



Registration of a Charge

Company name: **TRANSPORT FOR WALES RAIL LTD**

Company number: **12619906**

Received for Electronic Filing: **10/02/2021**



X9Y0FUKR

Details of Charge

Date of creation: **05/02/2021**

Charge code: **1261 9906 0006**

Persons entitled: **VALLEY RAIL PARTNERSHIP NO.1 LLP**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12619906

Charge code: 1261 9906 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th February 2021 and created by TRANSPORT FOR WALES RAIL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th February 2021 .

Given at Companies House, Cardiff on 11th February 2021

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 5 February 2021

(1) TRANSPORT FOR WALES RAIL LTD
(as Chargor)

(2) VALLEY RAIL PARTNERSHIP No.1 LLP
(as Chargee)

**FRANCHISE TERM RESERVE ACCOUNT
CHARGE**

relating to

Lot 4: Stadler Flirt Tri-mode Rolling Stock

I certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the electronic original instrument.

Norton Rose Fulbright LLP

Date: 9 February 2021

THIS DEED OF SECURITY is made on 5 February 2021

BETWEEN:

- (1) **TRANSPORT FOR WALES RAIL LTD**, a company incorporated in England and Wales (registered number 12619906) whose registered office is at 3 Llys Cadwyn, Taff Street, Pontypridd, Rhondda Cynon Taf, CF37 4TH ("**Lessee**"); and
- (2) **VALLEY RAIL PARTNERSHIP No.1 LLP**, a limited liability partnership incorporated in England and Wales (registered number OC424290) whose registered office is at 3rd Floor, South Building, 200 Aldersgate Street, London, England, EC1A 4HD ("**Lessor**");

RECITALS:

- (A) The Lessee and Lessor have entered into a lease agreement dated on or about the date hereof (the "**Lease**"), pursuant to which the Lessor has agreed to lease and the Lessee has agreed to take on lease the Equipment on the terms set out in the Lease.
- (B) As security for certain obligations and liabilities in order to mitigate the exposure of the Lessee and Lessor to the Maintenance Contractor in the event of any termination of the Train Services Agreement as to the ongoing maintenance of the Equipment under the Lease, Lessee has agreed pursuant to *Clause 5.15 (Franchise Term Reserve)* of the Lease that it will in certain circumstances place and thereafter maintain certain monies on deposit with the Account Bank and has agreed to assign by way of security such deposits to Lessor.

THE PARTIES AGREE AS FOLLOWS:

1. INTERPRETATION

- 1.1 In this Deed, capitalised terms shall, unless stated to the contrary, have the meanings given to them in the Lease, and the terms defined below have the meanings there given:-

"**Account Bank**" means Barclays Bank Plc.

"**Franchise Term Reserve Account**" means the Sterling account numbered [REDACTED] held in the name of Lessee with a United Kingdom branch of the Account Bank on terms which are acceptable to Lessor.

"**Security Interest**" means any mortgage, charge, pledge, lien, assignment, encumbrance, right of set off or security interest whatsoever, howsoever created or arising or any other agreement, arrangement or court order having substantially the same economic effect as the foregoing.

"**Secured Obligations**" means the obligations and liabilities of Lessee to Lessor pursuant to *Clause 5.15 (Franchise Term Reserve)* of the Lease.

"**Security Period**" means the period commencing on the date of this Deed and ending on the date on which Lessee has paid to Lessor the full amount standing to the credit of the Franchise Term Reserve Account in accordance with *Clause 5.15 (Franchise Term Reserve)* of the Lease.

- 1.2 Where the context admits, the definitions and rules of construction used in the Lease shall apply.

2. SECURED OBLIGATIONS

2.1 As continuing security for the payment and discharge of the Secured Obligations, Lessee with full title guarantee hereby irrevocably and unconditionally charges and assigns to Lessor as continuing security for the payment and discharge of the Secured Obligations all rights and title in and to:-

2.1.1 the Franchise Term Reserve Account; and

2.1.2 all sums of money which may now or which may from time to time or at any time be standing to the credit of the Franchise Term Reserve Account together with all interest thereon and all rights to receive interest and all other rights and benefits accruing to or arising in connection therewith including all of its rights against the Account Bank in connection with the Franchise Term Reserve Account and together with any certificates of deposit, deposit receipts or other instruments or securities relating thereto.

2.2 The security created pursuant to this Deed shall become immediately enforceable if an Event of Default has occurred which is continuing.

2.3 At any time after the security constituted by this Deed has become enforceable in accordance with Clause 2.2 of this Deed, Lessor may call all or any part of the sums then standing to the credit of the Franchise Term Reserve Account.

3. NEGATIVE PLEDGE

Save for the security created by this Deed, Lessee shall not create, agree to create or permit to exist any trust, interest or Security Interest (howsoever ranking in point of priority) of any nature whatsoever (other than by operation of law or any enactment) in, over or affecting the Franchise Term Reserve Account or any amounts from time to time standing to the credit thereof.

