



Registration of a Charge

Company name: **UK GREEN INVESTMENT BANK PLC**

Company number: **SC424067**



X4GG80MV

Received for Electronic Filing: **22/09/2015**

Details of Charge

Date of creation: **17/09/2015**

Charge code: **SC42 4067 0003**

Persons entitled: **BARCLAYS BANK PLC**

Brief description: **NONE.**

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: **ASHURST LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 424067

Charge code: SC42 4067 0003

The Registrar of Companies for Scotland hereby certifies that a charge dated 17th September 2015 and created by UK GREEN INVESTMENT BANK PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd September 2015 .

Given at Companies House, Edinburgh on 23rd September 2015

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 17 September 2015

UK GREEN INVESTMENT BANK PLC

(the Assignor)

in favour of

BARCLAYS BANK PLC

(as Security Agent)

SECURITY AGREEMENT OVER LOAN NOTES

THIS DOCUMENT IS SUBJECT TO THE TERMS OF A SECURITY TRUST AND
INTERCREDITOR DEED OF EVEN DATE HERewith BETWEEN, INTER ALIA, THE ASSIGNOR
AND THE SECURITY AGENT

Linklaters

Ref: L-219639

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This Deed is made on 17 September 2015 between:

- (1) **UK GREEN INVESTMENT BANK PLC**, a company incorporated in Scotland, registered number SC424067, whose registered office is at Atria One, Level 7, 144 Morrison Street, Edinburgh EH3 8EX (the "**Assignor**"); and
- (2) **BARCLAYS BANK PLC** (Company No: 1026167), whose registered office is at 1 Churchill Place, London E14 5HP, United Kingdom (the "**Security Agent**", which expression includes its successors, transferees and assigns).

Recitals:

- (A) The Secured Creditors are willing to enter into certain finance agreements with the Obligors, on the terms and conditions set out in the Finance Documents. One of the conditions is that the Assignor enters into this Deed.
- (B) The board of directors of the Assignor is satisfied that entering into and performing its obligations under this Deed are for the purposes and to the benefit of the Assignor and its business.
- (C) The Security Agent and the Assignor intend this document to take effect as a deed.
- (D) The Security Agent holds the benefit of this Deed for the Secured Creditors on the terms of the Finance Documents.

It is agreed as follows:

1 Interpretation

- 1.1** In this Deed (including the Recitals), terms defined (expressly or by reference) in the Facilities Agreement shall bear the same meanings, except (i) as otherwise defined in this Clause 1; or (ii) to the extent that the context requires otherwise. Clauses 1.2 and 1.3 of the Facilities Agreement shall apply to this Deed *mutatis mutandis*. The following terms shall bear the meanings given to them below:

"**Appointee**" has the meaning given to it in Clause 9.2.2;

"**Assigned Contracts**" means each loan note constituted by the Borrower (substantially in the form set out at Schedule 1 (*Form of Loan Note*) of the Loan Note Instrument) from time to time in favour of the Assignor following a Debt Contribution in accordance with clause 4.4 (*Borrower Loan Note Instrument*) of the Equity Subscription Agreement;

"**Charged Assets**" means the assets charged or assigned to the Security Agent by this Deed;

"**Currency of Account**" means Sterling or such other currency which is the lawful currency of England and Wales;

"**Debt Contribution**" means any of the Subordinated Debt Contributions (as defined in the Equity Subscription Agreement) made by the Assignor to the Borrower in accordance with clause 4.1 (*Shareholder Contributions*) or 4.2 (*Additional Subordinated Debt Contributions*) of the Equity Subscription Agreement;

"**Delegate**" means a delegate or sub-delegate appointed pursuant to Clause 8.2 (*Delegation*);

"**Dispute**" has the meaning given to it in Clause 26.1;

"Equity Subscription Agreement" means the equity subscription agreement dated on or around the date of this Deed between the Shareholders, the Borrower, HoldCo and the Security Agent;

"Facilities Agreement" means the facilities agreement dated on or around the date of this Deed between the Borrower, HoldCo, Barclays Bank PLC as the Original Lender, the Arranger, the Facility Agent, the ECA Agent, the Original Hedging Bank and the Security Agent, and Eksport Kredit Fonden;

"Financial Collateral" shall have the meaning given to it in Clause 9.1.1;

"Financial Collateral Regulations" shall have the meaning given to it in Clause 9.1;

"Insolvency Act" means the Insolvency Act 1986;

"Loan Note Instrument" means the loan note instrument dated on or about the date of this Deed under which it is intended that the Borrower shall constitute the Assigned Contracts from time to time;

"LPA" means the Law of Property Act 1925;

"Receiver" means a receiver and manager or other receiver appointed in respect of all or any number of the Charged Assets and shall, if allowed by law, include an administrative receiver;

"Rights" includes rights, authorities, discretions, remedies, liberties, powers, easements, quasi-easements and appurtenances (in each case, of any nature whatsoever);

"Secured Obligations" means all present or future, actual or contingent, obligations of each Obligor (whether entered into solely or jointly, or jointly or severally, with one or more persons and whether actual or contingent and whether as principal or as surety or otherwise) to any of the Secured Creditors under the Finance Documents; and

"Security Interests" means all or any security created or expressed to be created or which may at any time be created or expressed to be created, by or pursuant to this Deed.

