marked for the attention of Doreen Nic;
- (c) or to such other address(es) and email address(es) and marked for the attention of such other person(s) as any of the parties may from time to time notify to the others in writing.

### **22.2 Deemed delivery**

All Communications sent in accordance with clause 22.1 (Addresses) shall be deemed to have been received if:

- (a) by prepaid first class letter post, 24 hours after posting;
- (b) by email, when transmitted, save where a "bounce back" or similar automated message indicating non-delivery is received by the sender reasonably promptly following transmission;
- (c) in person, when delivered;
- (d) received or deemed to have been delivered outside normal business hours or on a day which is not a business day, on the next following business day; and
- (e) to the Security Trustee, only when actually received by the Security Trustee.

### **22.3 Certificates**

Any Communication or any certificate as to any amount at any time due from the Company shall (save in the case of manifest error) be conclusive and binding upon the Company, if signed by the Security Trustee.

## **23 MISCELLANEOUS**

### **23.1 Waivers and consents**

No failure or delay by the Security Trustee in exercising any right or remedy shall operate as a waiver thereof, nor shall any single or partial exercise or waiver of any right or remedy preclude its further exercise or the exercise of any other right or remedy. Any waiver or consent given by the Security Trustee under this Deed must be in writing and may be subject to any conditions thought fit by the Security Trustee. Any waiver or consent shall be effective only in the instance and for the purpose it is given.

### **23.2 Conditional discharge**

Any release, settlement or discharge between the Security Trustee and the Company shall be conditional upon no security, disposition or payment to the Security Trustee by any person being avoided, set aside, reduced or ordered to be refunded for any reason whatsoever (a "*reduction*"). If a reduction occurs the Security Trustee shall be entitled to recover the value or amount of such reduction from the Company subsequently (including by enforcing this Security) as if such release, settlement or discharge had not occurred.

### **23.3 Severability of provisions**

Each of the provisions of this Deed is severable and distinct from the others and if at any time one or more of such provisions is or becomes invalid, illegal or unenforceable with respect to the Company, the legality, validity and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

### **23.4 Counterparts**

This Deed may be executed in any number of counterparts each of which shall be an original and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

## **24 APPLICABLE LAW AND JURISDICTION**

### **24.1 Applicable Law**

The law of England and Wales is the law applicable to this Deed and any Dispute.

### **24.2 Jurisdiction**

For the exclusive benefit of the Security Trustee, the Company irrevocably agrees that the courts of England are to have non-exclusive jurisdiction to hear and settle any Proceedings and Disputes.

**THIS DEED** has been duly executed and delivered as a deed (and was intended to be delivered) on the date set out on the first page of this Deed.

**Schedule 1**

**Security Trust Deed**

**CITY PARTNERSHIP TRUSTEE LIMITED (1)**  
**(as Security Trustee)**

**- and -**

**AD RENEWABLE LENDING LIMITED (2)**

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**SECURITY TRUST DEED**

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**BETWEEN**

- (1) **CITY PARTNERSHIP TRUSTEE LIMITED**, incorporated and registered in England and Wales with company number 08909187 whose registered office is at 27-28 Eastcastle Street, London, W1W 8DH as security trustee for the Beneficiaries (the "**Security Trustee**"), which expression includes, where the context permits, all persons for the time being the trustee or trustees under this Deed; and
- (2) **AD RENEWABLE LENDING LIMITED** incorporated and registered in England and Wales with company number 11285121 whose registered office is at 112 Houndsditch, London EC3A 7BD (the "**Company**").

**WHEREAS**

- (A) The Company has, by resolution of its board of directors passed on or about the date of this Deed, resolved to create secured Bonds which are to be constituted in the manner set out in the Loan Note Instruments.
- (B) Under the terms of a Debenture dated on or around the date of this Deed, the Company has provided security to the Security Trustee on behalf of the Beneficiaries for the Bonds issued under the Loan Note Instruments.
- (C) This Deed sets out the basis on which the Security Trustee has agreed to act as trustee under this Deed and to hold the benefit of the security constituted by or pursuant to the Debenture and the covenants and obligations of the Company under the Debenture on trust for the Beneficiaries.

**IT IS AGREED** as follows:

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

Terms defined in the Loan Note Instruments shall unless otherwise stated or defined in this Deed, have the same meaning as used in this Deed.

**"Bond"** means a bond of the series described as ADRL Series 1 Bond 2020 and issued by the Company from time to time under the Loan Note Instruments;

**"Bondholder(s)"** means each person for the time being entered as a holder of any Bonds in the register of bondholders kept and maintained by the Company;

**"Beneficiaries"** means the Bondholders from time to time and the Security Trustee in relation to any rights granted to it under the Debenture and this Deed and **"Beneficiary"** means any of them. For the avoidance of doubt, the Beneficiaries shall include Bondholders under Loan Note Instruments issued by the Company from time to time after the date hereof with the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed);

**"Debenture"** means the debenture made between the Company and the Security Trustee dated on or around the date of this Deed;

**"instructing Group"** means the Bondholders forming a requisite quorum and majority under the terms and conditions of a Loan Note Instrument to be able to instruct the Security Trustee to act, or refrain from acting, in a certain manner;

**"Loan Note Instruments"** means the loan note instruments made by the Company from time to time constituting up to £5 million fixed rate secured loan notes secured by the Debenture;

**"Receiver"** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property;

**"Relevant Jurisdiction"** at any time means (a) the United Kingdom, (b) any political subdivision of the United Kingdom, or any such other jurisdiction or (c) any jurisdiction of which the United Kingdom or any such political subdivision at such time forms a part;

**"Reserved Matters"** has the meaning set out in Schedule 1 (*Reserved Matters of the Security Trustee*);

**"Rights"** means all rights vested in the Security Trustee by virtue of, or pursuant to, its holding the interests conferred on it by the Debenture and all rights to make demands, bring proceedings or take any other action in respect thereof;

**"Secured Obligations"** means all indebtedness, liabilities and obligations of the Company whether actual or contingently, whether solely or jointly with any person, whether as principal or surety due, owing or incurred in any manner to any one or more of the Beneficiaries from time to time under the Debenture;

**"Security"** means any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect;

**"Security Assets"** means all the assets, property and undertaking for the time being subject to the Security created by, or pursuant to, the Debenture (and references to the Secured Assets shall include references to any part of them);

**"Security Discharge Date"** means the date on which:

- (i) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (ii) the Company has no further commitment, obligation or liability to the Beneficiaries;

**"Trustee Costs"** means the costs and expenses incurred by the Security Trustee in performing its obligations in compliance with this Deed; and

**"Trust Property"** means:

- (i) the present and future interest of the Security Trustee in the Security Assets and the encumbrances from time to time constituted by or pursuant to or evidenced by the Debenture and all rights of the Security Trustee to make demands under or enforce the same and all rights accruing to the Security Trustee by virtue of holding the same;
- (ii) all representations, obligations, undertakings and covenants contained in the Debenture (except those granted solely for the benefit of the Security Trustee itself); and
- (iii) all monies received by the Security Trustee in connection with any of the foregoing or as a result of enforcement of the same except those received in respect of or appropriated to the benefit of the Security Trustee for itself (but including any amounts for the time being credited to any suspense account).

