



Registration of a Charge

Company name: **KCC Nominee 2 (Coal Drops) Limited**

Company number: **08290936**

Received for Electronic Filing: **15/04/2016**



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Details of Charge

Date of creation: **08/04/2016**

Charge code: **0829 0936 0004**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC (THE "SECURITY AGENT")
AS AGENT AND TRUSTEE FOR ITSELF AND EACH OF THE SECURED
PARTIES**

Brief description: **LEASEHOLD LAND KNOWN AS COAL DROPS YARD, KING'S CROSS
CENTRAL, LONDON, N1C (TITLE NUMBER NGL952441)**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT 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: **PINSENT MASONS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8290936

Charge code: 0829 0936 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th April 2016 and created by KCC Nominee 2 (Coal Drops) Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th April 2016 .

Given at Companies House, Cardiff on 18th April 2016

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

DATED 08 April 2016

(1) THE CHARGORS

(2) THE ROYAL BANK OF SCOTLAND PLC
(as Security Agent)

DEBENTURE



Pinsent Masons

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THIS DEED is made on 08 April 2016

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (*The Chargors*) (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"; and
- (2) **THE ROYAL BANK OF SCOTLAND PLC** (the "**Security Agent**") as agent and trustee for itself and each of the Secured Parties (as defined below).

THIS DEED WITNESSES as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Account"	means any account opened or maintained by any Chargor at any bank or financial institution including, for the avoidance of doubt, the Blocked Accounts
"Agreement for Lease"	has the meaning given to that term in the Facility Agreement
"Blocked Accounts"	means:- <ol style="list-style-type: none">(a) the Rent Account(b) the Deposit Account(c) the Cost Overrun Account(d) the Cure Deposit Account and(e) any other Account that may from time to time be agreed by the Security Agent and the Chargors to be a Blocked Account
"Charged Property"	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the security created in favour of the Security Agent by or pursuant to this Deed
"Cost Overrun Account"	has the meaning given to that term in the Facility Agreement
"Cure Deposit Account"	has the meaning given to that term in the Facility Agreement
"Deed of Accession"	means a deed substantially in the form of Schedule 6 (<i>Deed of Accession</i>) executed, or to be executed, by a person becoming a Chargor
"Deposit Account"	has the meaning given to that term in the Facility Agreement

"Development Document"	has the meaning given to that term in the Facility Agreement
"Event of Default"	has the meaning given to that term in the Facility Agreement
"Facility Agreement"	means the £225,000,000 single currency term facility agreement originally dated 14 November 2014 and as amended and restated on <i>08 April 2016</i> and made between, amongst others, (1) the Borrower, KCC Nominee 1 (Coal Drops) Limited and KCC Nominee 2 (Coal Drops) Limited, (2) King's Cross Central Limited Partnership (acting by its general partner King's Cross Central General Partner Limited) as Guarantor, (3) The Royal Bank of Scotland plc as Agent, Security Agent, Arranger, Original Hedge Counterparty and Original Lender and (4) Abbey National Treasury Services Plc as Original Hedge Counterparty and Original Lender (each term as defined in that agreement)
"Finance Documents"	has the meaning given to that term in the Facility Agreement
"Fixed Plant and Equipment"	means all plant, machinery or equipment of each Chargor of any kind which does not for any reason constitute a Fixture, but is now or at any time directly or indirectly attached by any means and for any purpose to any land or building, whether or not it is removable or intended to form part of the land or building
"Fixtures"	means all things of any kind now or at any time affixed to land for any purpose, including, without limitation, trade and tenants fixtures
"General Account"	has the meaning given to that term in the Facility Agreement
"Group"	has the meaning given to that term in the Facility Agreement
"Insurances"	means, together with those insurance policies details of which are set out in Schedule 4 (<i>Details of Material Insurances</i>), or in Schedule 3 to any Deed of Accession by which a Chargor becomes a party to this Deed, any policy of insurance or assurance
"Intellectual Property"	<p>means together with, but not limited to, the intellectual property details of which are set out in Schedule 5 (<i>Details of Intellectual Property</i>), or in Schedule 4 to any Deed of Accession by which a Chargor becomes a party to this Deed, any of the following:-</p> <ul style="list-style-type: none"> (a) any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents, trade marks, service marks, registered designs, and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (b) any invention, copyright, design right or

