



Registration of a Charge

Company name: **CORY ENVIRONMENTAL LIMITED**

Company number: **00049722**



X6HD9YO9

Received for Electronic Filing: **19/10/2017**

Details of Charge

Date of creation: **19/10/2017**

Charge code: **0004 9722 0013**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description: **LEASEHOLD PROPERTY KNOWN AS RE-USE AND RECYCLING CENTRE NORTHUMBERLAND WHARF, YABSLEY STREET, LONDON E14 9RQ AS DEMISED BY A LEASE DATED 27 SEPTEMBER 2017 AND LEASEHOLD PROPERTY KNOWN AS WASTE TRANSFER STATION NORTHUMBERLAND WHARF, YABSLEY STREET, LONDON E 14 9RQ AS DEMISED BY A LEASE DATED 27 SEPTEMBER 2017.**

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

Authentication of Instrument

Certification statement: **EXCEPT FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006, 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:

DAVID SEARLE



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 49722

Charge code: 0004 9722 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th October 2017 and created by CORY ENVIRONMENTAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th October 2017 .

Given at Companies House, Cardiff on 23rd October 2017

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**

CEL SECURITY AGREEMENT

DATED 19 OCTOBER 2017

BETWEEN

CORY ENVIRONMENTAL LIMITED
as Chargor

- and -

THE ROYAL BANK OF SCOTLAND PLC
as Security Trustee

ALLEN & OVERY

Allen & Overy LLP

CONTENTS

Clause	Page
1. Interpretation	1
2. Creation of Security	3
3. Representations – General.....	4
4. Restrictions on Dealings	4
5. Land	5
6. When Security becomes Enforceable.....	7
7. Enforcement of Security.....	8
8. Receiver	9
9. Powers of Receiver	10
10. Application of Proceeds	12
11. Delegation	12
12. Further Assurances	13
13. Preservation of Security	13
14. Power of Attorney.....	16
15. Miscellaneous	16
16. Release	17
17. Counterparts	17
18. Governing Law.....	17
19. Jurisdiction	17

Schedules

1. Security Assets	18
Signatories	19

THIS DEED is dated 19 October 2017 and made

BETWEEN:

- (1) **CORY ENVIRONMENTAL LIMITED**, a company incorporated in England and Wales with registered number 00049722 whose registered office is at 2 Coldbath Square, London, EC1R 5HL, United Kingdom (the **Chargor**); and
- (2) **THE ROYAL BANK OF SCOTLAND PLC** (the **Security Trustee**) as Common Security Trustee for the Secured Parties (in each case as defined in the Intercreditor Agreement defined below).

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Debt Documents.
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Authorisation means an authorisation, consent, approval, resolution, licence, recording, permission, exemption, filing, notarisation or registration.

Debt Document means:

- (a) each Senior Debt Document; and
- (b) each Junior Finance Document.

Intercreditor Agreement means the intercreditor agreement dated 21 March 2017 between (among others) the Chargor and the Security Trustee.

Junior Facility Agreement means the facilities agreement dated 21 March 2017 between (among others) the Chargor, the Junior Lenders and the Security Trustee (as amended and restated from time to time).

Obligor means each Obligor under the Junior Facility Agreement, the Senior Facilities Agreement or any other Debt Document.

Party means a party to this Deed.

Project means the financing, management, maintenance, operation and marketing of the EfW Facility, together, in each case with activities ancillary or related to such purposes or as contemplated by the Project Finance Documents, the Project Documents and the Authority

Waste Agreements (each as defined in the Senior Facilities Agreement) (including, for the avoidance of doubt, the lighterage arrangements and the CHP/Power Offtake Facility).

Receiver means an administrative receiver, receiver and manager or a receiver, in each case, appointed under this Deed.

