



**Registration of a Charge**

Company name: **DOCKING FARM SOLAR LIMITED**

Company number: **12554404**

Received for Electronic Filing: **05/05/2020**



X94DYLKA

---

**Details of Charge**

Date of creation: **04/05/2020**

Charge code: **1255 4404 0001**

Persons entitled: **NEXTENERGY SOLAR HOLDINGS III LIMITED**

Brief description: **ALL PRESENT AND FUTURE ESTATES OR INTERESTS IN ANY  
LEASEHOLD PROPERTY RELATING TO THE BLUESTONE SITE AND  
ALL INTELLECTUAL PROPERTY PURSUANT TO CLAUSE 3 OF THE  
ACCOMPANYING COPY INSTRUMENT**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

---

**Authentication of Form**

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

---

**Authentication of Instrument**

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

Certified by: **SIMMONS & SIMMONS LLP**



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

Company number: 12554404

Charge code: 1255 4404 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th May 2020 and created by DOCKING FARM SOLAR LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th May 2020 .

Given at Companies House, Cardiff on 6th May 2020

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

EXECUTION VERSION

# Security Agreement

between

Docking Farm Solar Limited

as Chargor

and

NextEnergy Solar Holdings III Limited

as Lender

relating to

an accession to the £1,400,000 term loan facility to fund  
the development of solar PV projects in the UK

## CONTENTS

1.	Interpretation .....	1
2.	Covenant to pay .....	3
3.	Creation of Security .....	3
4.	Continuing Security.....	7
5.	Further assurance .....	7
6.	Restrictions on dealing .....	8
7.	Land .....	8
8.	Investments .....	10
9.	Intellectual property .....	13
10.	Book debts .....	14
11.	Bank accounts .....	14
12.	Contracts .....	15
13.	Plant and machinery .....	16
14.	Insurances .....	17
15.	General Undertakings.....	17
16.	Representations .....	18
17.	Enforcement .....	18
18.	Receiver .....	19
19.	Powers of Receiver.....	20
20.	Power of attorney .....	22
21.	Tacking.....	22
22.	Delegation .....	23
23.	Preservation of security .....	23
24.	Enforcement expenses .....	25
25.	Indemnity .....	25
26.	Changes to the Parties .....	25
27.	Payments .....	25

28.	Release of Security.....	26
29.	Counterparts.....	27
30.	Governing Law .....	27
31.	Enforcement .....	27
	SCHEDULE 1 : MORTGAGED PROPERTY .....	28
	SCHEDULE 2 : ASSIGNED CONTRACTS .....	29
	SCHEDULE 3 : BANK ACCOUNTS .....	30
	SCHEDULE 4 : INTELLECTUAL PROPERTY .....	31
	SCHEDULE 5 : PLANT AND MACHINERY .....	32
	SCHEDULE 6 : NOTICE TO BANK HOLDING AN ACCOUNT .....	33
	SCHEDULE 7 : NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT .....	35
	SCHEDULE 8 : NOTICE TO INSURERS .....	37

**THIS DEED** is dated

04 May 2020 and made

**BETWEEN:**

- (1) **DOCKING FARM SOLAR LIMITED**, a company incorporated in England and Wales with company number 12554404 whose registered office is at F31B Parkhall Business Centre, 40 Martell Road, London, England, SE21 8EN (the "**Chargor**"); and
- (2) **NEXTENERGY SOLAR HOLDINGS III LIMITED**, a company incorporated in England and Wales with company number 09693016 whose registered office is at 5<sup>th</sup> Floor North Side 7/10 Chandos Street London W1G 9DQ (the "**Lender**").

**BACKGROUND:**

- (A) The Chargor is entering into this Deed in connection with the Finance Documents.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

**IT IS AGREED** as follows:

1. **Interpretation**

1.1 **Definitions**

In this Deed terms defined in the Development Funding Agreement have the same meaning unless given a different meaning in this Deed and:

**"Assigned Contracts"** means:

- (A) any agreement specified in Schedule 2 (*Assigned Contracts*); and
- (B) any other agreement which the Chargor is a party and which the Lender and the Chargor have designated as an Assigned Contract.

**"Authorisation"** means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

**"Bank Account"** means any account in the name of the Chargor with any person (including those listed in Schedule 3 (*Bank Accounts*)) and includes any other account which is a successor to that account on any renumbering or re-designation of accounts and any account into which all or a part of the balance from that account is transferred for investment or administrative purposes.

**"Bluestone Site"** means the potential 23MW solar PV project located at Docking Farm, Cawston.

**"Charged Property"** means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the security created or expressed to be created in favour of the Lender pursuant to this Deed.

**"Delegate"** means any delegate or sub delegate appointed under clause 22 (*Delegation*).

**"Development Funding Agreement"** means the Development Funding Agreement dated 23 December 2019 and made between amongst others the Borrower and the Lender.

**"Enforcement Event"** means an Event of Default in respect of which any notice has been served by the Lender in accordance with clause 16.13 (*Acceleration*) of the Development Funding Agreement.

**"Finance Document"** has the meaning given to it in the Development Funding Agreement.

**"Intellectual Property"** means:

- (A) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist) of the Chargor, whether registered or unregistered; and
- (B) the benefit of all applications and rights to use such assets of the Chargor (which may now or in the future subsist).

**"Investments"** means any securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit), warrants, options or other rights to subscribe for, purchase or otherwise acquire securities and investments now or in the future owned by the Chargor or (to the extent of its interest) in which it now or in the future has any interest (including any beneficial interest).