	performance right;
	(c) any trade secrets, know-how and confidential information; and
	(d) the benefit of any agreement or licence for the use of any such right
"Land"	means any estate, right or interest in or over land, whether legal or equitable, and wherever the land is situated including, without limitation, any buildings and Fixtures on land, and the benefit of any covenants or rights owed to any person or enforceable by him by virtue of the ownership possession or occupation of land but for these purposes "Land" excludes heritable property situated in Scotland
"Loose Plant and Equipment"	means, in relation to each Chargor, all plant, machinery, equipment and motor vehicles now or at any time owned by such Chargor as a capital asset which is not Fixed Plant and Equipment
"LPA"	means the Law of Property Act 1925
"Monetary Claims"	means all book and other debts and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, and together with all cheques, bills of exchange, negotiable instruments, credits and securities at any time given in relation to, or to secure payment of, any such debt
"Notice of Assignment"	means a notice of assignment in substantially the form set out in Schedule 7 (<i>Form of Notice of Assignment of Insurance</i>), Schedule 9 (<i>Form of Notice of Assignment of Specific Contract</i>) or in such form as may be specified by the Security Agent
"Notice of Charge"	means a notice in substantially the form set out in Schedule 8 (<i>Form of Notice of Charge of Blocked Accounts</i>), Schedule 10 (<i>Form of Notice of Charge of General Account</i>) or in such form as may be specified by the Security Agent
"Party"	means a party to this Deed
"Principal Agreement for Lease"	has the meaning given to that term in the Facility Agreement
"Receiver"	means any receiver, receiver and manager or administrative receiver of the whole or any part of the Charged Property
"Regulations"	means the Financial Collateral Arrangements (No2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral

	arrangements, and "Regulation" means any of them
"Related Rights"	means in relation to any Charged Property: <ul style="list-style-type: none"> (a) the proceeds of sale of any part of that Charged Property (b) all rights under any licence, agreement for sale or agreement for lease in respect of that Charged Property (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that Charged Property and (d) any moneys and proceeds paid or payable in respect of that Charged Property
"Rent Account"	has the meaning given to that term in the Facility Agreement
"Secured Party"	has the meaning given to that term in the Facility Agreement
"Secured Liability"	means any liability expressed to be due, owing or payable by any Chargor to any Finance Party under or in connection with any of the Finance Documents (together the "Secured Liabilities")
"Securities"	means all the right, title and interest of a Chargor, now or in the future, in any:- <ul style="list-style-type: none"> (a) stocks, shares, bonds, Deeds, loan stocks, or other securities issued by any person (b) warrants, options or other rights to subscribe, purchase or otherwise acquire any stocks, shares, bonds, Deeds, loan stocks or other securities or investments issued by any person and (c) units or other interests in any unit trust or collective investment scheme, <p>other than the Shares</p>
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Security Period"	means the period beginning on the date of this Deed and ending on the date which the Security Agent is satisfied that the Secured Liabilities have been irrevocably and unconditionally, paid and discharged in full and no further Secured Liabilities are capable of being outstanding

"Shares"	means all of the shares in the capital of each of the companies specified in Schedule 3 (<i>Details of Shares</i>) and any Shares in the capital of any other member of the Group owned by any Chargor or held by any nominee on behalf of any Chargor at any time, or in Schedule 2 to any Deed of Accession by which a Chargor becomes a party to this Deed, held by, to the order of or on behalf of, any Chargor at any time
"Specific Contracts"	means:- <ul style="list-style-type: none"> (a) each Agreement for Lease (b) each Hedging Agreement (c) each Development Document (d) each Occupational Lease (e) any agreement specified in Schedule 5 to any Deed of Accession by which a Chargor becomes a party to this Deed and (f) any other agreement designated a "Specific Contract" by the Chargors and the Security Agent
"Transaction Security Documents"	has the meaning given in the Facility Agreement
"Transaction Security"	means the Security created or expressed to be created in favour of the Security Agent pursuant to the Transaction Security Documents

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facility Agreement, shall have the same meanings in this Deed.