Secured Liabilities means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Party under or in connection with each Debt Document, except for any obligation which, if it were so included would result in this Deed contravening any law (including section 678 or 679 of the Companies Act 2006), provided that on and from the WRWA Effective Time the WRWA Transferred Liabilities will cease to constitute Secured Liabilities for the purposes of this Deed.

Secured Parties has the meaning given to the term in the Intercreditor Agreement.

Security Assets means all assets of the Chargor which are, or are intended to be, the subject of any security created by this Deed.

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 unconditionally and irrevocably paid and discharged in full.

Senior Discharge Date has the meaning given to the term in the Intercreditor Agreement.

Senior Facilities Agent means The Royal Bank of Scotland plc.

Senior Facilities Agreement means the facilities agreement dated 21 March 2017 between (among others) Riverside Resource Recovery Limited, the Senior Secured Parties and the Security Trustee (as amended and restated from time to time).

Sterling or £ means the lawful currency of the United Kingdom.

1.2 Construction

- (a) Capitalised terms defined in the Intercreditor Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Intercreditor Agreement apply to this Deed as though they were set out in full in this Deed, except that references to the Intercreditor Agreement will be construed as references to this Deed.
- (c)
 - (i) A **Debt Document** or any other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment or supplement to that Debt Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
 - (ii) the term **this Security** means any security created by this Deed; and
 - (iii) **assets** includes present and future properties, revenues and rights of every description;

- (iv) any **rights** in respect of an asset include all amounts and proceeds paid or payable, all rights to make any demand or claim, and all powers, remedies, causes of action, security, guarantees and indemnities, in each case, in respect of or derived from that asset; and
 - (v) the term **Senior Instructing Group** will be construed in accordance with clause 31.5 (Voting) of the Intercreditor Agreement.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation) remains in force during the Security Period and is given for the benefit of each Secured Party.
 - (e) The terms of the other Debt Documents and of any side letters between any Parties in relation to any Debt Document are incorporated in this Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
 - (f) If the Security Trustee, acting reasonably, considers that an amount paid to a Secured Party under a Debt Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
 - (g) Unless the context otherwise requires, a reference to a Security Asset includes:
 - (i) any part of that Security Asset;
 - (ii) the proceeds of sale of that Security Asset; and
 - (iii) any present and future assets of that type.
 - (h) The terms of this Deed are subject to the terms of the Intercreditor Agreement, and in the case of any inconsistency, the terms of the Intercreditor Agreement shall prevail.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Trustee for itself and on behalf of the other Secured Parties;
 - (ii) is security for the payment of all the Secured Liabilities; and
 - (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) If the rights of the Chargor under a document cannot be secured without the consent of a party to that document:
 - (i) the Chargor must notify the Security Trustee promptly;
 - (ii) this Security will secure all amounts which the Chargor may receive, or has received, under that document but exclude the document itself; and

- (iii) unless the Security Trustee otherwise requires, the Chargor must use reasonable endeavours to obtain the consent of the relevant party to that document being secured under this Deed.
- (c) The Security Trustee holds the benefit of this Deed on trust for the Secured Parties.
- (d) The fact that no or incomplete details of any Security Asset are inserted in Schedule 1 (Security Assets) does not affect the validity or enforceability of this Security.

2.2 Land

- (a) The Chargor charges:
 - (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Schedule 1 (Security Assets) under the heading **Real Property**; and
 - (ii) (to the extent that they are not the subject of a mortgage under paragraph (i) above) by way of first fixed charge all estates or interests in any freehold or leasehold property.
- (b) A reference in this Clause to a mortgage or charge of any freehold or leasehold property includes:
 - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property together with all rights and interests under all agreements for the purchase, maintenance or use of all buildings, fixtures, fittings and fixed plant and machinery on that property; and
 - (ii) 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. REPRESENTATIONS – GENERAL

3.1 Times for making representations and warranties

- (a) The representations and warranties set out in this Deed are made on the date of this Deed.
- (b) Unless a representation and warranty is expressed to be given at a specific date, each representation and warranty under this Deed is deemed to be repeated by the Chargor on the date of this Deed and on each date on which any of the representations and warranties under the Senior Facilities Agreement, the Junior Facility Agreement and/or any other Debt Document are repeated.
- (c) When a representation and warranty is repeated, it is applied to the facts and circumstances existing at the time of repetition.