4. CONSENT FOR WITHDRAWAL

Subject to Clause 5.15.3 of the Lease, Lessee agrees that there shall be no withdrawal of any amounts from the Franchise Term Reserve Account, nor any transfer from or dealings in the Franchise Term Reserve Account nor any variation of the terms of the agreement with the Account Bank relating to the Franchise Term Reserve Account, without in each case Lessor's prior written consent.

5. ACKNOWLEDGMENT OF RIGHT TO ASSIGN

5.1 Lessor may (at its own cost) without the consent of Lessee create or permit to exist any encumbrance over the property described in Clause 2 of this Deed in favour of any other person and/or assign by way of security its rights under this Deed in favour of any Financier provided that:-

5.1.1 such person or Financier covenants directly with Lessee that it shall not be entitled to, and shall not, enforce such encumbrance or assigned rights except in circumstances where Lessor would have been entitled to enforce the security created by this Deed in accordance with this Deed; and

5.1.2 the creation of any such encumbrance or any such assignment shall not impose on Lessee any additional obligation or liability or cause any diminution in the rights of Lessee under this Deed or the Lease.

5.2 Lessee will, at Lessor's cost, co-operate with any of Lessor, any Financier and any other assignee, transferee, purchaser or beneficiary of any encumbrance contemplated by this Clause 5 in implementing any assignment, sale, transfer, conveyance or creation or existence of any encumbrance as contemplated by this Clause 5 (including, without limitation, by complying with all reasonable requests of Lessor or any such other person in respect of any such assignment, sale, transfer, conveyance or creation or existence of any encumbrance), provided that such implementation will not have any adverse effect on Lessee's rights or obligations under any Lessee Documents, and will take all such steps and execute all such documents (including any agreements directly with any Financier) as Lessor or any such other person may reasonably request to give effect to the provisions of this Clause 5.

6. NOTICE TO ACCOUNT BANK

Lessee shall as soon as reasonably practicable on execution of this Deed give notice to the Account Bank in the form set out in Appendix 1 (or such other form as is approved by Lessor) and shall use all reasonable endeavours to procure that the Account Bank returns a confirmation to Lessor in the form set out in Appendix 2 (or such other form as is approved by Lessor).

7. FURTHER ASSURANCE

Without prejudice to Clause 5.2 of this Deed, each of Lessee and Lessor shall, at its own cost, do and execute, or arrange for the doing and executing of, each act, document and thing which is reasonably necessary and which is within its own power or control to implement or establish the obligations imposed on it under this Deed.

8. ACCOUNT ADMINISTRATION EXPENSES

All expenses incurred in relation to the administration of the Franchise Term Reserve Account and (other than in relation to tax) shall be for the account of Lessee and Lessee shall not be entitled to deduct from the amounts standing to the credit of the Franchise Term Reserve Account any amount in respect of such costs and expenses.

9. NO WAIVER

No failure to exercise nor delay in exercising any right, power or remedy under or in connection with this Deed shall operate as a waiver thereof, and no single or partial exercise of any right, power or remedy shall preclude any further or other exercise thereof, or the exercise of any other right or remedy.

10. AMENDMENTS AND CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No amendment to this Deed shall be effective unless made in writing and signed or executed by an authorised representative of each of Lessor, Lessee and any Financier which has been granted an encumbrance over any of Lessor's rights hereunder. The rights expressed to be granted to such Financier in this Clause 10 shall be enforceable by such Financier pursuant to the Contracts (Rights of Third Parties) Act 1999. Save as otherwise provided in this Clause 10, Lessor and Lessee agree that the Contracts (Rights of Third Parties) Act 1999 shall not apply to the provisions of this Agreement nor shall any amendment to this Deed need to be signed or executed by any Financier or any other person.

11. NOTICES

11.1 All notices under, or in connection with, this Deed will, unless otherwise stated, be given in writing by letter or email on a Business Day. Any such notice is deemed to be given as follows:-

11.1.1 if sent by post, on the third Business Day after posting (first class postage pre-paid);

11.1.2 if sent by courier, when delivered; and

11.1.3 if sent by email, at the time of transmission or, if this time falls outside business hours in the place of receipt, the next Business Day. In this Clause 11.1.3, business hours means 9.00am to 5.00pm on each Business Day.

11.2 The address and facsimile numbers of Lessee and Lessor are as follows (or such other address or facsimile number notified by the relevant party):-

Lessee:

Address: Transport for Wales Rail Ltd, 3 Llys Cadwyn, Taff Street, Pontypridd, Rhondda Cynon Taf, CF37 4TH

Attention: Chris Dellard and Ryan Williams

Email: fleet.notices@tfwrail.wales

Lessor:

Address: Valley Rail Partnership No.1 LLP
c/o Equitix Management Services Limited, 5th Floor, 120 Aldersgate Street, London, EC1A 4JQ

Attention: Jonjo Challands

Email: jchallands@equitix.co.uk

With a copy to:

Address: Valley Rail Partnership No.1 LLP
c/o SMBC Leasing (UK) Limited, 99 Victoria Street, London EC4V 4EG

Attention: Lease Admin

Email: leaseadmin@gb.smbcgroup.com

12. GOVERNING LAW

This Deed and any issue or Dispute (as defined in the Lease) arising out of or in connection with it (whether contractual or non-contractual, including claims in tort or for breach or statute or regulation or otherwise) are governed by English law.