1.3 Interpretation

The principles of interpretation set out in clause 1.2 (*Construction*) of the Facility Agreement shall apply to this Deed insofar as they are relevant to it and in this Deed, unless the context otherwise requires, a reference to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Finance Document or other agreement or instrument and includes any increase in, extension of or change to any facility made available under that Finance Document or other agreement or instrument.

1.4 Acknowledgement

Each Chargor acknowledges that the Security Agent enters into this Deed for itself and as trustee for the Secured Parties who shall be entitled to the full benefit of this Deed.

1.5 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

1.6 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.7 Third party rights

1.7.1 Unless expressly provided to the contrary in this Deed a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

1.7.2 Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

1.7.3 Any Receiver, Delegate or any person described in clause 28.11 (*Exclusion of liability*) of the Facility Agreement may, subject to this Clause 1.7 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will on demand of the Security Agent pay and discharge any or all of the Secured Liabilities when due.

2.2 Interest

Each Chargor covenants to pay interest to the Security Agent upon any sum demanded in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after any judgment) in accordance with clause 8.8 (*Default interest*) of the Facility Agreement.

3. CHARGES

3.1 Mortgages and Fixed Charges

As a continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Agent all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land which is described in Schedule 2 or in Schedule 1 to any Deed of Accession by which a Chargor becomes party to this Deed and all other Land now vested in any Chargor;

3.1.2 by way of first fixed charge all other Land now vested in any Chargor (to the extent not effectively charged by Clause 3.1.1) and all Land acquired by any Chargor after the date of this Deed;

3.1.3 by way of equitable mortgage or (if or to the extent that this Deed does not take effect as a mortgage) by way of first fixed charge the Shares;

3.1.4 by way of first fixed charge:-

- (a) the Securities;
- (b) the Intellectual Property;
- (c) the Monetary Claims;
- (d) the Fixed Plant and Equipment;
- (e) the Loose Plant and Equipment;
- (f) the Accounts;
- (g) the Related Rights under or in connection with the Shares, the Securities, the Accounts, the Intellectual Property, the Monetary Claims, the Fixed Plant and Equipment and the Loose Plant and Equipment;
- (h) to the extent not assigned or effectively assigned by Clause 3.3 (*Assignments*), the Specific Contracts, the Insurances, the Assigned Accounts and other agreements and all Related Rights in respect of such Charged Property;
- (i) all present and future rents and other sums due to any Chargor under any Occupational Lease; and
- (j) its present and future goodwill and uncalled capital.

3.2 **Floating Charge**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee charges to the Security Agent by way of first floating charge the whole of such Chargor's undertaking and assets, present and future and wherever situated, which are not for any reason effectively charged or assigned (whether in law or equity) by way of fixed security by this Deed.

3.3 **Assignments**

As continuing security for payment and discharge of the Secured Liabilities, each Chargor with full title guarantee assigns absolutely in favour of the Security Agent, but subject to the right of such Chargor to redeem such assignment upon the full payment or discharge of the Secured Liabilities, its right, title and interest from time to time in each of the following assets:-

3.3.1 the Specific Contracts;

3.3.2 the Insurances; and

3.3.3 all rights under any agreement to which it is a party and which is not mortgaged or charged under Clause 3.1 (*Mortgages and Fixed Charges*),

together with all Related Rights in respect of such Charged Property, provided that each Chargor is entitled until the occurrence of an Event of Default which is continuing to exercise all rights assigned under this Clause 3.3 (*Assignments*) (subject to the terms of the Finance Documents) and the Security Agent will reassign any such rights to the extent necessary to enable such Chargor to do so.

3.4 **Trust**

If or to the extent that for any reason the assignment or charging of any Charged Property is prohibited, the relevant Chargor shall hold it on trust for the Security Agent.