4. RESTRICTIONS ON DEALINGS

- (a) The Chargor must not:
 - (i) create or permit to subsist any Security on any Security Asset; or
 - (ii) sell, transfer, licence, lease or otherwise dispose of any Security Asset,

except as expressly allowed under the Senior Facilities Agreement, the Junior Facility Agreement and any other applicable Debt Document.

- (b) If the Chargor creates or allows to exist any Security in breach of the provisions of this Clause 4 then, to the extent possible under applicable law, all the obligations of the Chargor under each of the Senior Debt Documents and the Junior Finance Documents will automatically and immediately be secured upon the same assets equally and rateably with the other obligations secured thereon.

5. LAND

5.1 General

In this Clause:

Fixtures means all fixtures and fittings and fixed plant and machinery on the Mortgaged Property.

Mortgaged Property means all freehold or leasehold property included in the definition of **Security Assets**.

5.2 Title

The Chargor represents to each Secured Party that as at the date of this Deed:

- (a) it is the legal and beneficial owner of the Mortgaged Property;
- (b) no material breach of any law or regulation is outstanding which materially affects or might affect materially the value of the Mortgaged Property;
- (c) so far as the Chargor is aware, there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters which materially adversely affect the use of the Mortgaged Property for the Project;
- (d) nothing has arisen or has been created or is subsisting which would be an overriding interest, or an unregistered interest which overrides first registration or registered dispositions, over the Mortgaged Property which materially adversely affects the use of the Mortgaged Property for the Project;
- (e) it has received no notice of any adverse claims by any person in respect of the ownership of the Mortgaged Property or any interest in it, nor has any acknowledgement been given to any person in respect of the Mortgaged Property that would materially adversely affect the use of the Mortgaged Property for the Project; and
- (f) the Mortgaged Property is held by it free from any tenancies or licences, save for the tenancies or licences in connection with, and which are not materially adverse to, the use of the Mortgaged Property for the Project.

5.3 Acquisitions

- (a) If the Chargor acquires any freehold or leasehold property after the date of this Deed it must:
 - (i) notify the Security Trustee promptly;

- (ii) promptly on request by the Security Trustee and at the cost of the Chargor, execute and deliver to the Security Trustee a legal mortgage in favour of the Security Trustee of that property in any form which the Security Trustee may require;
 - (iii) if the title to that freehold or leasehold property is registered at H.M. Land Registry or required to be so registered, give H.M. Land Registry written notice of this Security; and
 - (iv) if applicable, ensure that this Security is correctly noted in the Register of Title against that title at H.M. Land Registry.
- (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 will not be required to perform that obligation unless and until it has obtained the landlord's consent. The Chargor must use its reasonable endeavours to obtain the landlord's consent.

5.4 Notices

The Chargor must, within 14 days after the receipt by the Chargor of any material application, requirement, order or notice served or given by any public or local or any other authority with respect to the Mortgaged Property (or any part of it):

- (a) deliver a copy to the Security Trustee; and
- (b) inform the Security Trustee of the steps taken or proposed to be taken to comply with the relevant requirement.

5.5 H.M. Land Registry

The Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at H.M. Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of [*Security Trustee*] referred to in the charges register or its conveyancer. (Standard Form P)".

5.6 Deposit of title deeds

The Chargor must deposit with the Security Trustee all deeds and documents of title in the possession of the Chargor relating to the 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.

5.7 Access

The Chargor must permit the Security Trustee and any person nominated by it to enter any part of the Mortgaged Property and view the state of it during business hours and on reasonable notice (except where necessary in order for the Security Trustee to protect the Mortgaged Property subject to security under this Deed or in the case of other similar emergency, when the Chargor shall provide such access as soon as is reasonably practicable following such request).