## 1.2 Interpretation

- (a) In this Deed, unless the context requires otherwise, any reference to:
- (i) any agreement or document howsoever characterised shall (unless expressly provided otherwise in this Deed) be construed as a reference to that agreement or document as the same may be or may have been amended, supplemented, restated, novated and/or replaced from time to time and shall be deemed to incorporate the provisions of any deed of accession entered into by any party from time to time;
  - (ii) any person shall (unless expressly provided otherwise in this Deed) include their respective permitted successors or permitted assigns (whether immediate or derivative);
  - (iii) any enactment shall be deemed to include references to such enactment as re-enacted, amended or extended for the time being;
  - (iv) an "**asset**" includes any present and future asset, revenue, property or right and includes uncalled capital;
  - (v) "**including**" or "**includes**" means including or includes without limitation; and
  - (vi) an action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto;
  - (vii) an "**encumbrance**" shall be construed as a reference to (a) a mortgage, charge, assignment by way of security, pledge, lien or other encumbrance securing any obligation of any person, (b) any arrangement under which money or claims to, or the benefit of, a bank or other account may be applied, set-off or made subject to a combination of accounts so as to effect payment of sums owed or payable to any person or (c) any other type of preferential arrangement (including title transfer and retention arrangements) having a similar effect;
  - (viii) "**enforceable**" mean the security constituted by the Debenture becoming enforceable in accordance with its terms;
  - (ix) the singular includes the plural and *vice versa*;
  - (x) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation or dissolution of or similar event affecting the Company; and
  - (xi) words denoting the masculine gender shall include the feminine gender also and words denoting persons only shall include companies, corporations and partnerships.
- (b) References to clauses, paragraphs and schedules are references to clauses, paragraphs and schedules of this Deed (unless otherwise stated) and references to this Deed include its schedules.
- (c) Clause headings are for convenience only and shall not affect the construction of this Deed.
- (d) All of the provisions of this Deed are severable and distinct from one another and the

illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall not affect the validity or enforceability of such provision under the law or any other jurisdiction nor the legality, validity or enforceability of any other provision of this Deed.

- (e) This Deed may be executed in any number of counterparts, each of which when so executed and delivered to any party shall be an original, but all the counterparts shall together constitute one and the same instrument.
- (f) Costs, charges, expenses or remuneration shall be construed so as to include references to any value added tax or similar tax charged or chargeable in respect thereof.
- (g) An action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than England, references to such action, remedy or method of judicial proceedings for the enforcement of rights of creditors available or appropriate in such jurisdiction as most nearly approximates to it.
- (h) The terms of any side letters between any of the parties thereto in relation to the Debenture, are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (i) If the Security Trustee reasonably considers that an amount paid by the Company to a Bondholder is capable of being avoided or otherwise set aside on the liquidation or administration of the Company, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (j) It is intended by the parties to this Deed that this document shall take effect as a deed notwithstanding the fact that a party may only execute this document under hand.

## **2 TRUST FOR BENEFICIARIES**

- 2.1 The Security Trustee will hold the Trust Property on trust for itself and the Beneficiaries on the terms and conditions contained in this Deed and the Debenture. The parties to this Deed further acknowledge the Security Trustee will act as trustee in connection with this Deed and the Debenture.
- 2.2 The Security Trustee shall exercise the rights, powers and discretions which are specifically conferred on the Security Trustee by the terms of this Deed and the Debenture, together with all rights, powers and discretions as are reasonably incidental to the foregoing or necessary to give effect to the trusts created by this Deed.

### **2.3 Conduct of trusts**

The rights, powers, benefits and discretions which from time to time form part of the Trust Property will be exercised (both before and after enforcement) in accordance with this Deed.

## **3 THE TRUST PROPERTY**

### **The initial security**

The parties to this Deed acknowledge that the Security which is to be held initially by the Security Trustee upon the trusts contained in this Deed is the benefit of the encumbrances and obligations arising in favour of the Security Trustee under the Debenture.

#### **4 PERPETUITY PERIOD**

The perpetuity period for each trust created pursuant to this Deed is 125 years from the date of this Deed.

#### **5 WINDING UP OF TRUST**

If the Security Discharge Date has occurred, the trusts created by this Deed shall be wound up and the Security Trustee is authorised to release the Security Assets (without recourse or warranty) from the security constituted by the Debenture.

#### **6 DUTIES OF THE SECURITY TRUSTEE**

##### **6.1 Obligations to Beneficiaries**

The Security Trustee has no duty to and shall not be concerned with the interests of any person other than the Beneficiaries and its duty to such Beneficiaries shall be limited to the extent set out in this Deed.

##### **6.2 Express duties only**

- (a) The Security Trustee has no duties, obligations or liabilities to any Beneficiary beyond the duties, obligations and liabilities which are expressly stated in this Deed.
- (b) The Security Trustee has only the duties, obligations and responsibilities which are expressly specified in this Deed and shall not have any implied duties, obligations or responsibilities to any person.

##### **6.3 No duty to the Company**

In performing or carrying out its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting only in a mechanical and administrative capacity (except as expressly provided in this Deed or the Debenture) and shall not have, or be deemed to have, any duty (whether as fiduciary, trustee, agent or otherwise), obligation or responsibility to or relationship of trust or agency with the Company.

#### **7 SPECIFIC DUTIES**

##### **7.1 The Security Trustee shall:**

- (a) (Except as otherwise provided in this Deed) act as trustee under the Debenture in accordance with any instructions given to it by any Instructing Group including any instructions (if so given by an Instructing Group) to refrain from exercising any right, power or discretion vested in it as trustee under the Debenture as more particularly set out in clause 8 (*Duty to act on Instructions*); and
- (b) act as required pursuant to clauses 9 (*Default Procedure*) and 10 (*Enforcement of Debenture*).