3.5 **Qualifying floating charge**

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

4. **CRYSTALLISATION OF FLOATING CHARGE**

4.1 **Crystallisation: By Notice**

The Security Agent may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.2 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:-

- 4.1.1 an Event of Default has occurred and is continuing; or
- 4.1.2 the Security Agent considers (acting reasonably) that any of the Charged Property may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or
- 4.1.3 the Security Agent considers (acting reasonably) that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.2 **Crystallisation: Automatic**

The floating charge created by Clause 3.2 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets subject to the floating charge if:-

- 4.2.1 any Chargor creates or attempts to create any Security over any of the Charged Property except as expressly permitted by the terms of the Finance Documents; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Property; or
- 4.2.3 any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor, over all or any part of its assets, or if such person is appointed (in each case to the extent that the taking of such step would constitute an Event of Default).

4.3 **Crystallisation: Moratorium where directors propose voluntary arrangement**

The floating charge created by Clause 3.2 (*Floating Charge*) may not be converted into a fixed charge solely by reason of:

- 4.3.1 the obtaining of a moratorium; or
- 4.3.2 anything done with a view to obtaining a moratorium

under Schedule A1 to the Insolvency Act 1986

5. PERFECTION OF SECURITY

5.1 Notices of Assignment

5.1.1 Subject to Clauses 5.1.2 and 5.1.3, the Chargors shall deliver to the Security Agent (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the applicable Chargors:-

- (a) in respect of:-
 - (i) each Specific Contract, on the date of this Deed;
 - (ii) any further Specific Contract entered into after the date of this Deed, promptly upon entering into that Specific Contract; and
 - (iii) any agreement designated a Specific Contract by a Chargor and the Security Trustee, promptly after such designation
- (b) in respect of the Insurances, on the date of this Deed and promptly upon purchasing any further Insurance after the date of this Deed;
- (c) in respect of any other asset which is the subject of an assignment pursuant to Clause 3.3 (*Assignments*), promptly upon the request of the Security Agent from time to time,

and in each case shall use reasonable endeavours to procure that each notice is acknowledged by the party to whom such Notice of Assignment is addressed.

5.1.2 The Chargors shall not be required to deliver to the Security Agent (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the applicable Chargors in relation to any Occupational Lease or Agreement for Lease granted without the consent of the Agent in accordance with clause 24.2 (*Occupational leases*) of the Facility Agreement.

5.1.3 The Security Agent shall not serve any Notice of Assignment delivered pursuant to Clause 5.1.1 in relation to any Occupational Lease, Agreement for Lease (other than the Principal Agreement for Lease) or Development Document until an Event of Default has occurred and is continuing.

5.1.4 The execution of this Deed by the Chargors and the Security Agent shall constitute notice to the Original Hedge Counterparty of the assignment created over any Hedging Agreement with the Original Hedge Counterparty.

5.2 Notices of Charge

5.2.1 The Chargors shall on the date of this Deed deliver to the Security Agent (or procure delivery of) notices of charge of the Blocked Accounts in the form set out at Schedule 8 (*Form of notice of charge of Blocked Accounts*) duly executed by, or on behalf of, the Chargor and acknowledged by each of the banks or financial institutions with which any of the Blocked Accounts are opened or maintained.

5.2.2 The Chargors shall on the date of this Deed deliver to the Security Agent (or procure delivery of) notice of charge of the General Account in the form set out at Schedule 10 (*Form of notice of charge of General Account*) duly executed by, or on behalf of, the applicable Chargor and acknowledged by

the bank or financial institution with which the General Account is opened or maintained.

- 5.2.3 The execution of this Deed by the Chargors and the Security Agent shall constitute notice to the Security Agent of the charge created over any Account opened or maintained with the Security Agent (including, for the avoidance of doubt, any Blocked Account).

5.3 Delivery of Documents of Title

The Chargors shall upon the execution of this Deed (or, if later, upon receipt or entitlement thereof), and upon the acquisition by any Chargor of any interest in any Land deliver (or procure delivery) to the Security Agent of either:-

- 5.3.1 all deeds, certificates and other documents relating to such Land (which the Security Agent shall be entitled to hold and retain); or
- 5.3.2 an undertaking from the Chargors' solicitors (in form and substance acceptable to the Security Agent) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of the Security Agent.