**"LPA"** means the Law of Property Act 1925.

**"Mortgaged Property"** means any freehold or leasehold property included in the definition of Charged Property.

**"Party"** means a party to this Deed.

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

**"Secured Liabilities"** means all present and future moneys, debts, liabilities and obligations due, owing or incurred by the Borrower and the Chargor to the Secured Parties (in each case whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently and whether as principal, surety or otherwise), under the Development Funding Agreement.

**"Secured Party"** means the Lender, a Receiver or any Delegate.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

**"SPA"** means the sale and purchase agreement made in due course between a buyer, as buyer, and the Shareholders and/or a vehicle which is wholly owned by them and/or Yeti Generation Limited as the case may be, as sellers, under which the buyer shall acquire all of the Shares in the Chargor.

**"Transaction Security"** means the Security Interests created or expressed to be created in favour of the Lender pursuant to this Deed or any document entered into pursuant to Clause 7.2(A)(2).

## 1.2 Construction

- (A) Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument



as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument.

- (B) The other provisions of clause 1.2 (*Interpretation*) of the Development Funding Agreement apply to this Deed as if set out in full in this Deed with all necessary changes.
- (C) Unless a contrary indication appears, a reference in this Deed to "Charged Property" includes any part of that Charged Property and the proceeds of that Charged Property.
- (D) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period, by reference to the facts and circumstances then existing.
- (E) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed, by reference to the facts and circumstances then existing, and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing.
- (F) An Enforcement Event is "continuing" if it has not been remedied to the satisfaction of the Lender at their absolute discretion or waived.

### 1.3 **Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

### 1.4 **Third party rights**

- (A) Subject to clause 1.4(B) below, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.
- (B) Any Receiver or Delegate may subject to this clause 1.4 and the Contracts (Rights of Third Parties) Act 1999, rely on any clause of this Deed which expressly counters rights on it.

## 2. **Covenant to pay**

The Chargor shall pay each of the Secured Liabilities when due in accordance with their terms.

## 3. **Creation of Security**

### 3.1 **Security generally**

All the Transaction Security:

- (A) is created in favour of the Lender;

- (B) is created over the present and future assets of the Chargor;
- (C) is security for the payment of all the Secured Liabilities; and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### 3.2 Land

- (A) The Chargor charges:
  - (1) by way of a first legal mortgage all estates or interests in any leasehold property relating to the Bluestone Site now owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property, including the leasehold property (if any) specified in Schedule 1 (*Mortgaged Property*) ; and
  - (2) (to the extent that they are not the subject of a legal mortgage under clause 3.2(A)(1)) by way of first fixed charge all estates or interests in any freehold or leasehold property relating to the Bluestone Site now or in the future owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property.
- (B) A reference in this Deed to a mortgage or charge of any freehold or leasehold property includes:
  - (1) each and every part of that property, including the buildings, structures, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or in the future on that property and all easements and rights attaching to it; and
  - (2) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

### 3.3 Investments

- (A) The Chargor charges by way of a first fixed charge all of its rights and interests in its Investments.
- (B) A reference in this Deed to any mortgage or charge of any Investments includes:
  - (1) any dividend or interest paid or payable in relation to it;
  - (2) any right, money or property accruing or offered at any time in relation to it by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;
  - (3) any right against any clearance system in relation to it; and
  - (4) any right under any custodian or other agreement in relation to it.

### 3.4 Contracts

- (A) The Chargor assigns absolutely to the Lender all of its rights and interests under each Assigned Contract.

- (B) To the extent that any such right described in clause 3.4(A) is not capable of assignment, the assignment of that right purported to be effected by clause 3.4(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under clauses 3.4(A) and 3.4(B), the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.
- (D) If the Chargor assigns an agreement or document under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained:
  - (1) the Chargor must notify the Lender immediately;
  - (2) the assignment or charge will not take effect until that consent is obtained;
  - (3) unless the Lender otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable; and
  - (4) the Chargor must promptly supply to the Lender a copy of the consent obtained by it.
- (E) Prior to the occurrence of an Enforcement Event which is continuing, the Chargor shall be permitted to continue to exercise its rights, powers and discretions in relation to the Assigned Contracts and retain in the Borrower Bank Account payments of receivables assigned hereunder, subject always to the provisions of the Finance Documents.

### **3.5 Bank accounts**

The Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any account (including but not limited to, any account contemplated by the Development Funding Agreement or this Deed) it has in its name (or to which it is beneficially entitled) with any person and the debt represented by such account.

### **3.6 Book debts etc.**

The Chargor charges by way of a first fixed charge:

- (A) all of its book and other debts;
- (B) all other moneys due and owing to it; and
- (C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under clause 3.6(A) and clause 3.6(B) above,

### **3.7 Insurances**

- (A) The Chargor assigns absolutely to the Lender :
  - (1) all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest; and

- (2) all moneys payable and all moneys paid to it under or in respect of all such contracts or policies of insurance.
- (B) To the extent that any such right described in clause 3.7(A) is not capable of assignment, the assignment of that right purported to be effected by clause 3.7(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under clause 3.7(A) or 3.7(B), the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.
- (D) Prior to the occurrence of an Enforcement Event, which is continuing, the Chargor shall be permitted to continue to exercise its rights, powers and discretions in relation to the Insurances and retain in the Borrower Bank Account payments of receivables assigned hereunder, subject always to the provisions of the Finance Documents.