7.2 The Company shall not issue any other series of bonds or notes without the consent of the Security Trustee (such consent not to be unreasonably withheld or delayed).

#### **8 DUTY TO ACT ON INSTRUCTIONS**

##### **8.1 Security Trustee to act on instructions of an Instructing Group**

- (a) The Security Trustee will exercise its rights in relation to the Trust Property in accordance with the instructions of an Instructing Group (but subject always to this

Deed).

- (b) The Security Trustee is not obliged to follow any instructions given by any person other than an Instructing Group.
- (c) If the Security Trustee does not receive instructions from an Instructing Group in relation to any matter, it shall be entitled not to take any action. The Security Trustee is not obliged actively to seek such instructions although it is entitled to do so.
- (d) The Security Trustee may do any act or thing in the exercise of any of its duties under this Deed or the Debenture, which in its absolute discretion (in the absence of any instructions from an Instructing Group as to the doing of such act or thing) it deems advisable for the protection and benefit of the Beneficiaries.

## **8.2 Limitation on obligation to follow instructions**

- (a) In taking action or refraining from taking action in relation to the Reserved Matters or otherwise, the Security Trustee is not obliged to follow the instructions of an Instructing Group.
- (b) Notwithstanding anything else contained in this Deed, the Security Trustee is entitled to refrain from:
  - (i) exercising any right, power or discretion or taking any other action until it has been instructed by an Instructing Group as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised (and until indemnified and/or secured in accordance with clause (ii)); and/or
  - (ii) acting in accordance with any instructions or requests of an Instructing Group until the Security Trustee has received such security and/or indemnity as it may require (whether by way of payment in advance or otherwise) against all costs, claims, expenses (including legal fees) and liabilities which it will or may expend or incur in complying with any such instructions.
- (c) The obligations of the Security Trustee to follow instructions and to carry out its duties are subject always to provisions of clause 11 (*Activities of the Security Trustee*)).

## **8.3 Limited liability of Security Trustee for acting on instructions**

Notwithstanding any other provision of this Deed, the Debenture or the Loan Note Instruments, when exercising the rights, benefits, powers, trusts, authorities, discretions and obligations expressed to be granted to the Security Trustee by this Deed, the Debenture, Loan Note Instruments or by operation of law, the Security Trustee where it does act or omit to act at the instruction of an Instructing Group:

- (a) (except as otherwise provided in relation to its Reserved Matters) is not obliged to act other than at the request or direction of an Instructing Group; and
- (b) shall not be responsible or liable to any person for any loss, costs, damages, expenses or inconvenience which may result from such exercise or non-exercise.

## **9 DEFAULT PROCEDURE**

### **9.1 Insolvency procedures**

The Security Trustee will immediately inform the Beneficiaries by email of any notice in writing received by it of:

- (a) any general meeting of the Company convened for the purpose of considering any resolution for the winding-up of the Company;
- (b) any such resolution being proposed (whether in general meeting or otherwise) or passed; or
- (c) any application being made at court for an administration order to be made or an administrator to be appointed in relation to the Company or any administrator of the Company being appointed or notice being given or steps being taken in anticipation of such an appointment; or
- (d) any receiver or receiver and manager (including an administrative receiver) of all or any part of the Company's undertaking or assets being appointed.

## **9.2 Breach of obligations**

The Security Trustee will promptly notify the Beneficiaries in writing of any breach or alleged breach by the Company of any of its material obligations under the Debenture of which it has received written notice.

## **9.3 Notification of Default**

If the security constituted pursuant to the Debenture becomes enforceable, the Security Trustee will (as soon as reasonably practicable after becoming aware of it) notify the Beneficiaries in writing of the occurrence of that event.

# **10 ENFORCEMENT OF DEBENTURE**

## **10.1 Enforcement Instructions**

Whilst an Event of Default is continuing, and remains unremedied and/or has not been waived by a Special Resolution, the Security Trustee must, subject to clause 8.1(d), do all or any of the following if so directed or instructed by an Instructing Group:

- (a) to the extent permitted by applicable law, take any action to enforce in any manner (including, without limitation, by appointment of a receiver, administrative receiver, administrator or receiver and manager) any security or obligation constituted by the Debenture over or in respect of any property or assets of the Company or binding it;
- (b) require a valuation to be obtained by an independent valuer of any secured property;
- (c) appoint an independent accountant or other expert to investigate, report to and advise the Security Trustee on the affairs, financial condition and business of the Company; and/or
- (d) contest any petition, action, proceedings or other steps taken in relation to the Company.

10.2 The Security Trustee shall be entitled to seek clarification from an Instructing Group (and/or from any agents acting on their behalf) with regard to any such instructions and may, in its discretion, elect not to act pending receipt of such clarification to its reasonable satisfaction from the relevant Instructing Group (or agent acting on their behalf).

## **10.3 No independent right of the Beneficiaries to enforce**

No Beneficiary other than the Security Trustee (if applicable) is entitled to seek the enforcement of any of the security constituted by or pursuant to the Debenture otherwise than in accordance with the provisions of the Debenture, Loan Note Instruments and this Deed. None of the Beneficiaries other than the Security Trustee (if applicable) shall be entitled to:



- (a) exercise any rights, discretions or powers or to grant any consents or releases under or pursuant to the Debenture; or
- (b) otherwise have direct recourse to such security,

in each case except through the Security Trustee, unless the Security Trustee, having become bound to act, fails to do so within a reasonable period.

## **11 ACTIVITIES OF THE SECURITY TRUSTEE**

### **11.1 General powers and discretions of Security Trustee**

- (a) The Security Trustee shall have all the powers and discretions:
  - (i) which are conferred upon trustees by the Trustee Act 1925 and (subject to clause 12 (*Powers additional*) below) the Trustee Act 2000 (in each case to the extent that these are not inconsistent with this Deed);
  - (ii) which are conferred upon the Security Trustee by:
    - (A) the Debenture; and/or
    - (B) upon a Receiver appointed under the Debenture (as though the Security Trustee were a Receiver thereunder),

and, by way of supplement to these powers and discretions, it is expressly declared that the Security Trustee shall have the powers and discretions specifically set out in this clause 11; and

- (b) The Security Trustee may do any act or thing in the exercise of any of its duties under this Deed or the Debenture which in its absolute discretion (in the absence of any instructions of an Instructing Group as to the doing of such act or thing) it deems necessary for the protection of all the Beneficiaries.