1.2 Security Trust and Intercreditor Deed terms

Unless a contrary indication appears, the following words and expressions defined in the Security Trust and Intercreditor Deed have the same meanings in this Deed:

- (a) Permitted Subordinated Payment; and
- (b) Secured Creditors.

1.3 Each party acknowledges and agrees that, when it is acting under or pursuant to the Finance Documents, the Security Agent shall be entitled to rely on and shall have all the benefits and protections afforded to it under the Security Trust and Intercreditor Deed and the Facilities Agreement.

2 Security Agent

2.1 Discretion

It is agreed that any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Agent may, unless otherwise provided, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons thereof, but in any event in accordance with the Security Trust and Intercreditor

Deed.

2.2 Security Agent's Sole Right to appropriate

Subject to the provisions of the Finance Documents, the Assignor hereby irrevocably waives any right to appropriate any payment to, or other sum received, recovered or held by, the Security Agent in or towards discharge of any particular part of the Secured Obligations and agrees that the Security Agent shall have the exclusive right to appropriate any such payment or other sum in accordance with the Security Trust and Intercreditor Deed which right shall override any application made or purported to be made by the Assignor and in the event that the Security Interests hereunder become enforceable such waiver shall apply notwithstanding the provisions of the Finance Documents.

3 Creation of Security Interests

3.1 Fixed Charges

To the extent not effectively assigned by Clause 3.2 (*Assignment*), the Assignor, with full title guarantee and as security for the payment and discharge of all Secured Obligations, charges by way of first fixed charge in favour of the Security Agent (as Security Agent for the Secured Creditors) the Assigned Contracts including all its present and future Rights, title, benefit and interest in, to and under the Assigned Contracts and all monies which at any time may be or become payable to the Assignor pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Assignor pursuant thereto.

3.2 Assignment

The Assignor with full title guarantee and as security for the payment and discharge of all Secured Obligations, hereby assigns absolutely by way of security to the Security Agent (as Security Agent for the Secured Creditors) all its present and future Rights, title, benefit and interest in, to and under the Assigned Contracts and all monies which at any time may be or become payable to the Assignor pursuant thereto and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Assignor pursuant thereto.

3.3 Recourse

Subject to the Equity Subscription Agreement and the Security Trust and Intercreditor Deed, the Security Agent's sole recourse to the Assignor in respect of the Secured Obligations shall be limited to the proceeds arising from its enforcement of the Security Interests.

3.4 No Liability

Notwithstanding anything to the contrary, the Assignor shall remain liable under the Assigned Contracts to perform all the obligations assumed by it thereunder and neither the Security Agent (in its capacity as assignee), nor any Secured Creditor, Receiver, Delegate or sub-delegate shall be under any obligation or liability to the Assignor or any other person under or in respect of any Assigned Contract, whether by reason of this Deed or otherwise.

3.5 Notices of Assignment

Without prejudice to the other provisions of this Deed, the Assignor shall immediately following execution hereof or, in the case of Assigned Contracts entered into after the date of this Deed, immediately following the execution of such Assigned Contracts, give notices

of the assignment made in Clause 3.2 (*Assignment*) substantially in the form set out in Schedule 2 (*Form of Notice of Assignment of Assigned Contracts*) to the Borrower (save to the extent that notice has been given or is to be given under the Assigned Agreements, or otherwise) and shall use reasonable endeavours to procure that the Borrower shall promptly duly sign and return the acknowledgement thereon.

3.6 Security Agent has no notice

The Security Agent shall not be deemed to have any knowledge of the provisions of the Assigned Contracts.

3.7 Collection

Subject to Clause 3.9, the Assignor shall promptly collect all moneys payable to it, and any claims, awards and judgments in favour of, receivable or received by it, under or in connection with or pursuant to each Assigned Contract when due and payable and, unless it is a Permitted Subordinated Payment or any other payment or discharge permitted under the Facilities Agreement, shall hold the proceeds of collection on trust for the Secured Creditors.