5.8 Investigation of title

To the extent the Chargor acquires any Mortgaged Property after the date of this Deed, it must grant the Security Trustee or its lawyers on request all facilities within the power of the Chargor to enable the Security Trustee or its lawyers (at the expense of the Chargor) to:

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

5.9 Report on title

To the extent the Chargor acquires any freehold or leasehold property after the date of this Deed, it must, as soon as reasonably practicable after a request by the Security Trustee, provide the Security Trustee with a report on title of the Chargor to that Mortgaged Property concerning those items which may properly be sought to be covered by a prudent mortgagee in a lawyer's report of this nature.

5.10 Power to remedy

If the Chargor fails to perform any term affecting the Mortgaged Property, the Chargor must allow the Security Trustee or its agents and contractors:

- (a) to enter any part of the Mortgaged Property;
- (b) to comply with or object to any notice served on the Chargor in respect of the Mortgaged Property; and
- (c) to take any action as the Security Trustee may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any notice in relation to the Mortgaged Property,

provided that the Security Trustee has given the Chargor reasonable notice prior to taking such action.

The Chargor must immediately on request by the Security Trustee pay the costs and expenses of the Security Trustee or its agents and contractors incurred in connection with any action taken by it under this Clause.

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs and the Security Trustee gives notice to the Chargor that this Security is enforceable.

6.2 Discretion

- (a) After this Security has become enforceable and prior to the Senior Discharge Date, the Security Trustee may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as the Senior Instructing Group direct.

- (b) After the Senior Discharge Date, the Security Trustee may in its absolute discretion enforce all or any part of this Security in any manner it sees fit or as the Majority Junior Lenders direct.

6.3 Power of sale

The power of sale and any other powers conferred on a mortgagee by law (including under by section 101 of the Act), as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

7. ENFORCEMENT OF SECURITY

7.1 General

- (a) For the purposes of all powers implied by law, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Any restriction on the power of sale (including under section 103 of the Act) or the right of a mortgagee to consolidate mortgages conferred by law (including under section 93 of the Act) do not apply to this Security.
- (c) The powers of leasing conferred on the Security Trustee by law are extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee may think fit and without the need to comply with any restrictions conferred by law (including under section 99 or 100 of the Act).

7.2 No liability as mortgagee in possession

Neither the Security Trustee nor any Receiver will be liable, by reason of entering into possession of a Security Asset:

- (a) to account as mortgagee in possession or for any loss on realisation; or
- (b) for any default or omission for which a mortgagee in possession might be liable, unless, in each case, directly caused by its own gross negligence or wilful misconduct.

7.3 Privileges

Each Receiver and the Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act.

7.4 Protection of third parties

No person (including a purchaser) dealing with the Security Trustee or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Trustee or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Debt Documents; or
- (d) how any money paid to the Security Trustee or to that Receiver is to be applied.

7.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Trustee may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Trustee, immediately on demand, the costs and expenses incurred by the Security Trustee in connection with any such redemption and/or transfer, including the payment of any principal or interest.

7.6 Contingencies

If this Security is enforced at a time when no amount is due under the Debt Documents but at a time when amounts may or will become due, the Security Trustee (or the Receiver) may pay the proceeds of any recoveries effected by it into a suspense account.

8. RECEIVER

8.1 Appointment of Receiver

- (a) Except as provided below, the Security Trustee may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the Chargor so requests the Security Trustee in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Trustee is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.
- (e) The Security Trustee may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Trustee is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

8.2 Removal

The Security Trustee may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

8.3 Remuneration

The Security Trustee may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by law (including that specified in section 109(6) of the Act) will not apply.

8.4 Agent of the Chargor

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver (other than those caused by the Receiver's gross negligence or wilful misconduct).
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason in connection with this Clause 8.