### **11.2 Specific powers of Security Trustee**

The Security Trustee may:

- (a) upon a disposal of any property the subject of the Debenture by any Receiver to any third party, release such property from the security constituted by the Debenture; and
- (b) perform all of its obligations under the Debenture notwithstanding anything contained in this Deed.

### **11.3 Information to Beneficiaries**

- (a) The Security Trustee shall promptly send to each Beneficiary (or representative, if any, a copy of each notice, report, set of accounts or other document delivered to it under or pursuant to this Deed.
- (b) The Security Trustee is not required to determine the accuracy or completeness of any document or copy that it receives, or that it gives another party.
- (c) Nothing in this Deed or the Debenture obliges the Security Trustee to disclose any information relating to the Company if the disclosure would constitute a breach of any law or duty of secrecy or confidence.
- (d) It is the responsibility of the Company to keep the Security Trustee informed of the Beneficiaries' relevant contact details, and the Security Trustee shall have **no liability**

in respect of any loss arising out of the Company having failed to provide correct contact details.

#### 11.4 **Certificates and communications**

- (a) *Communications from parties to this Deed:* The Security Trustee is entitled to act and/or rely upon any notice, request, certificate, direction, instruction, communication or other document of any party to this Deed or the Debenture for the purposes of this Deed if that notice, request or other communication purports to be signed or sent by or on behalf of an authorised signatory of such party, and the Security Trustee shall not be liable for acting on any such notice, request, certificate, direction, instruction, communication or other document even if any of the same includes any error or omission or is not authentic.
- (b) *No obligation to verify:* The Security Trustee shall not be bound to call for further evidence or to be responsible for any loss that may be occasioned by its failure to call for further evidence or by its acting on any such certificate.
- (c) *Reliance on certificates of fact:* The Security Trustee may call for and rely (as to any matters of fact which might reasonably be expected to be within the knowledge of the Company) upon a certificate which purports to be signed or sent by or on behalf of an authorised signatory of such person as sufficient evidence thereof and shall not be bound in any such case to call for further evidence or be responsible for any loss which may be occasioned by the Security Trustee failing to call for further evidence.

#### 11.5 **Assume no default**

The Security Trustee may (and it is the intention that it shall) assume (without enquiry) that:

- (a) no event, condition or act has happened, the happening of which would cause a right or remedy to become exercisable by the Security Trustee under this Deed or the Debenture;
- (b) the Company is not in breach of any of its obligations under the Debenture or the Loan Note Instruments; and
- (c) no Event of Default has occurred.

The Security Trustee shall not be bound to take any steps to ascertain whether any such event has occurred.

#### 11.6 **Appointment of additional trustees**

- (a) The Security Trustee is entitled at any time (with the prior consent of an Instructing Group (such consent not to be unreasonably withheld or delayed)) to appoint (and subsequently to dismiss) any other person or persons as it thinks fit to become additional trustees under this Deed to assist it in carrying out its duties under this Deed and each such additional trustee shall be entitled to the same rights and subject to the same obligations under this Deed as the Security Trustee.
- (b) Appointment of such other person(s) shall not entitle the Security Trustee, or such other person(s), to any additional remuneration other than that which would have been due in any event and shall not increase any amounts payable by the Company under this Deed.

#### 11.7 **Act on advice**

The Security Trustee may (in relation to any of the provisions of the Debenture and other related documents):

- (a) engage and pay all fees and expenses properly incurred in accordance with the terms of the Debenture for the advice or services of; and/or
- (b) act on the advice or opinion of, or any information obtained (whether by the Security Trustee or any other person and however given) from,

any lawyer, accountant, banker, broker, surveyor, valuer, auctioneer, financial adviser or other professional adviser or other expert whose advice, services, opinion or information may seem necessary, expedient or desirable to the Security Trustee. The Security Trustee shall not be responsible for any loss occasioned by acting on that advice, opinion or information. Any advice or opinion or information referred to in this clause 11.7 may be sent or obtained by letter or facsimile transmission. The Security Trustee shall not be liable for acting on any advice, opinion or information purporting to be conveyed by any such letter, email or facsimile transmission even if it contains any error.

#### 11.8 **Delegation**

The Security Trustee may:

- (a) act by one or more responsible officers of the Security Trustee; and/or
- (b) whenever it thinks fit, delegate by power of attorney or otherwise to any person or persons or fluctuating body of persons all or any of the rights, trusts, powers, authorities and discretions vested in it by the Debenture.

Such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Security Trustee may think fit. The Security Trustee shall not be bound to supervise the proceedings or be in any way responsible or liable for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

#### 11.9 **Employment of agents**

Instead of acting personally in the conduct of the trust business, the Security Trustee may employ and pay an agent (whether a lawyer or other person) to transact or concur in transacting any business and to do or concur in doing all acts which are required to be done by the Security Trustee (including the receipt and payment of money).

#### 11.10 **Entitlement of professional trustee to charge**

If the Security Trustee is a banker, lawyer, accountant, broker, valuer, auctioneer or other person engaged in any profession or business, it shall be entitled to charge and be paid:

- (a) all usual professional and other charges for business transacted and acts done by her/him or her/his firm in connection with the trusts of this Deed or the Debenture; and
- (b) her/his charges (in addition to disbursements) for all other work and business done and all time spent by her/him or her/his firm on matters arising in connection with this Deed or the Debenture (including matters which might or should have been attended to in person by a trustee not being a banker, lawyer, broker or other professional person).

#### 11.11 **Storage of documents**

- (a) Unless instructed to the contrary by an Instructing Group and subject to the Security Trustee's discretion conferred by clause 11.10(b) the Security Trustee is not obliged to hold any title deeds or other documents in connection with the Security Assets in its own possession or under its own control or to take any steps to protect or preserve or insure the same. The Security Trustee may permit the Company to retain all such title deeds and other documents in connection with the Security Assets in their possession.
- (b) The Security Trustee is entitled to (but not obliged to) place documents or title deeds delivered to it pursuant to or in connection with the Debenture which are for the time being in its possession:
  - (i) in any safe deposit, safe or receptacle selected by the Security Trustee; or
  - (ii) with any bank, any company whose business includes undertaking the safe custody of documents; or
  - (iii) with any firm of solicitors.
- (c) The Security Trustee shall not be responsible or liable for any loss incurred as a result of doing any of the foregoing (except that the Security Trustee shall take reasonable steps to pursue any person who may be liable to it in connection with that loss).