3.8 Payment into designated bank account(s)

Subject to Clause 3.9, the Assignor shall pay all moneys received or receivable by it under or in connection with or pursuant to each Assigned Contract to which it is a party (including all proceeds of collection under Clause 3.7 (*Collection*) and all moneys received or receivable by it relating to the Assigned Contracts) into a bank account or bank accounts designated for this purpose by the Security Agent unless it is a Permitted Subordinated Payment or any other payment or discharge permitted under the Facilities Agreement. The Security Agent may designate different bank accounts for different moneys.

3.9 Permitted Payments

The Assignor shall be entitled to receive Permitted Subordinated Payments, or other permitted payments referred to in Clauses 3.7 and 3.8.

4 Negative Pledge and Further Assurance

4.1 Security

The Assignor shall not (and shall not agree to) create or permit to subsist any security over the Charged Assets or Security Interests except as permitted by the Equity Subscription Agreement or the Finance Documents.

4.2 Disposals

The Assignor shall not (and shall not agree to) sell, factor, discount, transfer, dispose of the equity of redemption of, assign, lease or hire out, lend or otherwise dispose of the Charged Assets except if (i) the transferee has entered into an equivalent security agreement and has acceded to the Security Trust and Intercreditor Deed as a Subordinated Creditor; and (ii) such transfer is in accordance with the Equity Subscription Agreement and the Finance Documents.

4.3 Further Assurance

The Assignor shall promptly do whatever the Security Agent requires:

4.3.1 to perfect or protect the Security Interests or the priority of the Security Interests;

- 4.3.2 to facilitate the realisation of the Charged Assets;
- 4.3.3 to facilitate the exercise of any rights vested in the Security Agent or any Receiver; and/or
- 4.3.4 to confer on the Security Agent security over any Charged Assets (in whatever jurisdiction situated) equivalent or similar to the security intended to be conferred by this Deed,

including (without limitation) executing any transfer, conveyance, charge, assignment or assurance of the Charged Assets (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

5 General Undertakings

5.1 Assigned Contracts

The Assignor will observe and perform all covenants and stipulations from time to time under the Assigned Contracts and generally take all steps which are necessary to preserve and maintain its Rights under the Assigned Contracts.

5.2 Information

The Assignor shall supply to the Security Agent promptly such information regarding the Assigned Contracts and its compliance with this Deed or any other such information as the Security Agent may reasonably request.

5.3 No other prejudicial conduct

The Assignor shall not do, or permit to be done, anything which could prejudice the Charged Assets and the Security Interests.

6 Enforcement of Security Interests

6.1 When Enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing.

6.2 Enforcement Action

At any time after the Security Interests have become enforceable, the Security Agent may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit.

6.3 Power of Sale

The statutory power of sale, of appointing a Receiver and the other statutory powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Deed.

6.4 LPA

Sections 103 and 109(1) of the LPA shall not apply to this Deed.

7 Appointment and Rights of Receivers

7.1 Appointment of Receivers

If:

7.1.1 requested by the Assignor; or

7.1.2 the Security Interests have become enforceable,

without any notice or further notice, the Security Agent may at any time, by deed, or otherwise in writing signed by any officer or manager of the Security Agent or any person authorised for this purpose by the Security Agent, appoint one or more persons to be a Receiver. The Security Agent may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Agent appoints more than one person as Receiver, the Security Agent may give those persons power to act either jointly or severally.

7.2 Scope of Appointment

Any Receiver may be appointed Receiver in respect of the Charged Assets or Receiver in respect of any number of the Charged Assets specified in the appointment.

7.3 Rights of Receivers

Any Receiver appointed pursuant to this Clause 7 shall have the rights, powers, privileges and immunities conferred by the LPA on mortgagees and the Insolvency Act on administrative or other receivers duly appointed under the Insolvency Act, and shall also have the rights set out in Schedule 1 (*Rights of Receivers*).

7.4 Agent of the Assignor

Any Receiver shall be the agent of the Assignor for all purposes. The Assignor alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults incurred by the Receiver. The Security Agent will not be responsible for any misconduct, negligence or default of a Receiver.

7.5 Removal

The Security Agent may by notice remove from time to time any Receiver appointed by it (subject to the provisions of Section 45 of the Insolvency Act in the case of an administrative receivership) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated for whatever reason.

7.6 Remuneration

The Security Agent may determine the remuneration of any Receiver and the maximum rate specified in Section 109(6) of the LPA shall not apply. The Security Agent may direct payment of that remuneration out of moneys it receives as Receiver. The Assignor alone shall be liable for the remuneration and all other costs, charges and expenses of the Receiver.

8 Security Agent's Rights

8.1 Same Rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent after the Security Interests become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver in respect of the Security Interests.