8.5 Relationship with Security Trustee

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Trustee in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

9. POWERS OF RECEIVER

9.1 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; this includes:
 - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act, 1986; and
 - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and 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.

9.2 Possession

A Receiver may take immediate possession of, get in and collect any Security Asset.

9.3 Carry on business

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

9.4 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.

9.5 Borrow money

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

9.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset 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 landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

9.7 Leases

A Receiver may let any Security Asset 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 Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

9.8 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 Security Asset.

9.9 Legal actions

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

9.10 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 Security Asset.

9.11 Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

9.12 Delegation

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

9.13 Lending

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

9.14 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 Security Asset;
- (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.

9.15 Other powers

A Receiver may:

- (a) do all other acts and things which he may consider desirable or necessary for realising any Security Asset 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 Security Asset all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

10. APPLICATION OF PROCEEDS

- (a) Any moneys received by the Security Trustee or any Receiver after this Security has become enforceable must be applied in accordance with the Intercreditor Agreement.
- (b) This Clause is subject to the payment of any claims having priority over this Security. This Clause does not prejudice the right of any Secured Party to recover any shortfall from the Chargor.

11. DELEGATION

11.1 Power of Attorney

The Security Trustee 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.

11.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Trustee or any Receiver may think fit.

11.3 Liability

Neither the Security Trustee 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.

12. FURTHER ASSURANCES

The Chargor must, at its own expense, take whatever action the Security Trustee or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Trustee or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

This includes:

- (i) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Trustee or to its nominee; or
- (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Trustee (acting reasonably) considers expedient.

13. PRESERVATION OF SECURITY

13.1 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Secured Party 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, 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.

13.2 Waiver of defences

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

- (a) any time or waiver granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (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 Obligor or other person;
- (d) 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;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

- (f) any amendment of any Debt Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Debt Document or other document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Debt Document or any other document or security; or
- (h) any insolvency, resolution or similar proceedings.

13.3 Amendments to the Debt Documents

- (a) Without limiting Clause 13.2 (Waiver of defences), the Chargor acknowledges that the Debt Documents may from time to time be amended.
- (b) The Chargor confirms its intention that:
 - (i) any amendment to a Debt Document is within the scope of the Secured Liabilities and this Security; and
 - (ii) the Secured Liabilities and this Security extend to any amount payable by the Chargor under or in connection with a Debt Document as amended.
- (c) The Chargor agrees that the confirmations in paragraph (b) above apply regardless of:
 - (i) why or how a Debt Document is amended (including the extent of the amendment and any change in the parties);
 - (ii) whether any amount payable by an Obligor under or in connection with the amended Debt Document in any way relates to any amount that would or may have been payable had the amendment not taken place;
 - (iii) the extent to which the Chargor's liability under this Deed (whether present or future, actual or contingent), or any right it may have as a result of entering into or performing its obligations under this Deed, changes or may change as a result of the amendment; and
 - (iv) whether the Chargor was aware of or consented to the amendment.

13.4 Immediate recourse

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

13.5 Appropriations

Each Secured Party (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or trustee or agent) in respect of the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether

against the Secured Liabilities or otherwise) and the Chargor will not be entitled to the benefit of such moneys, security or rights; 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.

13.6 Deferral of Chargor's rights

- (a) Unless the Security Period has expired or the Security Trustee otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Deed:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other person who has provided security or a guarantee in respect of any Obligor's obligations under the Debt Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Debt Documents or of any other guarantee or security taken pursuant to, or in connection with, the Debt Documents by any Secured Party;
 - (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Chargor has granted security under this Deed;
 - (v) to exercise any right of set-off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any Secured Party.
- (b) If the Chargor receives any benefit, payment or distribution in relation to such rights it must hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Debt Documents to be repaid in full on trust for the Secured Parties and must promptly pay or transfer them to the Security Trustee or as the Security Trustee may direct for application in accordance with the terms of this Deed.