### 3.8 Plant and machinery

The Chargor charges by way of a first fixed charge all fixed and moveable plant and machinery owned by it (including any specified in Schedule 5 (*Plant and Machinery*)), its interest in any plant or machinery in its possession and the benefit of all related Authorisations, agreements and warranties.

### 3.9 Intellectual Property

The Chargor charges by way of first fixed charge all its Intellectual Property (including any specified in Schedule 4 (*Intellectual Property*)).

### 3.10 Authorisations

The Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation.

### 3.11 Goodwill

The Chargor charges by way of first fixed charge its goodwill.

### 3.12 Uncalled capital

The Chargor charges by way of first fixed charge its uncalled capital.

### 3.13 Floating charge

- (A) The Chargor charges by way of first floating charge its undertaking and assets, both present and future not otherwise effectively mortgaged or charged under this Deed.
- (B) The floating charge created by the Chargor pursuant to clause 3.13(A) is a “qualifying floating charge” for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

- (C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Lender may appoint an administrator to the Chargor pursuant to that paragraph.
- (D) The Lender may convert the floating charge created by this Deed over all or any of the Charged Property into a fixed charge by notice to the Chargor specifying the relevant Charged Property (either specifically or generally):
- (1) while an Enforcement Event is continuing; and/or
  - (2) if the Lender (acting in good faith) considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process.
- (E) If:
- (1) the Chargor takes any step to create any Security Interest in breach of clause 6.1 (*Security Interest*) over any of the Charged Property not subject to a mortgage or fixed charge;
  - (2) an administrator is appointed or the Lender receives notice of an intention to appoint an administrator in respect of the Chargor; or
  - (3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Charged Property,
- the floating charge over the relevant Charged Property shall automatically and immediately be converted into a fixed charge.

#### 4. **Continuing Security**

##### 4.1 **Continuing Security**

The Transaction Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

##### 4.2 **Additional security**

The Transaction Security:

- (A) is in addition to, and is not in any way prejudiced by, any other Security Interest or other right now or subsequently held by the Lender; and
- (B) may be enforced against the Chargor without having recourse to any other rights of the Lender.

#### 5. **Further assurance**

- (A) The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender may reasonably specify (and in such form as the Lender may reasonably require in favour of the Lender or its nominee(s)):
  - (1) to perfect the Security Interest created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage,

charge, assignment or other Security Interest over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to the Finance Documents or by law;

- (2) to confer on the Lender a Security Interest over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security Interest intended to be conferred by or pursuant to this Deed; and/or
- (3) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.

(B) The Chargor shall take all such action as is available to it (including making all filings and registrations, to the extent the same are not carried out by or on behalf of the Lender) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Lender by or pursuant to the Finance Documents.

## **6. Restrictions on dealing**

### **6.1 Security Interest**

The Chargor shall not create or permit to subsist any Security Interest over any Charged Property, nor do anything else prohibited by clause 15.10 (*Negative pledge*) of the Development Funding Agreement, except as permitted by the Development Funding Agreement.

### **6.2 Disposals**

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, transfer or otherwise dispose of any Charged Property except as permitted by the Development Funding Agreement.

## **7. Land**

### **7.1 The Land Registry**

In the case of the Chargor's existing leasehold property, the Chargor shall promptly:

- (A) and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed;
- (B) submit to the Land Registry a duly completed form RX1 in which the Chargor applies for a restriction in the form specified by the Lender to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed;
- (C) submit to the Land Registry a duly completed form CH2 in which the Chargor applies for a note of an obligation to make further loans or advances to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed; and
- (D) pay all appropriate registration fees.

## 7.2 Acquisitions

- (A) If the Chargor acquires any freehold or leasehold property after the date of this Deed it shall:
- (1) notify the Lender immediately;
  - (2) immediately on request by the Lender and at the cost of the Chargor, execute and deliver to the Lender a legal mortgage in favour of the Lender of that freehold or leasehold property in any form which the Lender may require together with such constitutional documents, corporate authorisations and other matters as the Lender may require to verify that such document constitutes the Chargor's legal, valid, binding and enforceable obligations;
  - (3) if title to that freehold or leasehold property is registered at the Land Registry or is required to be so registered:
    - (a) promptly and in any event within any applicable priority period, apply to the Land Registry for first registration of that freehold or leasehold property (where that freehold or leasehold property is not already registered at the Land Registry) and registration of the Chargor as the registered proprietor of that freehold or leasehold property;
    - (b) promptly and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed;
    - (c) promptly and in any event within any applicable priority period, apply to the Land Registry submit to the Land Registry a duly completed form RX1 in which the Chargor applies for a restriction in the form specified by the Lender to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed;
    - (d) promptly submit to the Land Registry a duly completed form CH2 in which the Chargor applies for a note of an obligation to make further advances to be entered on the register of title to that freehold or leasehold property in respect of the Security created or expressed to be created by this Deed; and
    - (e) promptly pay all appropriate registration fees.
- (B) If the consent of the landlord in whom the reversion of a lease is vested is required for the Chargor to execute a legal mortgage over it, the Chargor shall not be required to perform that obligation unless and until it has obtained the landlord's consent. The Chargor shall use its reasonable endeavours to obtain the landlord's consent.

## 7.3 Deposit of title deeds

The Chargor shall deposit with the Lender all deeds and documents of title relating to any Mortgaged Property and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of the Chargor.