8.2 Delegation

- 8.2.1 The Security Agent may delegate in any manner to any person any rights exercisable by the Security Agent under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Agent may in its absolute discretion think fit.
- 8.2.2 If the Security Agent exercises due care in selecting any custodian, agent, nominee or delegate appointed under this Clause 8.2 (an "**Appointee**") it will not (in the case of any Appointee which is not its Affiliate) have any obligation to supervise the Appointee or (in the case of any Appointee which is not its Affiliate) be responsible for any loss, liability, cost, claim, action, demand or expense incurred by reason of the Appointee's misconduct or default or the misconduct or default of any substitute appointed by the Appointee.

8.3 Assignment by the Security Agent

The Security Agent may transfer its rights and assignments under this Deed in accordance with clause 27 (*Changes to the Parties*) of the Security Trust and Intercreditor Deed and the Assignor authorises the Security Agent to execute on its behalf any document required to effect such transfer.

9 Financial Collateral Arrangement

- 9.1 To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Agent shall have the right:

- 9.1.1 to use and dispose of any Charged Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit, in which case the Security Agent shall comply with any requirements of the Financial Collateral Regulations in relation to obtaining "financial collateral of the same or greater value";
- 9.1.2 to set-off the value of any financial collateral of the same or greater value against, or apply it in discharge of, any Secured Obligations in accordance with the Financial Collateral Regulations; and
- 9.1.3 at any time after the Security Interests have become enforceable, to appropriate any Charged Asset which constitutes Financial Collateral in such manner as it sees fit in or towards satisfaction of the Secured Obligations in accordance with the Financial Collateral Regulations.

- 9.2 If the Security Agent is required to value any financial collateral of the same or greater value or Financial Collateral for the purposes of Clause 9.1.2 or 9.1.3, the value shall be:

- 9.2.1 in the case of cash, its face value at the time of appropriation or set-off; and
- 9.2.2 in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation or set-off as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Agent (at the cost of the Assignor),

as converted, where necessary, into the currency in which the Secured Obligations are denominated at a market rate of exchange prevailing at the time of appropriation or set-off selected by the Security Agent. The Parties agree that the methods of valuation set out in this Clause 9.2 are commercially reasonable for the purposes of the Financial Collateral Regulations.

- 9.3** The Assignor authorises the Security Agent to transfer any Charged Asset which constitutes Financial Collateral in accordance with the Financial Collateral Regulations, and any such Charged Asset shall pass from the Assignor to the Security Agent by way of outright title transfer, free and clear of any liens, claims, charges or encumbrances or any other interest of the Assignor or any third party. The Security Agent shall, accordingly, have the right to deal with, lend, dispose of, pledge, charge or otherwise use any Charged Asset which constitutes Financial Collateral.

10 Order of Distributions

All amounts received or recovered by the Security Agent or any Receiver or Delegate in exercise of their rights under this Deed shall, subject to the rights of any creditors having priority, be applied in accordance with clause 17 (*Proceeds of Enforcement of Security*) of the Security Trust and Intercreditor Deed.

11 Liability of Security Agent, Receivers and Delegates

11.1 Possession

If the Security Agent, any Receiver or any Delegate takes possession of the Charged Assets, it may at any time relinquish possession. Without prejudice to Clause 11.2 (*Security Agent's Liability*), the Security Agent shall not be liable as a mortgagee in possession by reason of viewing or repairing any of the Assignor's present or future assets.

11.2 Security Agent's Liability

Neither the Security Agent nor any Receiver or Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Assignor, any Secured Creditor or any other person for any costs, charges, losses, damages, liabilities or expenses relating to the realisation of any Rights relating to the Charged Assets or from any act, default, omission or misconduct of the Security Agent, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with the Finance Documents except to the extent caused by it or its own gross negligence, fraud or wilful misconduct.

12 Power of Attorney

12.1 Appointment

The Assignor by way of security irrevocably appoints the Security Agent, every Receiver and every Delegate severally to be its attorney (with full power of substitution and delegation), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- 12.1.1** to do anything which the Assignor is obliged to do (but has not done) in respect of the Charged Assets (including to execute security interests over, transfers,

conveyances, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Security Interests); and

- 12.1.2 to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Assets or under any Finance Document the LPA or the Insolvency Act.

12.2 Ratification

The Assignor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney in Clause 12.1 (*Appointment*).

13 Protection of Third Parties

13.1 No Duty to Enquire

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

- 13.1.1 whether the rights conferred by or pursuant to any Finance Document have arisen;
- 13.1.2 whether the rights conferred by or pursuant to any Finance Document are exercisable;
- 13.1.3 whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- 13.1.4 whether any money remains due under the Finance Documents and the receipt in writing of the Security Agent, any Receiver or its agents shall be sufficient discharge to that purchaser or other person; otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or
- 13.1.5 as to the application of any money borrowed or raised.