#### **11.12 No responsibility for validity of powers and Debenture**

The Security Trustee shall not be responsible or liable for the genuineness, legality, validity, enforceability, adequacy, effectiveness or suitability of:

- (a) or its entitlement to, exercise the rights, trusts, powers, authorities and discretions conferred on it by the Debenture (or any other documents entered into in connection therewith);
- (b) any obligations or rights created or purported to be created by or pursuant to any of the foregoing;
- (c) any security or the priority thereof constituted or purported to be constituted by or pursuant to any of the foregoing; or
- (d) (to any person because of) any invalidity of any provision of any such document or the unenforceability thereof (whether arising from statute, law or decision of any court).

#### **11.13 No duty to investigate**

- (a) Without prejudice to the generality of the foregoing the Security Trustee shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:
  - (i) any matters listed in clause 11.12;
  - (ii) the nature, status, creditworthiness or solvency of the Company or any other entity which has at any time provided any security or support (whether by way of guarantee, charge or otherwise in respect of the Secured Obligations);
  - (iii) the execution, legality, validity, adequacy, admissibility in evidence or enforceability of any document entered into in connection therewith.
- (b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation

or enquiry as set out in this clause 11.13.

**11.14 No responsibility to enquire as to correctness**

- (a) The Security Trustee shall have no liability to any person for (or for investigating any matter which is the subject of) any recitals, statements, warranties or representations of any party contained in the Debenture, Loan Note Instruments or any other agreement entered into in connection therewith and shall assume the accuracy and correctness thereof.
- (b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation or enquiry as set out in this clause 11.14.

**11.15 No duty to investigate title**

- (a) The Security Trustee may:
  - (i) accept without enquiry, requisition or objection whatever title the Company or any other person may have to the Security Assets or any part thereof from time to time; and
  - (ii) shall not be bound to investigate or make any enquiry into the title of the Company to the Security Assets or any part thereof from time to time (whether or not any default or failure is or was known to the Security Trustee or might be, or might have been, discovered upon examination, inquiry or investigation and whether or not capable of remedy).
- (b) It is confirmed that prior to the date of this Deed the Security Trustee has not made (and it was the intention that it should not make) any such examination, investigation or enquiry as set out in this clause 11.15.

**11.16 No obligation to give notice**

The Security Trustee shall not be bound to give notice to any person of the execution of this Deed, the Debenture or the Loan Note Instruments or any transactions contemplated by this Deed or any of them.

**11.17 No liability for failure to perfect or inaction in relation to security**

The Security Trustee shall not be liable for any failure, omission or defect in perfecting, protecting or further assuring the security constituted or intended to be constituted by or pursuant to the Debenture (including, without prejudice to the generality of the foregoing):

- (a) failure to obtain any licence, consent or other authority for the execution of the Debenture (including, without limitation, the consent of any person required under the terms of any documents constituting the Security Assets);
- (b) failure to register the same in accordance with any of the documents of title of the Company to any of the Security Assets;
- (c) any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting the Security Assets or the priority thereof or the right or title of any person in or to the assets comprised therein by registering under any applicable registration laws in any territory any notice or other entry prescribed by or pursuant to the provisions of any such laws;
- (d) any failure or omission to require any further assurance in relation to the Security Assets;

- (e) any failure to call for delivery of documents of title or to require any transfers, legal mortgages, charges to be effected in relation to any of the Security Assets;
- (f) any failure to effect or to procure registration of or otherwise protect any floating charge created by or pursuant to the Debenture by registering under the Land Registration Act 2002 any notice or other entry prescribed by or pursuant to the provisions of that Act, (and it is the intention that the Security Trustee shall not so effect or procure the registration of or otherwise so protect a floating charge unless otherwise instructed by an Instructing Group);
- (g) failure to take or require the Company to take any steps to render any charge created by the Debenture effective as regards assets (if any) outside England and Wales or to secure the creation of any ancillary charge under the laws of any other territory concerned; or
- (h) failure by the Company to perfect its title to all or any part of the Security Assets.

#### **11.18 No liability for loss of Security Assets**

The Security Trustee shall not be responsible for any loss, expense or liability occasioned to the Security Assets (however caused) by any act or omission of the Company or any other person (including any bank, broker, depository, warehouseman or other intermediary or any clearing system or the operator thereof) acting in accordance with or contrary to the terms of the Debenture, the Loan Note Instruments or any other agreement entered into in connection therewith or otherwise and irrespective of whether the Security Assets are held by or to the order of any of the foregoing persons, unless such loss is occasioned by the gross negligence or wilful misconduct or fraud of the Security Trustee.

#### **11.19 No obligation to insure Security Assets**

Without prejudice to the provisions of this Deed and the Debenture, the Security Trustee shall not be:

- (a) under any obligation to insure any of the Security Assets or documents of title or other evidence in respect thereof or to require any other person to maintain any such insurance;
- (b) under any responsibility or liability in respect of the insurances required to be taken out in respect of the Company pursuant to the Debenture; or
- (c) responsible or liable for any loss, expense or liability which may be suffered as a result of the lack of or inadequacy of any such insurance.

#### **11.20 Powers of investment**

All monies which are received or held by the Security Trustee under the trusts contained in this Deed and the Debenture when the security constituted by the Debenture becomes enforceable may be invested:

- (a) by placing the same on deposit in the name of the Security Trustee or any nominee or under the control of the Security Trustee at a bank which at the time of such deposit is authorised for the purposes of the Financial Services and Markets Act 2000; or
- (b) otherwise as the Security Trustee (acting in its absolute discretion) thinks fit,

and the Security Trustee shall not be responsible or liable for any loss occasioned by so investing, whether by depreciation in value, fluctuation in exchange rates or otherwise.

#### **11.21 No obligation to monitor status of investments**

The Security Trustee shall not be under any obligation to monitor whether any bank with which money is deposited under clause 11.20 (*Powers of investment*) remains authorised for the purposes of the Financial Services and Markets Act 2000 and is appropriately rated and shall assume that it does until it has actual knowledge to the contrary. At that time the Security Trustee will endeavour (as the case may be) to deposit such money within a reasonable time (having regard to the costs of breaking any deposit made) or to change the investment.