## 7.4 Investigation of title

The Chargor shall grant the Lender or its lawyers on request access to all its facilities within the power of the Chargor to enable the Lender or its lawyers to:

- (A) carry out investigations of title to any Mortgaged Property; and
- (B) make such enquiries in relation to any part of any Mortgaged Property as a prudent mortgagee might carry out.

#### **7.5 Title information document**

On completion of the registration of any Security Interest in respect of its Mortgaged Property, the Chargor shall promptly supply to the Lender a certified copy of the title information document issued by the Land Registry.

#### **7.6 Compliance with obligations**

The Chargor shall comply, in all material respects, with any covenants, stipulations, conditions, licences, consents and any other statutory, regulatory or contractual obligations relating to any Mortgaged Property or its use.

#### **7.7 Power to remedy**

The Chargor shall permit the Lender and/or any of its representatives, agents or contractors, when the Lender believes that a Default has occurred or might reasonably be expected to occur, to enter any Mortgaged Property and to take any steps which it believes necessary in relation to that Mortgaged Property to remedy such Default. The Chargor shall immediately on demand by the Lender pay the costs and expenses of the Lender, its representatives, agents or contractors incurred in connection with any action taken under this clause.

### **8. Investments**

#### **8.1 Investments**

Where applicable, the Chargor represents and warrants to the Lender that:

- (A) its Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right;
- (B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of those Investments on creation or the enforcement of the Transaction Security;
- (C) it is and will be the sole legal and beneficial owner of the Investments;
- (D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion); and
- (E) the Investments are fully paid up.

#### **8.2 Certificated Investments**

Upon acquisition of any certificated Investments, the Chargor shall:

- (A) immediately deposit with the Lender, or as the Lender may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to its Investments; and



- (B) promptly take any action and execute and deliver to the Lender any share transfer or other document which may be requested by the Lender in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to its Investments; this includes:
  - (1) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers with the transferee left blank; and
  - (2) procuring that those share transfers are registered by the issuer of the Investments and that the share certificates in the name of the transferee are delivered to the Lender.

### **8.3 Changes to rights**

The Chargor may not take or allow the taking of any action on its behalf which may result in the rights attaching to any of its Investments being altered or further Investments being issued.

### **8.4 Calls**

- (A) The Chargor shall pay all calls or other payments due and payable in respect of its Investments.
- (B) If the Chargor fails to do so, the Lender may pay the calls or other payments in respect of any Investment on behalf of the Chargor. The Chargor shall immediately on request reimburse the Lender for any payment made by the Lender under this clause 8.4.

### **8.5 Other obligations in respect of Investments**

- (A) The Chargor shall promptly copy to the Lender and comply with all requests for information which is within its knowledge and which are made under Section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of the Investments. If it fails to do so, the Lender may elect to provide such information as it may have on behalf of the Chargor.
- (B) The Chargor shall comply with all other conditions and obligations assumed by it in respect of any Investments.
- (C) The Lender is not obliged to:
  - (1) perform any obligation of the Chargor;
  - (2) make any payment;
  - (3) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
  - (4) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,in respect of any Investments.

## 8.6 Voting rights before enforcement

- (A) Subject to clause 8.7 (*Voting rights after enforcement*), the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of the Lender.
- (B) If the relevant Investments have been registered in the name of the Lender or its nominee, the Lender (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of the Lender. The Lender (or that nominee) will execute any form of proxy or other document which the Chargor may reasonably require for this purpose.
- (C) Subject to clause 8.7 (*Voting rights after enforcement*), all dividends or other income or distributions paid or payable in relation to any Investments shall be paid in accordance with the provisions of the Finance Documents.
- (D) Subject to clause 8.7 (*Voting rights after enforcement*), the Lender shall use its reasonable endeavours to promptly forward to the Chargor all material notices, correspondence and/or other communication it receives in relation to the Investments.

## 8.7 Voting rights after enforcement

- (A) Following the occurrence of an Enforcement Event which is continuing, the Lender or its nominee may exercise or refrain from exercising:
  - (1) any voting rights; and
  - (2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investments, any person who is the holder of any Investments or otherwise,

in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.
- (B) To the extent that the Investments remain registered in the name of the Chargor, the Chargor irrevocably appoints the Lender or its nominee as its proxy to exercise all voting rights in respect of those Investments at any time after this Security Interest has become enforceable.
- (C) The Chargor shall indemnify the Lender against any loss or liability incurred by the Lender as a consequence of the Lender acting in respect of Investments on the direction of the Chargor.

## 8.8 Clearance systems

- (A) After the occurrence of an Enforcement Event which is continuing, the Chargor shall, if so requested by the Lender:

- (1) instruct any clearance system to transfer any Investment held by it for the Chargor or its nominee to an account of the Lender or its nominee with that clearance system; and
  - (2) take whatever action the Lender may request for the dematerialisation or rematerialisation of any Investments held in a clearance system.
- (B) Without prejudice to the rest of this clause, after the occurrence of an Enforcement Event which is continuing, the Lender may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary.

## 8.9 Custodian arrangements

The Chargor shall:

- (A) promptly give notice of this Deed to any custodian of any Investments in any form which the Lender may reasonably require; and
- (B) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Lender may reasonably require.