13. **DISPUTES**

Any disputes arising out of or in connection with this Deed shall be resolved in accordance with Clause 15.17 (*Disputes*) of the Lease, *mutatis mutandis*, as if that Clause 15.17 (*Disputes*) were set out in full herein.

14. **COUNTERPARTS**

This Deed may be executed in counterparts, each of which when executed and delivered shall be an original, and together constitute the same document.

15. **EXCLUSION OF LIMITATIONS**

Sections 93 (*Restriction on consolidation of mortgages*) and 103 (*Regulation of exercise of power of sale*) of the Law of Property Act 1925 shall not apply to this Deed.

16. **ILLEGALITY, ETC**

If any one of the provisions of this Deed is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions of this Deed shall not in any way be affected or impaired thereby.

IN WITNESS whereof this deed has been duly executed and delivered on the above date first above written.

APPENDIX 1

FORM OF NOTICE

From: TRANSPORT FOR WALES RAIL LTD
To: BARCLAYS BANK PLC
Copy: VALLEY RAIL PARTNERSHIP No.1 LLP ("**Lessor**")

Dated: []

Dear Sirs

17. We hereby give you notice that we have assigned absolutely to Lessor all our right, title and interest in and to all sums deposited or to be deposited with you in our account bearing account number [REDACTED] (the "**Account**"), and so that all interest credited to the Account shall, until further notice, be rolled up and retained in the Account.
18. We further notify you that no withdrawal or payment may be made from the Account without the prior written instructions of Lessor.
19. We should be grateful if you would:-
- 19.1 acknowledge to Lessor receipt of this letter;
- 19.2 confirm Lessor's interest and that you have not received notice of any prior assignment;
- 19.3 confirm that you waive all rights of combination, consolidation, merger or set-off that you may have over all sums deposited with you in the Account; and
- 19.4 confirm to Lessor that you will not seek to modify, vary or amend the terms upon which the sums are deposited in the Account without Lessor's prior written consent,
- and, for this purpose, we would be obliged if you would send a letter in the form of the enclosed draft to Lessor.

Yours faithfully

For and on behalf of

TRANSPORT FOR WALES RAIL LTD

APPENDIX 2

FORM OF ACKNOWLEDGMENT

From: BARCLAYS BANK PLC

To: VALLEY RAIL PARTNERSHIP No.1 LLP

Dated: []

Dear Sirs

TRANSPORT FOR WALES RAIL LTD ("**Lessee**")

1. We hereby acknowledge receipt of your Notice of Assignment dated [] 20[].
2. We confirm that:-
 - 2.1 the account held by Lessee bearing account number [REDACTED] (the "**Account**") has been opened with us;
 - 2.2 so far as we are aware, the Account and the amounts from time to time standing to the credit of the Account are free of all charges, equities or adverse interests of any kind including any right of set-off, combination of account or other such rights and the said moneys (including amounts of interest credited to the Account from time to time) are payable by us to you; and
 - 2.3 we have not received any prior notice of assignment from Lessee or any third party relating to the Account or the sums deposited therein.
3. We irrevocably undertake with you that until receipt of notice by us from you confirming that you no longer have any interest in the said sums:-
 - 3.1 we shall not exercise any right of combination, consolidation, merger or set-off which we may have in respect of any moneys standing or accruing to the credit of the Account;
 - 3.2 we shall only permit moneys to be drawn on or debited to the Account against the signature of one of your authorised signatories;
 - 3.3 we shall send to you copies of all statements, orders and notices given by us in connection with the Account; and
 - 3.4 we shall notify you promptly upon our receipt of any notice of any third party interest in the Account or in the sums deposited therein.
4. We further acknowledge that you shall have no liability for any costs and expenses incurred in respect of the maintenance and operation of the Account.

Yours faithfully

For and on behalf of

BARCLAYS BANK PLC

EXECUTION PAGE
FRANCHISE TERM RESERVE ACCOUNT CHARGE

LESSEE

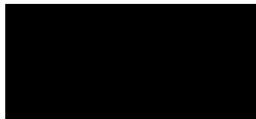
EXECUTED as a DEED by
TRANSPORT FOR WALES RAIL LTD
acting by two directors:

Director



Print name Alexia Course

Director

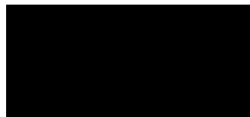


Print name James Price

LESSOR

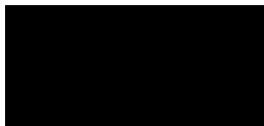
EXECUTED as a DEED by
VALLEY RAIL PARTNERSHIP NO.1
LLP
acting by two authorised signatories:

Authorised Signatory



Print name Julian Cox

Authorised Signatory



Print name Kash Rahuf