**11.22 No liability for errors of employees**

The Security Trustee shall not be liable for any error of judgment made in good faith by any officer or employee of the Security Trustee who is assigned by the Security Trustee to administer its corporate trust matters unless it is proved that the Security Trustee was grossly negligent in ascertaining the pertinent facts.

**11.23 Not risk own funds**

No provision of this Deed or the Debenture shall:

- (a) require the Security Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers (including, without limitation, where it is bound to act at the direction of any Beneficiary) or if it has reasonable grounds for believing that repayment of such funds or adequate indemnity and/or security against such risk or liability is not assured to it; or
- (b) (without prejudice to the generality of the foregoing) impose any obligation on the Security Trustee to make any further advance or protect or preserve any monies standing to the credit of any account.

**11.24 Not breach law**

Notwithstanding anything else contained in this Deed, the Security Trustee:

- (a) may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state (including any environmental directive or regulation) or which would or might otherwise render it liable to any person; and
- (b) may do anything which, in its opinion, is necessary to comply with any such law, directive or regulation.

**11.25 No action without indemnity**

Notwithstanding anything else contained in this Deed, the Security Trustee may refrain from taking any action or exercising any right, power, authority or discretion vested in it under this Deed or the Debenture any of the Security Assets or any other agreement relating to the transactions herein or therein contemplated (including, without limitation, where it is so bound to act at the direction of an Instructing Group) until it has been indemnified and/or secured to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings (including legal and other professional fees) which might be brought, made or conferred against or suffered, incurred or sustained by it as a result.

**11.26 No duty to disclose**

- (a) The Security Trustee shall not (unless ordered to do so by a court of competent jurisdiction) be required to disclose to any other party any confidential or financial or other information made available to the Security Trustee by the Company if such

disclosure would or might in its opinion constitute a breach of any law or regulation or otherwise be actionable at the suit of any person.

- (b) No party to this Deed or the Debenture shall be entitled to take any action to obtain such information from the Security Trustee.

#### **11.27 Meaning of this Deed**

Except as otherwise provided in this Deed, the Security Trustee shall (as between itself and the other Beneficiaries) have full power to determine all questions and doubts arising in relation to the interpretation or application of any of the provisions of this Deed, the Debenture, or the Loan Note Instruments as it affects the Security Trustee. Every such determination (whether made upon a question actually raised or implied in the acts or proceedings of the Security Trustee) shall be conclusive and shall bind the Beneficiaries.

#### **11.28 Giving of consents**

Any consent or approval given by the Security Trustee for the purpose of this Deed or the Debenture may be given on such terms and subject to such conditions (if any) as the Security Trustee may require and notwithstanding anything to the contrary contained in this Deed or the Debenture.

#### **11.29 Not monitor obligations to the Company**

The Security Trustee shall not be responsible to any person for monitoring the obligations of the Company and shall assume that all such persons are duly performing the same

#### **11.30 Entitlement to withhold**

Notwithstanding anything contained in this Deed or the Debenture, to the extent required by any applicable law, if the Security Trustee is required to make any deduction or withholding from any distribution or payment made by it under this Deed or the Debenture or if the Security Trustee is otherwise charged to, or may become liable to, tax as a consequence of performing its duties under the Debenture or any other agreement entered into in connection therewith:

- (a) whether as principal, agent or otherwise; and
- (b) whether by reason of any assessment, prospective assessment or other imposition of liability to taxation of whatsoever nature and whensoever made upon the Security Trustee; and
- (c) whether in connection with or arising from any sums received or distributed by it or to which it may be entitled under this Deed (other than in connection with its remuneration as provided for in this Deed) or any investments from time to time representing the same, including any income or gains arising therefrom, or any action of the Security Trustee in or about the administration of the trusts of this Deed or the Debenture (other than the remuneration in this Deed specified) or otherwise,

then the Security Trustee shall be entitled to make such deduction or withholding or (as the case may be) to retain out of sums received by it an amount sufficient to discharge any liability to tax which relates to sums so received or distributed or to discharge any such other liability of the Security Trustee to tax from the funds held by the Security Trustee on the trusts of this Deed or the Debenture.

#### **11.31 No liability for Tax**

The Security Trustee shall have no responsibility or liability whatsoever to the Company or any other Beneficiary as regards any deficiency or additional payment (as the case may be)



which may arise because the Security Trustee or the Company is subject to any tax in respect of the Security Assets or any part thereof or any income therefrom or any proceeds thereof.

#### **11.32 Other transactions of Security Trustee**

Neither the Security Trustee nor any director or officer of the Security Trustee is precluded by reason of acting as a trustee from entering into or being interested in any contract or financial or other transaction or arrangement or any other business with any party to this Deed including (without prejudice to the generality of this clause 11.32):

- (a) any contract, transaction or arrangement of a banking or insurance nature; or
- (b) any contract, transaction or arrangement in relation to:
  - (i) the making of loans, the provision of financial facilities to or the holding of the notes or bonds of; or
  - (ii) the purchase, placing or underwriting, of guaranteeing the subscription of, or subscribing or procuring subscriptions for, or otherwise acquiring, holding or dealing with, any debentures, shares or securities of the Company or any connected person of,  
  
the Company; or
- (c) accepting or holding the trusteeship of any other trust deed constituting or securing any other securities issued by or relating to any party to this Deed, the Loan Note Instruments or any connected person of the Company.

The Security Trustee is entitled to retain, and shall not be in any way liable to account for any profit made, payment or remuneration or other benefit received thereby or in connection with any of the foregoing or any amount received by it for its own account or the profit element of any such sum.

#### **12 POWERS ADDITIONAL**

The powers conferred by this Deed upon the Security Trustee are in addition to any powers which may from time to time be vested in it by general law or as the holder or mortgagee in possession of any of the Security Assets. Part 1 of the Trustee Act 2000 shall not apply to the trusts created by this Deed.

#### **13 LIABILITY OF SECURITY TRUSTEE**

- 13.1 Nothing in this Deed or the Debenture shall, in any case in which the Security Trustee has failed to show the degree of care and diligence required of it as trustee (having regard to the provisions of this Deed or the Debenture imposing or conferring on the Security Trustee any obligations, powers, authorities or discretions), relieve the Security Trustee from any liability for breach of trust or any liability which by virtue of any rule of law within a Relevant Jurisdiction would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under this Deed.
- 13.2 Subject to Clause 13.1, the Security Trustee shall not in any event be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise. However, this Clause 13.2 shall not apply in the event of a determination of fraud, negligence or wilful default on the part of the Security Trustee.
- 13.3 Without prejudice to any provision of this Deed or the Debenture excluding or limiting the liability of the Security Trustee, any liability of the Security Trustee arising under or in

connection with this Deed or the Debenture shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Trustee or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Trustee at any time which increase the amount of that loss.