## 9. Intellectual property

### 9.1 Representations

The Chargor represents and warrants to the Lender that:

- (A) all its Intellectual Property which is material to its business are identified in Schedule 4 (*Intellectual Property*);
- (B) it is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all Intellectual Property which is material to its business and which is required by it in order to carry on its business as it is being conducted; and
- (C) it has taken all formal or procedural actions (including payment of fees) required to maintain any Intellectual Property owned by it.

### 9.2 Preservation

- (A) The Chargor shall:
  - (1) preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
  - (2) use reasonable endeavours to prevent any infringement in any material respect of its Intellectual Property;
  - (3) make registrations and pay all registration fees and taxes necessary to maintain its Intellectual Property in full force and effect and record its interest in that Intellectual Property;
  - (4) not use or permit its Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of its Intellectual Property or imperil its right to use such property; and

(5) not discontinue the use of its Intellectual Property.

- (B) The Chargor shall promptly, if requested to do so by the Lender, sign or procure the signature of, and comply with all instructions of the Lender in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed.

## 10. **Book debts**

- (A) The Chargor shall get in and realise its:

- (1) securities to the extent held by way of temporary investment;
- (2) book and other debts and other moneys owed to it; and
- (3) royalties, fees and income of any nature owed to it,

in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an account in accordance with clause 10(B) below but subject always to the Security Interest created by or expressed to be created by this Deed) on trust for the Lender.

- (B) The Chargor shall, except to the extent that the Lender otherwise agrees, pay all the proceeds of the getting in and realisation into the account designated from time to time by the Lender.

## 11. **Bank accounts**

### 11.1 **Restrictions on accounts**

The Chargor shall not have any accounts other than those specified in Schedule 3 (*Bank Accounts*) and those notified in writing from time to time by the Chargor to the Lender and approved by the Lender.

### 11.2 **Withdrawals from accounts**

- (A) The Chargor shall not withdraw any moneys (including interest) standing to the credit of any of its accounts other than:

- (1) with the prior consent of the Lender; or
- (2) in accordance with the terms of the Development Funding Agreement; or
- (3) to the extent such withdrawals are required to discharge liabilities relating to the Project Documents (as defined in the Development Funding Agreement) in connection with the development of the projects to be constructed on the Sites (as defined in the Development Funding Agreement), but not following an Enforcement Event.

- (B) The Lender (or a Receiver) may withdraw amounts standing from the credit of the Chargor's accounts.

### 11.3 Notices of charge

- (A) The Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each bank or financial institution at which the Chargor maintains any of its accounts within three Business Days from the date of the Lender approving the opening of such account.
- (B) The Chargor shall use reasonable endeavours to ensure that each person referred to in clause 11.3(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed.

## 12. Contracts

### 12.1 Representations

The Chargor represents and warrants to the Lender that:

- (A) all payments to it by any other party to any of its Assigned Contracts are not subject to any right of set-off or similar right;
- (B) subject to the Legal Reservations, each of its Assigned Contracts is a legally binding, and enforceable obligation;
- (C) it is not in default of any of its material obligations under any of its Assigned Contracts;
- (D) there is no prohibition on assignment in any of its Assigned Contracts; and
- (E) its entry into and performance of this Deed will not conflict with any term of any of its Assigned Contracts.

### 12.2 Documents

The Chargor shall promptly deliver to the Lender certified copies of all Assigned Contracts as now in effect and as requested by the Lender and shall deliver:

- (A) certified copies of any Assigned Contracts executed after the date of this Deed promptly following execution of such Assigned Contract; and
- (B) promptly such other documents relating to the Assigned Contracts as the Lender reasonably requires.

### 12.3 No variation etc

The Chargor shall not:

- (A) amend, vary or waive (or agree to amend, vary or waive) any provision of any Assigned Contract, exercise any right to rescind, cancel or terminate any Assigned Contract or release any counterparty from any obligations under any Assigned Contract;
- (B) waive any breach by any counterparty to an Assigned Contract or consent to any act or omission which would otherwise constitute such a breach of an Assigned Contract; or
- (C) novate, transfer or assign any of its rights under any Assigned Contract;

in each case, except as permitted by the Development Funding Agreement.

#### **12.4 Breach**

The Chargor shall notify the Lender of any breach of or default under an Assigned Contract by it or any other party and any right of it or any other party arising to terminate or rescind an Assigned Contract promptly on becoming aware of the same.

#### **12.5 Performance of Obligations**

The Chargor shall promptly provide the Lender with any information it reasonably requires in relation to any Assigned Contract.

#### **12.6 Rights**

- (A) Subject to the rights of the Lender under clause 12.6(B) below, the Chargor must diligently pursue its rights under each of its Assigned Contracts, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default.
- (B) Following the occurrence of an Enforcement Event, the Lender may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) any of the Chargor's rights under its Assigned Contracts.

#### **12.7 Notices of charge or assignment**

- (A) The Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each counterparty to an Assigned Contract.
- (B) The Chargor shall use reasonable endeavours to ensure that each person referred to in clause 12.7(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed.

### **13. Plant and machinery**

#### **13.1 Maintenance**

The Chargor shall keep its plant and machinery in good repair and in good working order and condition.

#### **13.2 Nameplates**

The Chargor shall take any action which the Lender may reasonably require to evidence the interest of the Lender in its plant and machinery; this includes fixing a nameplate on its plant and machinery in a prominent position stating that:

- (A) the plant and machinery is charged in favour of the Lender; and
- (B) the plant and machinery must not be disposed of without the prior consent of the Lender.