13.2 Protection to Purchasers

All the protection to purchasers contained in Sections 104 and 107 of the LPA, Section 42(3) of the Insolvency Act or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Secured Creditor, any Receiver or any Delegate.

14 Saving Provisions

14.1 Continuing Security

Subject to Clause 15 (*Discharge of security*), the Security Interests shall:

- 14.1.1 remain in full force and effect by way of continuing security; and
- 14.1.2 not be affected in any way by any settlement or other payment of account (whether or not any of the Secured Obligations remain outstanding) or other matter or thing whatsoever.

14.2 Security Unaffected

Without prejudice to the generality of Clause 14.1 (*Continuing security*), neither the Security Interests nor the Secured Obligations shall be affected in any way by:

- 14.2.1 any time, indulgence, concession, waiver or consent given to the Assignor or any other person, whether by any Secured Creditor or any other person;
- 14.2.2 any amendment to or change in any security, guarantee or indemnity (including any Finance Document), or the terms of any of the Secured Obligations;
- 14.2.3 the making or absence of any demand for payment of any Secured Obligations on the Assignor or any other person, whether by any Secured Creditor or any other person;
- 14.2.4 the enforcement or absence of enforcement of any security, guarantee or indemnity (including any Finance Document);
- 14.2.5 the taking, existence or release of any other security, guarantee or indemnity;
- 14.2.6 the winding-up of the Assignor or any other person, or any step being taken for any such winding-up; or
- 14.2.7 the illegality, invalidity or unenforceability of, or any defect in, any provision of any agreement or document relating to the Secured Obligations or any security, guarantee or indemnity (including any Finance Document) or any of the rights or obligations of any of the parties under or in connection with any such document or any security, guarantee or indemnity (including any Finance Document).

14.3 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Assignor or the Obligors or any security for those obligations or otherwise) is made by a Secured Creditor in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Assignor and the Obligors and the Security created or expressed to be created by or pursuant to this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

14.4 Immediate recourse

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

14.5 Appropriations

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to such Secured Obligations have terminated, the Security Agent (or agent on its behalf or Receiver or Delegate) may:

- 14.5.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Security Agent (or agent on its behalf or Receiver or Delegate) 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 Assignor shall not be entitled to the benefit of the same; and
- 14.5.2 hold in an interest-bearing suspense account any moneys received from the Assignor or on account of the Assignor's liability under this Deed.

14.6 Deferral of the Assignor's rights

14.6.1 Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to such Secured Obligations have terminated and unless the Security Agent otherwise directs, the Assignor will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents:

- (i) to be indemnified by an Obligor;
- (ii) to claim any contribution from any other provider of Security for or any other guarantor of any Obligor's obligations under the Finance Documents;
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent under the Finance Documents or of any guarantee or other security taken pursuant to, or in connection with, the Finance Documents by the Security Agent;
- (iv) to bring legal or other proceedings for an order requiring an Obligor to make any payment, or perform any obligation, in respect of which the Obligor had given a guarantee, undertaking or indemnity;
- (v) to exercise any right of set-off against any Obligor; and/or
- (vi) to claim or prove as a creditor of any person in competition with any Obligor.

14.6.2 Any amount received or accrued, or any benefit obtained, by the Assignor as a result of the exercise of the above rights shall be held on trust for the Secured Creditors and immediately paid to the Security Agent or as the Security Agent may direct for application in accordance with Clause 10 (*Order of Distributions*).

14.7 Additional security

The Security Interests are in addition to, and shall not be merged or in any way prejudiced by, any other guarantees, indemnities or other security now or subsequently held by the Security Agent or any other Secured Creditor in respect of the Secured Obligations.

14.8 Assignor Intent

Without prejudice to the generality of Clause 14.2 (*Security Unaffected*), the Assignor expressly confirms that it intends that the Security Interests shall extend from time to time to any variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

15 Discharge of Security

15.1 Final Redemption

15.1.1 Subject to Clause 15.2 (*Retention of Security*), if the Security Agent is satisfied that all the Secured Obligations have been irrevocably and unconditionally discharged

in full and that all facilities which might give rise to such Secured Obligations have terminated, the Security Agent shall at the request and cost of the Assignor release or reassign the Charged Assets from the Security Interests.

15.1.2 Subject to Clause 10 (*Order of Distributions*), each sum appropriated by the Security Agent as provided in the Security Trust and Intercreditor Deed in or towards discharge of a particular part of the Secured Obligations shall to the extent of such appropriation discharge the Obligor's obligations in respect of that part of the Secured Obligations both to any Secured Creditor to which the same is owed and to the Security Agent.