#### **14 REASONABLENESS OF BENEFICIARIES**

Each provision of the Debenture which requires the Security Trustee to act reasonably shall be deemed satisfied by the Security Trustee acting in accordance with the instructions of an Instructing Group in accordance with the provisions of this Deed and the Debenture.

#### **15 RETIREMENT AND REMOVAL OF THE SECURITY TRUSTEE**

##### **15.1 Retirement**

The Security Trustee may at any time, and without assigning any reason therefore or being responsible for any costs occasioned thereby, give not less than 60 Business Days' notice to the Company of its desire to retire from the trusteeship of this Deed and request the Company within such 60 Business Day period to appoint a replacement Security Trustee, whereupon the Company (on behalf of the Beneficiaries) shall use reasonable endeavours to appoint a replacement Security Trustee.

##### **15.2 Conditions to retirement**

The retirement of the Security Trustee under clause 15.1 (*Retirement*) shall not take effect until the appointment of a replacement trustee has been effected by the Company pursuant to clause 15.1 (*Retirement*) and the replacement Security Trustee has confirmed its agreement to be bound by the provisions of this Deed whereupon the retiring Security Trustee shall thereby forthwith be discharged from any further obligations under this Deed (but without prejudice to any accrued liabilities under this Deed) but shall remain entitled to the benefit of clauses 13.2 and 16 (*Remuneration and Indemnification of the Security Trustee*) and the replacement Security Trustee shall have all the rights, trusts, powers, authorities, discretions, duties and obligations of the Security Trustee under this Deed as if it had been a party to this Deed.

##### **15.3 Removal of Security Trustee**

- (a) An Instructing Group may at any time by not less than 10 Business Days' notice to the Security Trustee and the Company remove the Security Trustee from the trusteeship of this Deed without assigning any reason therefore provided that such removal shall not take effect until the Company shall have appointed a replacement Security Trustee in accordance with clauses 15.1 (*Retirement*) and 15.2 (*Conditions to retirement*) and such replacement Security Trustee shall have become bound by the provisions of this Deed whereupon the Security Trustee being removed shall thereby forthwith be discharged from any further obligations under this Deed (but without prejudice to any accrued liabilities under this Deed) but shall remain entitled to the benefit of clauses 13.2 and 16 (*Remuneration of the Security Trustee*).
- (b) Upon the replacement Security Trustee agreeing in writing that it shall assume the duties and obligations assumed by the Security Trustee in this Deed it shall have all the rights, trusts, powers, authorities, discretions, duties and obligations of the Security Trustee under this Deed.

**15.4 Right of Security Trustee in default of appointment**

If such a notice of resignation or removal has been given and, within 10 days after expiry of such notice of resignation or removal, no successor Security Trustee shall have been appointed in accordance with this Deed and have accepted such appointment, the retiring Security Trustee shall have the right to appoint a successor Security Trustee.

**15.5 Effective date of resignation or removal**

The resignation or removal of the retiring Security Trustee and the appointment of any successor Security Trustee shall both become effective upon the successor Security Trustee notifying the Company in writing that it accepts such appointment and executing a suitably binding accession deed whereupon the successor Security Trustee shall succeed to the position of the retiring Security Trustee and the term "**Security Trustee**" in the Debenture shall include such successor Security Trustee where appropriate. This clause 15.5 shall continue to benefit a retiring Security Trustee in respect of any action taken or omitted by it under the Debenture or the Loan Note Instruments while it was a Security Trustee.

**16 REMUNERATION AND INDEMNIFICATION OF THE SECURITY TRUSTEE**

16.1 The Company shall promptly indemnify the Security Trustee and every Receiver, delegate, attorney, agent or similar person appointed under this Deed or the Debenture against any cost, loss or liability (together with any applicable VAT) incurred by any of them as a result of:

- (a) any failure by the Company to pay any Trustee Costs when due;
- (b) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
- (c) the taking, holding, protection or enforcement of the Trust Property;
- (d) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Trustee and each Receiver by this Deed, the Debenture or by law;
- (e) any default by the Company in the performance of any of the obligations expressed to be assumed by it in this Deed or the Debenture;
- (f) instructing lawyers, accountants, tax advisers, surveyors, a financial adviser or other professional advisers or experts as permitted under this Deed; or
- (g) acting as Security Trustee or Receiver under Deed or the Debenture or which otherwise relates to any of the Trust Property,

otherwise, in each case, than by reason of the Security Trustee or Receiver's gross negligence or wilful misconduct.

16.2 The Security Trustee and every Receiver, delegate, attorney, agent or similar person appointed under this Deed or the Debenture may indemnify itself out of the Security Assets against any cost, loss or liability incurred by it in that capacity and where acting properly in the course of its duties (other than by reason of its own negligence or wilful misconduct).

**17 RIGHTS CONTINUE IN FORCE**

Unless otherwise specifically stated in any discharge, the provisions of clause 15 (*Retirement and Removal of Security Trustee*) clause 16 (*Remuneration and Indemnification of the Security Trustee*) shall remain in full force and effect notwithstanding such discharge.

## **18 VAT**

The remuneration and any additional remuneration payable under clause 16 (*Remuneration and Indemnification of the Security Trustee*) shall be paid exclusive of value added tax which shall be added at the rate (if any) applicable and paid by the Security Trustee.

## **19 BENEFICIARIES' INSTRUCTIONS**

The Security Trustee is fully protected and shall incur no liability whatsoever if it acts on the instructions or consent of an Instructing Group in the exercise of any right, power or discretion whether or not set out in this Deed. Any instructions given by an Instructing Group will be binding on all the Beneficiaries. In the absence of instructions, the Security Trustee may act as it considers to be in the best interest of all the Beneficiaries.

## **20 BENEFIT OF THIS DEED**

### **20.1 Benefit**

This Deed shall be binding on and ensure to the benefit of each party to this Deed and its successors and assigns.

### **20.2 Assignment**

No party to this Deed may assign all or any of its rights or transfer all or any of its rights, benefits and obligations under this Deed, except (i) as expressly permitted in this Deed or the Debenture and in accordance with the terms of this Deed or the Debenture or (ii) as may be required by law.