## **14. Insurances**

### **14.1 Rights**

- (A) Subject to the rights of the Lender under clause 14.1(B), the Chargor shall diligently pursue its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default.
- (B) The Lender may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) any of the rights of the Chargor in connection with any amounts payable to it under any of its Insurances, and the Chargor must take such steps (at its own cost) as the Lender may require to enforce those rights; this includes initiating and pursuing legal or arbitration proceedings in the name of the Chargor.
- (C) The Chargor must hold any payment received by it under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest on trust for the Lender.

### **14.2 Notices of charge or assignment**

- (A) The Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant Schedule to this Deed, on each of its insurers.
- (B) The Chargor shall use reasonable endeavours to ensure that each person referred to in clause 14.2(A) acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant Schedule to this Deed.

## **15. General Undertakings**

### **15.1 Information**

The Chargor shall supply to the Lender promptly such information regarding its financial condition, business and operations, its Charged Property and its compliance with this Deed as the Lender may reasonably request.

### **15.2 Access**

The Chargor shall permit the Lender and/or any of its representatives (including workmen, surveyors, valuers and other persons) at all reasonable times and upon reasonable notice to view the condition of, and repair, any of its Charged Property.

### **15.3 No other prejudicial conduct**

The Chargor shall not, or using its best endeavours, shall not permit to be done, anything which could prejudice the Transaction Security.

### **15.4 Plant and Machinery**

The Chargor agrees to supply to the Lender an updated list of plant and machinery when requested by the Lender.

## 16. **Representations**

The Chargor represents and warrants to the Lender that:

(A) this Deed:

- (1) creates (or, once entered into, will create) in favour of the Lender, the Security Interests which it is expressed to create fully perfected and with the ranking and priority it is expressed to have;
- (2) is not subject to any prior or *pari passu* ranking Security Interest; and
- (3) is not liable to be avoided or set aside on its liquidation, administration or otherwise; and

(B) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security Interest pursuant to this Deed.

## 17. **Enforcement**

### 17.1 **When enforceable**

The Transaction Security shall be immediately enforceable if an Enforcement Event occurs and is continuing.

### 17.2 **Power of sale**

At any time after an Enforcement Event occurs, the Lender shall be entitled, without prior notice to the Chargor or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Charged Property (at the times, in the manner and on the terms it thinks fit). The Lender shall be entitled to apply the monies of that sale or other disposal in paying the costs of that sale or disposal and in or towards the discharge of the Secured Liabilities. The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

### 17.3 **Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed.

### 17.4 **Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed.

### 17.5 **No liability as mortgagee in possession**

Neither the Lender nor any Receiver or Delegate will be liable, by reason of entering into possession of any Charged Property, to account as mortgagee in possession for any loss on realisation of for any default or omission for which a mortgagee in possession might be liable.

### 17.6 **Privileges**

The Lender, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (restricting the power of sale) does not apply.



### 17.7 No duty to enquire

No person dealing with the Lender, any Receiver or any Delegate shall be concerned to enquire:

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (D) as to the application of any money borrowed or raised.

### 17.8 Protection to purchasers

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc.) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Lender, any Receiver or any Delegate.

### 17.9 Financial collateral arrangements

- (A) To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "Regulations") apply to any Charged Property the Lender shall have the right to appropriate any Charged Property which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities.
- (B) The value of any Charged Property appropriated in accordance with this clause shall be:
  - (1) in the case of cash, the amount of the cash appropriated; and
  - (2) in the case of any Investments, their market value as determined by the Lender by reference to a public index, independent valuation or by such other process as the Lender may select (acting reasonably).
- (C) The Chargor agrees that the method of valuation provided for in this clause is commercially reasonable for the purposes of the Regulations.

## 18. Receiver

### 18.1 Appointment of receiver

- (A) The Lender may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if:
  - (1) an Enforcement Event occurs; or
  - (2) requested to do so by the Chargor.
- (B) Any appointment under clause 18.1(A) may be by deed, under seal or in writing under hand.

## **18.2 Removal**

The Lender may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated.

## **18.3 Remuneration**

The Lender may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA will not apply.

## **18.4 Agent of Chargor**

- (A) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (B) The Lender will not incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver.

## **18.5 Lender's rights**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Lender, whether or not the Lender shall have taken possession or appointed a Receiver of the Charged Property.

## **19. Powers of Receiver**

### **19.1 General**

- (A) A Receiver has all of the rights, powers and discretions set out below in this clause in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver under the Act and a receiver or an administrative receiver under the Insolvency Act 1986.
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **19.2 Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property.

### **19.3 Carry on business**

A Receiver may carry on the business of the Chargor in any manner he thinks fit.

### **19.4 Employees**

- (A) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he thinks fit.
- (B) A Receiver may discharge any person appointed by the Chargor.

### **19.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Charged Property either in priority to the Security Interest created by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit.

### **19.6 Sale of assets**

- (A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.
- (C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the property containing them without the consent of the Chargor.

### **19.7 Leases**

A Receiver may let any Charged Property for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Charged Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

### **19.8 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property.

### **19.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit.

### **19.10 Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Property.

### **19.11 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Charged Property.

### **19.12 Delegation**

A Receiver may delegate his powers in accordance with this Deed.

### **19.13 Lending**

A Receiver may lend money or advance credit to any customer of the Chargor.

## 19.14 Protection of assets

A Receiver may:

- (A) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Charged Property;
- (B) commence and/or complete any building operation; and
- (C) apply for and maintain any planning permission, building regulation approval or any other authorisation,

in each case as he thinks fit.