13.7 Additional security

- (a) This Deed is in addition to and is not in any way prejudiced by any other security or guarantee now or subsequently held by any Secured Party.
- (b) No prior security held by any Secured Party (in its capacity as such or otherwise) over any Security Asset will merge into this Security.

13.8 Security held by Chargor

The Chargor must not, without the prior consent of the Security Trustee, hold any security from any other Obligor in respect of the Chargor's liability under this Deed. The Chargor will hold any security held by it in breach of this provision on trust for the Security Trustee.

14. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Trustee, each Receiver and any of its delegates or sub-delegates to be its attorney to execute, seal and deliver (using the company seal where appropriate) and otherwise perfect and do any deed, assurance, agreement, instrument, act or thing which it ought to execute and do under the terms of this Deed or which may be required or deemed proper in the exercise of any rights or powers conferred on the Security Trustee or any Receiver under this Deed. The Chargor ratifies and confirms whatever any such attorney does or purports to do under its appointment under this Clause.

15. MISCELLANEOUS

15.1 Continuing Security

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

15.2 Covenant to pay

The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Debt Documents, provided that (for the avoidance of doubt) on and from the WRWA Effective Time the WRWA Transferred Liabilities will cease to constitute Secured Liabilities and as such cease to be subject to this Clause.

15.3 Tacking

Each Secured Party must perform its obligations under the Debt Documents (including any obligation to make available further advances).

15.4 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, any Secured Party may open a new account with the Chargor.
- (b) If a Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to a Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

15.5 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Debt Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

16. RELEASE

At the end of the Security Period but not otherwise, the Secured Parties must, at the request and cost of the Chargor, take whatever action is necessary to release, reassign or discharge (as appropriate) the Security Assets from this Security and return all documents of title, transfer documents and other documentation relating to the Security Assets which it holds (or which are being held to its order).

17. 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.

18. GOVERNING LAW

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

19. JURISDICTION

Clause 34 (Enforcement) of the Intercreditor Agreement applies to this Deed, *mutatis mutandis*.

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

SCHEDULE 1
SECURITY ASSETS
REAL PROPERTY

<u>Freehold/Leasehold</u>	<u>Registered Title Number</u>	<u>Description of Real Property</u>
Leasehold	Pending registration at Land Registry	Property known as Re-use and Recycling Centre Northumberland Wharf, Yabsley Street, London E14 9RQ
Leasehold	Pending registration at Land Registry	Property known as Waste Transfer Station Northumberland Wharf, Yabsley Street, London E14 9RQ

The address for service of the Security Trustee in the case of registered land is:

Attention: Luigi Sasso

Title: Agency Relationship Manager - Project Finance

Address: 250 Bishopsgate, London, EC2M 4AA

Email: luigi.sasso@rbs.com

Tel: +44 20 7678 6782

Fax: +44 20 7678 8727

SIGNATORIES

Chargor

EXECUTED as a **DEED** by **CORY**
ENVIRONMENTAL LIMITED
acting by:

) [REDACTED UNDER S859G OF THE
) COMPANIES ACT 2006]
)

in the presence of:

Witness signature

... [REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

Name

... CARRIE E. ALLEN

Address

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]
.
.
.....

Security Trustee

EXECUTED as a DEED for **THE**)
ROYAL BANK OF SCOTLAND)
PLC)
acting by its duly authorised attorney)

[REDACTED UNDER S859G
OF THE COMPANIES ACT
2006]

Signature:

Name:

LUIGI SASSO

Title:

[REDACTED UNDER S859G OF
THE COMPANIES ACT 2006]

Authorised attorney

Witnesses' signature:

[REDACTED UNDER S859G OF THE
COMPANIES ACT 2006]

Name:

RHUSHUB BIDD

Address:

Occupation:

[REDACTED UNDER
S859G OF THE
COMPANIES ACT 2006]

[REDACTED UNDER S859G OF THE COMPANIES
ACT 2006]