## **21 SUSPENSE ACCOUNT**

21.1 The Security Trustee may:

- (a) hold in an interest bearing suspense account any moneys received by it from any Party;
- (b) invest an amount equal to the balance from time to time standing to the credit of that suspense account on any of the investments authorised by clause 11.20.

## **22 NOTICES**

22.1 Each notice or other communication required to be given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by email; and
- (c) sent to:
  - (i) the Company at:

AD Renewable Lending Limited, 112 Houndsditch, London EC3A 7BD

Email: [duncan@aratuscapital.com](mailto:duncan@aratuscapital.com)

Attention: Duncan Webster

(ii) the Security Trustee at:

The City Partnership, 110 George Street, Edinburgh, EH2 4LH

Email: Doreen@city.uk.com

Attention: Doreen Nic

or to any other address or email address as is notified in writing by one party to the other from time to time explicitly for this purpose.

**22.2** Any notice or other communication shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- (c) if sent by email, when received in legible form.

A notice or other communication given as described in clause 22.1 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

## **23 WAIVER AND MISCELLANEOUS**

### **23.1 No waiver**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee of any right, power or privilege under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof, or the exercise of any other power or right.

### **23.2 Remedies cumulative**

The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

## **24 THIRD PARTY RIGHTS**

A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right of remedy of any person who exists, or is available, otherwise than pursuant to that Act.

## **25 GOVERNING LAW**

This Deed and any dispute or claim arising out of it or in connection with it (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the laws of England.

## **26 COUNTERPARTS**

This Deed may be executed in any number of counterparts and shall be deemed executed and delivered upon the parties executing and delivering each's counterpart to the other which may also, without prejudice to any other method, be done by electronic delivery or exchange of signature pages.

## **27 JURISDICTION**

- 27.1 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) (a "Dispute").
- 27.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly, no party will argue to the contrary.
- 27.3 This clause 27 is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been signed on behalf of the Security Trustee and executed as a deed by the Company and is delivered by it on the date specified above.

## Schedule 1

### Reserved Matters of the Security Trustee

**"Reserved Matters"** means each and every right, power, authority and discretion of, or exercisable by, the Security Trustee (whether expressed as a right, power, authority or discretion of the Security Trustee or an obligation of any other party) pursuant to this Deed:

- (a) to receive any sums owing to it for its own account in respect of fees, costs, charges, liabilities, damages, proceedings, claims and demands in performing its powers and exercising its discretions under this Deed, the Debenture, the Loan Note Instruments or any other agreement in connection therewith to which the Security Trustee is a party;
- (b) which is provided for the purpose of enabling the Security Trustee to protect its own position and interests in its personal capacity or which the Security Trustee (acting reasonably) determines to be necessary or appropriate to exercise for the protection of its own position and interests in its personal capacity;
- (c) except as otherwise specifically provided in this Deed to apply any sums which represent proceeds of enforcement of the security constituted by or pursuant to the Debenture in accordance with clause 10 (*Enforcement of Debenture*);
- (d) to receive notices, certificates, communications or other documents or information, to direct that such notices, certificates, communications or other documents or information shall be provided (or shall not be provided) to it or to any other party, or, where applicable, to determine the form and content of any notice, certificate or communication;
- (e) which is passive on the part of the Security Trustee (including, without limitation, any right of the Security Trustee to make assumptions as to, or to rely on any notice, certificate or other communication confirming, the existence or non-existence of any fact, circumstance or event);
- (f) to agree to any amendment to this schedule 1; and
- (g) to determine amounts due in relation to, and to claim under, indemnities in favour of the Security Trustee under the Debenture, the Loan Note Instruments or any other agreement in connection therewith.

**EXECUTION PAGE TO THE SECURITY TRUST DEED IN RELATION TO THE SECURED  
LOAN NOTES OF AD RENEWABLE LENDING LIMITED**

**EXECUTED** as a deed by **CITY  
PARTNERSHIP TRUSTEE LIMITED**

acting by:

Signature of Director .....

Print name of Director .....

in the presence of:

Witness:

Signature .....

Name .....

Address .....

Occupation .....

**EXECUTED** as a deed by **AD  
RENEWABLE LENDING LIMITED**

acting by:

Signature of Director .....

Print name of Director .....

in the presence of:

Witness:

Signature .....

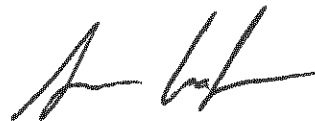
Name .....

Address .....

Occupation .....



PURNIMA WESTLAKE



Jerome Godfrey

10 Wood Close

E2 6ET

Finance



**EXECUTION PAGE TO THE SECURITY TRUST DEED IN RELATION TO THE SECURED  
LOAN NOTES OF AD RENEWABLE LENDING LIMITED**

**EXECUTED as a deed by CITY  
PARTNERSHIP TRUSTEE LIMITED**

acting by:

Signature of Director

Print name of Director

in the presence of:

Witness:

Signature

Name

Address

Occupation

*R.C. Smeaton*  
.....  
R.C. Smeaton  
.....

*Joanne Nic*  
.....  
Joanne Nic  
.....  
39 Ryndale Avenue  
.....  
Edinburgh  
.....  
E16 8EX  
.....  
Company Secretary  
.....

**EXECUTED as a deed by AD  
RENEWABLE LENDING LIMITED**

acting by:

Signature of Director

Print name of Director

in the presence of:

Witness:

Signature

Name

Address

Occupation

*Runcan Weathers*  
.....  
RUNCAN WEATHERS  
.....

*Jerome Godfrey*  
.....  
Jerome Godfrey  
.....  
10 Wood Close  
.....  
E2 6ET  
.....  
France  
.....



EXECUTION PAGE

Company

EXECUTED AS A DEED by AD )  
RENEWABLE LENDING LIMITED )  
acting by a director in the presence of: )

*Anna (neht)*

Witness Signature:

*A. G. H.*

Witness Name: *Jerome Godfrey*

Address: *10 Wood Close  
E2 6BT*

Occupation: *Finance*

Security Trustee

EXECUTED AS A DEED by CITY )  
PARTNERSHIP TRUSTEE LIMITED )  
acting by a director in the presence of: )

*DeS. S.*

Witness Signature:

*Janeen MC*

Witness Name: *Janeen MC*

Address: *39 RYEMILL AVENUE  
EDINBURGH  
EH6 8EX*

Occupation: *COMPANY SECRETARY*