## 19.15 Other powers

A Receiver may:

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property; and
- (C) use the name of the Chargor for any of the above purposes.

## 20. Power of attorney

### 20.1 Appointment

The Chargor by way of security irrevocably appoints the Lender, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise as such time and in such manner as the attorney may think fit:

- (A) to do anything which the Chargor is obliged to do under any Finance Document; and
- (B) to exercise any of the rights conferred on the Lender, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986.

### 20.2 Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause.

## 21. Tacking

The Lender shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

## **22. Delegation**

### **22.1 Delegate and sub-delegates**

The Lender or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

### **22.2 Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Lender or any Receiver thinks fit.

### **22.3 Liability**

Neither the Lender nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

## **23. Preservation of security**

### **23.1 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by Lender in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

### **23.2 Waiver of defences**

The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or the Lender) including:

- (A) any time, waiver or consent granted to, or composition with, any other person;
- (B) the release of any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;
- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security;
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

- (G) any insolvency or similar proceedings.

### 23.3 Immediate recourse

The Chargor waives any right it may have of first requiring the Lender (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

### 23.4 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full, the Lender (or any trustee or agent on its behalf) may:

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by it (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

### 23.5 Deferral of Chargor's rights

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or any Inter-Company Loan or by reason of any amount being payable, or liability arising, under this Deed:

- (A) to be indemnified by any other person;
- (B) to claim any contribution from any other guarantor of the Chargor's obligations under the Finance Documents;
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by the Lender;
- (D) to bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under any other Finance Document;
- (E) to exercise any right of set-off against any other person; and/or
- (F) to claim or prove as a creditor of any other person in competition with the Lender.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender or as the Lender may direct for application in accordance with clause 19 (*Payment mechanics*) of the Development Funding Agreement.

## **24. Enforcement expenses**

### **24.1 Enforcement expenses**

The Chargor shall, within three Business Days of demand, pay to the Lender the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Lender, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Transaction Security and any proceedings instituted by or against the Lender as a consequence of taking or holding the Transaction Security or enforcing these rights.

### **24.2 Tax Gross-up**

Clause 9.1 (*Tax Gross-up*) of the Development Funding Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes.

## **25. Indemnity**

The Chargor shall, within three Business Days of demand, indemnify the Lender and any Receiver against any cost, loss, liability or expense incurred by it or them as a result of:

- (A) any breach by the Chargor of this Deed; or
- (B) the exercise or purported exercise of any of the rights and powers conferred on it or them by this Deed or otherwise relating to the Charged Property.

## **26. Changes to the Parties**

### **26.1 Assignments and transfer by the Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

### **26.2 Assignment and transfer by the Lender**

The Lender may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Development Funding Agreement.

## **27. Payments**

### **27.1 Payments**

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Lender may direct.

### **27.2 Continuation of accounts**

- (A) At any time if any subsequent Security Interest affects any Charged Property which is not permitted by the Finance Documents or a petition is presented or resolution passed in relation to the winding-up of the Chargor, the Lender may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).

- (B) If the Lender does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred.
- (C) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities.

### 27.3 Order of distributions

All amounts received or recovered by the Lender or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order:

- (A) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it;
- (B) second, in or towards payment of the Secured Liabilities in the order selected by the Lender; and
- (C) third, in payment of any surplus to the Chargor or other person entitled to it.

### 27.4 No set-off by Chargor

All payments to be made by the Chargor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

### 27.5 Business Days

- (A) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (B) During any extension of the due date for payment of any principal or Unpaid Sum under this Deed interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

### 27.6 Currency of account

- (A) Subject to clauses 27.6(B) to 27.6(D), the pound sterling is the currency of account and payment for any sum due from the Chargor under this Deed.
- (B) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.
- (C) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.
- (D) Any amount expressed to be payable in a currency other than Pound Sterling shall be paid in that other currency.

## 28. Release of Security

### 28.1 Release

Subject to Clause 23.1 and Clause 28.3, upon the expiry of the Security Period (but not otherwise), the Lender shall promptly after the request and at the cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted



by this Deed and reassign any rights assigned under this Deed, return all deeds and documents of title delivered to the Lender under this Deed and execute and deliver such further deeds or documents (each on reasonable terms) as the Chargor may reasonably require in order to give effect to this clause 28.

## **28.2 Retention**

If the Lender considers that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

## **28.3 Release of Security upon Completion**

- (A) If Completion under the SPA occurs prior to the expiration of the Security Period, this Clause 28.3 shall apply.
- (B) Subject to Clause 23.1, at Completion under the SPA the Lender shall promptly after the request and at the cost of the Chargor, take whatever action is necessary to release the Charged Property from the security constituted by this Deed and reassign any rights assigned under this Deed, return all deeds and documents of title delivered to the Lender under this Deed and execute and deliver such further deeds or documents (each on reasonable terms) as the Chargor may reasonably require in order to give effect to this clause 28.

## **29. Counterparts**

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

## **30. Governing Law**

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

## **31. Enforcement**

### **31.1 Jurisdiction**

- (A) 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 or any non-contractual obligations arising out of or in connection with this Deed) (a "Dispute").
- (B) 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.
- (C) This clause 31.1 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

**THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed.**

## SCHEDULE 1 : MORTGAGED PROPERTY

## **SCHEDULE 2 : ASSIGNED CONTRACTS**

Any grid connection agreement, option to acquire a grid connection or similar relating the Bluestone Site (or any site intended to be developed by the Chargor as a solar PV project) entered into by the Chargor.