15.1.3 Notwithstanding Clause 15.1.2, no payment to the Security Agent (whether under any judgment or court order or otherwise) shall discharge the obligation or liability of the Obligors in respect of which it was made unless and until the Security Agent has received payment in full in the currency in which the obligation or liability was incurred. To the extent that the amount of any such payment on actual conversion into that currency falls short of that obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against the Obligors and be entitled to enforce the security constituted by this Deed to recover the amount of the shortfall, if such amount is not paid within 20 Business Days following written notification of the discrepancy by the Security Agent to the Obligors.

15.2 Retention of Security

If the Security Agent considers that any amount paid or credited to any Secured Creditor under any Finance Document is capable of being avoided or otherwise set aside on the winding-up of the Assignor or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably and unconditionally discharged.

15.3 Consolidation

Section 93 of the LPA shall not apply to the Security Interests.

16 Expenses and Indemnity

16.1 Enforcement Expenses

The Assignor shall promptly on demand (on a full indemnity basis) pay all costs, liabilities and expenses (including, but not limited to, legal fees and any other costs, liabilities or expenses arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise) properly incurred in connection with this Deed (including with respect to the preservation, enforcement or attempted preservation or enforcement of any rights under this Deed) by any Secured Creditor, Receiver, attorney, manager, agent or other person appointed by the Security Agent in accordance with the terms of this Deed, together with an amount equal to any taxes thereon, provided that this Clause 16 shall not apply to the extent that the relevant party has been reimbursed under clause 26 (*Costs and Expenses*) of the Security Trust and Intercreditor Deed.

This Clause 16 shall survive in full force and effect notwithstanding termination of this Deed.

16.2 Default Interest

If not paid when due, the amounts payable under this Clause 16 shall carry interest from the date of demand until the date of actual payment at the rate of two per cent. per annum above the base rate for the time being of Barclays Bank PLC. Any unpaid interest will be compounded on a monthly basis and will constitute part of the Secured Obligations.

17 Payments

17.1 Demands

Subject to the terms of the Finance Documents, any demand for payment made by the Security Agent (in its capacity as such) or any Secured Creditor (in its capacity as such) shall be valid and effective as a demand in respect of the relevant Secured Obligations even if it contains no statement of the relevant Secured Obligations or an inaccurate or incomplete statement of them. Notwithstanding any such inaccurate or incomplete statement, the Assignor's obligations shall relate to the actual Secured Obligations and not the inaccurate or incomplete statement thereof.

17.2 Payments

All payments by the Assignor under this Deed (including damages for its breach) shall be made in the Currency of Account and to such account, with such financial institution and in such other manner as may be agreed between the parties or, if not so agreed, as the Security Agent directs.

17.3 Continuation of accounts

At any time after:

17.3.1 the receipt by the Security Agent of notice (either actual or otherwise) of any subsequent security affecting the Charged Assets; or

17.3.2 the presentation of a petition or the passing of a resolution in relation to the winding-up of the Assignor,

the Security Agent may open a new account in the name of the Assignor with the Security Agent (whether or not it permits any existing account to continue). If the Security Agent does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred. No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the amount recoverable pursuant to any Finance Documents to which the Assignor is party.

18 Rights, Amendments, Waivers, Consents and Determinations

18.1 Ambiguity

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

18.2 Exercise of Rights

18.3 If the Security Agent (in its capacity as such) or any Secured Creditor (in its capacity as such) or any Receiver or Delegate fails to exercise or delays exercising any right under any Finance Document, it will not operate as a waiver of that right. Any single or partial exercise of any right will not preclude any other or further exercise of that right or the exercise of any other right.

- 18.4** Any right, power or discretion which may be exercised or any determination which may be made hereunder by the Security Agent may be exercised or made without any obligation to give reasons thereof but in any event in accordance with the Security Trust and Intercreditor Deed.

18.5 Determinations

Any determination by or certificate of the Security Agent (in its capacity as such) or any Secured Creditor (in its capacity as such) or any Receiver or Delegate under any Finance Document shall be conclusive and binding on the Assignor save for manifest error.

19 Indemnities

Each indemnity in each Finance Document shall:

- (i) constitute a separate and independent obligation from the other obligations in that or any other Finance Document;
- (ii) give rise to a separate and independent cause of action;
- (iii) apply irrespective of any indulgence granted by the Security Agent (in its capacity as such) or any Secured Creditor;
- (iv) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any of the Secured Obligations or any other judgment or order; and
- (v) apply whether or not any claim under it relates to any matter disclosed by the Assignor or otherwise known to the Security Agent (in its capacity as such) or any Secured Creditor.