### **SCHEDULE 3 : BANK ACCOUNTS**

## **SCHEDULE 4 : INTELLECTUAL PROPERTY**

## **SCHEDULE 5 : PLANT AND MACHINERY**

## SCHEDULE 6 : NOTICE TO BANK HOLDING AN ACCOUNT

To: [Account Bank]

Address: [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated on or around the date of this notice, between Docking Farm Solar Limited as chargor (the "Chargor") and NextEnergy Solar Holdings III Limited as lender (the "Lender") we have charged by way of first fixed charge in favour of the Lender all of our rights in respect of any amount standing to the credit of any account maintained by us with you at any of your branches (the "Account") and the debts represented by the Account.

We irrevocably instruct and authorise you to disclose to the Lender any information relating to the Account requested from you by the Lender.

Until you receive notice from the Lender otherwise, we shall be entitled to receive, withdraw or otherwise transfer any credit balances from time to time on the Account.

Upon receipt of a written notice by the Lender that the security created by the security agreement over the Account has been enforced, you shall:

- (A) act solely on the instructions of the Lender;
- (B) hold all sums standing to the credit of the Account to the order of the Lender; and
- (C) pay or release any sum standing to the credit of the Account in accordance with the written instructions of the Lender.

We acknowledge that you may comply with the instructions in this letter without any further permission from the Chargor or enquiry by you.

The instructions in this notice may not be revoked or amended without the prior written consent of the Lender.

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

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Account as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to [•], marked for the attention of [•].

.....  
  
For and on behalf of  
Docking Farm Solar Limited  
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we:

- (A) will accept the instructions contained in the notice and agree to comply with the notice;
- (B) have not received notice of the interest of any third party in the Account;
- (C) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account; and
- (D) following receipt of a written notice by the Lender that the security created by the security agreement over the Account has been enforced, will not permit any amount to be withdrawn from the Account without the prior written consent of the Lender.

.....

For and on behalf of  
[Account Bank]

Date: .....



## SCHEDULE 7 : NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To: [Counterparty]

Address: [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated on or around the date of this notice, between Docking Farm Solar Limited as chargor (the "Chargor") and NextEnergy Solar Holdings III Limited as lender (the "Lender") we have assigned to the Lender all of our present and future right, title and interest in and to [describe agreement] (the "Agreement").

We will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement. None of the Lender, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement.

We will be entitled to exercise all of our rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Lender that it is exercising its rights under the security agreement in respect of the Agreement. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Lender or as it directs.

Please note that we have agreed not to amend, waive or vary in any material way any provision of or terminate the Agreement without the prior consent of the Lender.

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

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

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Agreement as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to [•], marked for the attention of [•].

.....

For and on behalf of  
Docking Farm Solar Limited  
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Agreement.

.....

For and on behalf of  
[Counterparty]

Date: .....

## SCHEDULE 8 : NOTICE TO INSURERS

To: [Insurer]

Address: [•]

[Date]

Dear Sirs

This letter constitutes notice to you that under a security agreement dated on or around the date of this notice, between Docking Farm Solar Limited as chargor (the "Chargor") and NextEnergy Solar Holdings III Limited as lender (the "Lender") we have assigned to the Lender all of our present and future right, title and interest in and any contract of insurance taken out with you by or on behalf of us or under which we have a right to claim (the "Insurances").

1. All moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Lender that it is exercising its rights under the security agreement in respect of the Insurances, in which event you should make all future payments as then directed by the Lender.
2. Subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid:
  - a. directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made; or
  - b. (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Chargor, unless and until you receive written notice from the Lender that it is exercising its rights under the security agreement in respect of the Insurances, in which event you should make all future payments as directed by the Lender.
3. This authority and instruction is irrevocable without the prior written consent of the Lender.

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

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to [•], marked for the attention of [•].

.....

For and on behalf of  
Docking Farm Solar Limited  
as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or notice that any other person claims any rights in respect of the Insurances.

.....

For and on behalf of  
[Insurer]

Date: .....

## EXECUTION PAGE TO SECURITY AGREEMENT

### The Chargor

EXECUTED as a DEED by )  
Docking Farm Solar Limited )  
acting by ANTHONY GRINDLE )



Witness signature:



Name: CHARLOTTE SANDERSON

Address: 1 BEARDELL STREET  
LONDON  
SE19 1TP

### The Lender

EXECUTED as a DEED by )  
NextEnergy Solar Holdings III Limited )  
acting by \_\_\_\_\_ )

Witness signature:

Name:

Address:

## EXECUTION PAGE TO SECURITY AGREEMENT

### The Chargor

EXECUTED as a DEED by )  
Docking Farm Solar Limited )  
acting by \_\_\_\_\_ )

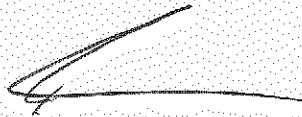
Witness signature:

Name:

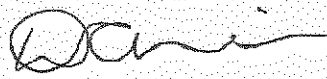
Address:

### The Lender

EXECUTED as a DEED by )  
NextEnergy Solar Holdings III Limited )  
acting by ROSCOE, Director )



Witness signature:



Name: DANIELLA GRECH

Address: 28 BESSEMER CLOSE

HITCHIN

SG5 1AA