20 Notices

20.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax, email (subject to Clause 20.4 (*Electronic Communication*)) or letter.

20.2 Addresses

The address, email address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below, or any substitute address, email address, fax number or department or officer as the party may notify to the other by not less than five Business Days' notice.

20.3 Delivery

20.3.1 Any communication or document made or delivered to the Assignor under or in connection with this Deed will only be effective:

- (i) if by way of fax or email, when received in legible form; or
- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 20.2 (*Addresses*), if addressed to that department or officer.

- 20.3.2** Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by it and only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

20.4 Electronic communication

- 20.4.1** Any communication to be made between the Assignor and the Security Agent under or in connection with this Deed may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if each of the Assignor and the Security Agent:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
- (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.

- 20.4.2** Any such electronic communication as specified in Clause 20.4.1 above to be made between the Assignor and the Security Agent may only be made in that way to the extent that each of these parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.

- 20.4.3** Any such electronic communication as specified in Clause 20.4.1 above made between the Assignor and the Security Agent will be effective only when actually received (or made available) in readable form and if it is addressed in such a manner as the Security Agent shall specify for this purpose.

- 20.4.4** Any electronic communication which becomes effective, in accordance with Clause 20.4.3 above, after 5.00 p.m. in the place in which the party to whom the relevant communication is sent or made available has its address for the purpose of this Deed shall be deemed only to become effective on the following day.

- 20.4.5** Any reference in this Deed to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 20.4.

20.5 English language

- 20.5.1** Any notice given under or in connection with this Deed must be in English.

- 20.5.2** All other documents provided under or in connection with this Deed must be:

- (i) in English; or
- (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

21 Security Trust and Intercreditor Deed

This Deed is subject to the Security Trust and Intercreditor Deed. In the event of any inconsistency between this Deed and the Security Trust and Intercreditor Deed, the Security Trust and Intercreditor Deed shall prevail. This Deed may not be amended, waived, supplemented or otherwise varied other than in accordance with the terms of the Security Trust and Intercreditor Deed.

22 Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under a Finance Document shall operate as a waiver of any such right or remedy nor constitute an election to affirm any Finance Document. No waiver or election to affirm any Finance Document on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in each Finance Document are cumulative and not exclusive of any rights or remedies provided by law.

23 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.

24 Invalidity

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

25 Governing Law

This Deed and any non-contractual obligations arising under or in connection with it shall be governed by and construed in accordance with the laws of England.

26 Jurisdiction

- 26.1** The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 26.2** The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.
- 26.3** This Clause 26 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

Schedule 1

Rights of Receivers

Any Receiver appointed pursuant to Clause 7 (*Appointment and Rights of Receivers*) shall have the right, either in its own name or in the name of the Assignor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

- 1 Deal with Charged Assets:** to sell, transfer, assign, exchange, or otherwise dispose of or realise the Charged Assets to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);
- 2 Borrow Money:** to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Security Interests or otherwise) and on such terms and conditions and for such purpose as he may think fit;
- 3 Covenants and Guarantees:** to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them;
- 4 Rights of Ownership:** to manage and use the Charged Assets and to exercise and do (or permit the Assignor or any nominee of it to exercise and do) all such Rights and things as the Receiver would be capable of exercising or doing if he were the absolute beneficial owner of the Charged Assets;
- 5 Legal actions:** to bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Charged Assets;
- 6 Claims:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating to the Charged Assets;
- 7 Redemption of security:** to redeem any security (whether or not having priority to the Security Interests) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets;
- 8 Delegation:** to delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;
- 9 Insolvency Act:** to exercise all powers set out in Schedule 1 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to that Schedule 1 to the Insolvency Act after the date of this Deed;
- 10 Receipts:** to give a valid receipt for any moneys and to do anything which may be necessary or desirable for realising all or any part of the Charged Assets; and
- 11 Other Powers:** to do anything else it may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document, the LPA or the Insolvency Act.

Schedule 2
Form of Notice of Assignment of Assigned Contracts

[On Assignor's Headed Paper]

To: [the Borrower]

[Date]

Address: [Insert]

**UK GREEN INVESTMENT BANK PLC and BARCLAYS
BANK PLC – Security Agreement Over Loan Notes
dated [] (the "GIB Assignment of Agreements")**

1 [SHAREHOLDER] (the "Assignor") GIVES NOTICE that:

- 1.1** by a first ranking assignment contained in the GIB Assignment of Agreements dated on or about the date of this notice made between the Assignor and Barclays Bank PLC (as security agent (the "**Security Agent**")) for the Secured Creditors (as defined in the Finance Documents (as defined below)), the Assignor has assigned to the Security Agent by way of first ranking security all its present and future rights, title, benefit and interest in and to and under any and all loan notes to be constituted by the Borrower in favour of the Assignor pursuant to the Equity Subscription Agreement and the Loan Note Instrument (each as defined in the GIB Assignment of Agreements) (the "**Assigned Contracts**"), and all its present and future rights, title, benefit and interest in moneys which at any time may be or become payable to the Assignor pursuant to the Assigned Contracts and the net proceeds of any claims, awards and judgments which may at any time be receivable or received by the Assignor pursuant to the Assigned Contracts;
- 1.2** save for moneys received by way of Permitted Subordinated Payments, all moneys payable by you to the Assignor pursuant to the Assigned Contracts shall be paid into a separate account in the name of the Assignor (such moneys to be held on trust for the Secured Creditors) unless and until you receive written notice from the Security Agent to the contrary, in which event you should make all future payments as then directed by the Security Agent;
- 1.3** this authority and instruction is irrevocable without the prior written consent of the Security Agent;
- 1.4** notwithstanding the assignment referred to above or the making of any payment by you to the Security Agent pursuant to it, the Borrower shall remain liable under the Assigned Contracts to perform all the obligations assumed by it under the Assigned Contracts and neither the Security Agent nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Assigned Contracts;
- 1.5** (unless and until you receive written notice from the Security Agent to the contrary, in which event all such rights, powers and discretions shall be exercisable by the Security Agent or as it directs) the Assignor shall also remain entitled to exercise all their rights, powers and discretions under each Assigned Contract, except that the Assignor shall not and you agree that the Assignor shall not amend, vary or waive (or agree to amend, vary or waive) any provision of any Assigned Contract or exercise any right to rescind, cancel or terminate any Assigned Contract without the prior written consent of the Security Agent (except where expressly permitted under the provisions of the Equity Subscription Agreement or the Finance Documents (as each is defined in the GIB Assignment of

Agreements); and

- 1.6** you should continue to give notices under the Assigned Contracts to the Assignor unless and until you receive written notice from the Security Agent to the contrary, in which event all such notices shall be given to the Security Agent or as it directs.
- 2** Please acknowledge receipt of this Notice of Assignment and confirm that:
- 2.1** you will pay all sums due under the Assigned Contract as directed by or pursuant to this Notice of Assignment;
- 2.2** you will not claim or exercise any set-off or counterclaim in respect of the Assigned Contract unless expressly permitted under the Assigned Contract and in accordance with the Finance Documents;
- 2.3** you have not received any other notice of any assignment or charge of any Assigned Contract or of any other interest of any third party in any Assigned Contract; and
- 2.4** you will agree to and comply with the other provisions of this Notice of Assignment, by signing the acknowledgement on the attached copy of this Notice of Assignment and returning that copy to the Security Agent at Barclays Bank PLC [Address] marked for the attention of [●] and with a copy to the Assignor.

The provisions of this notice are governed by English law.

.....
For and on behalf of

UK GREEN INVESTMENT BANK PLC
as the Assignor

[On duplicate]

To: Barclays Bank PLC, 5 The North Colonnade, Canary Wharf, London E14 4BB

Attention: Stuart Thornton-Smith CA (SA), Assistant Vice President

Copy to: [●]

We acknowledge receipt of the Notice of Assignment of which this is a copy and confirm each of the matters referred to in paragraph 2 of this Notice of Assignment.

.....
For and on behalf of

CRAMLINGTON RENEWABLE ENERGY DEVELOPMENTS LTD

In witness whereof this Deed has been duly executed as a deed on the date first above written.

The Assignor

EXECUTED as a DEED on behalf of UK
GREEN INVESTMENT BANK PLC acting by
its duly authorised delegated attorneys:

Name: DAVID HARRADINE
Attorney

Name: CHRIS HOWES
Attorney

Notice details of the Assignor

Address: 13th Floor, Millbank Tower, 21-24 Millbank, London SW1P 4QP
Email address: portfolio@greeninvestmentbank.com
Attention: John Isherwood, Portfolio Investment Management; and Deirdre
Murphy, Portfolio Investment Management

The Security Agent

EXECUTED as a DEED by
BARCLAYS BANK PLC acting
by its duly authorised attorney

}

in the presence of:

(witness signature)

Name of witness: GUSHA RM

Address of witness: Ashurst LLP
Broadwalk House
5 Appold Street
London EC2A 2HA

Occupation of witness:

Notice details of the Security Agent

Address: Barclays Bank PLC,
5 The North Colonnade,
Canary Wharf,
London E14 4BB

Email address: stuart.thornton-smith@barclays.com;

Attention: Stuart Thornton-Smith CA (SA) Assistant Vice President