5.4 Application to the Land Registry

Each Chargor and the Security Agent apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

- 5.4.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[insert date]* 2016 in favour of *[insert name of Security Agent]* referred to in the charges register (Form P)".

- 5.4.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents and the security created by the charge dated *[insert date]* 201[] in favour of *[insert name of Security Agent]* (as trustee for the Secured Parties referred to in that charge) has been created for the purpose of securing such further advances.

5.5 Delivery of Share Certificates

The Chargors shall:-

- 5.5.1 on the date of this Deed, deposit with the Security Agent (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms relating to the Shares (stamped and executed in blank by or on behalf of the applicable Chargor); and
- 5.5.2 promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, deliver to the Security Agent (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (stamped and executed in blank on behalf of the applicable Chargor) in respect of such stocks, shares, warrants or other securities as the Security Agent may request.

5.6 Intellectual Property

Each Chargor shall, if requested by the Security Agent and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as the Security Agent may require and do all acts that the Security Agent may require to perfect the Security taken by, or to record the interest of, the Security Agent in any registers relating to any registered Intellectual Property.

6. RESTRICTIONS AND FURTHER ASSURANCE

6.1 Security

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Charged Property, nor do anything else prohibited by clause 22.3 (*Negative pledge*) of the Facility Agreement except as expressly permitted under the terms of the Finance Documents.

6.2 Disposal

Each Chargor undertakes that it shall not enter into or agree to enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, license, sub-license, transfer or otherwise dispose of any Charged Property except as permitted by clause 22.4 (*Disposals*) of the Facility Agreement.

6.3 Further assurance

Each Chargor shall promptly do whatever the Security Agent requires to:-

6.3.1 perfect or protect the Security created or expressed to be created by this Deed, or its priority; or

6.3.2 facilitate the realisation of the Charged Property or the exercise of any rights vested in the Security Agent or any Receiver,

including executing any transfer, conveyance, charge, assignment or assurance of the Charged Property (whether to the Security Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

7. SHARES AND SECURITIES

7.1 Shares: Before an Event of Default

Prior to the occurrence of an Event of Default which is continuing, the Chargors shall:-

7.1.1 pay all dividends, interest and other monies arising from the Shares into an Account; and

7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Finance Documents.

7.2 Shares: After an Event of Default

After the occurrence of an Event of Default which is continuing, the Security Agent may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;

- 7.2.2 apply all dividends, interest and other monies arising from the Shares in accordance with Clause 12 (*Application of Moneys*);
- 7.2.3 transfer the Shares into the name of such nominee(s) of the Security Agent as it shall require; and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Charged Property, to concur or participate in:-
- (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
 - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as the Security Agent may think fit, and the proceeds of any such action shall form part of the Charged Property.

7.3 Securities and Shares: Payment of Calls

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, the Security Agent may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by the Security Agent shall be reimbursed by the Chargor to the Security Agent on demand and shall carry interest from the date of payment by the Security Agent until reimbursed at the rate notified to the Chargor by the Security Agent.

7.4 Securities: Delivery of Documents of Title

After the occurrence of an Event of Default which is continuing, the Chargors shall promptly on the request of the Security Agent deliver (or procure delivery) to the Security Agent, and the Security Agent shall be entitled to retain, all of the Securities and any certificates and other documents of title representing the Securities to which any Chargor (or its nominee(s)) is or becomes entitled together with any other document which the Security Agent may request (in such form and executed as the Security Agent may require) with a view to perfecting or improving its security over the Securities or to registering any Securities in its name or the name of any nominee(s).

7.5 Securities: Exercise of Rights

The Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which, in the opinion of the Security Agent, would prejudice the effectiveness of, or the ability of the Security Agent to realise, the security created by or pursuant to this Deed.

8. **ACCOUNTS**

8.1 **Accounts: Operation**

The Chargors shall at all times during the subsistence of this Deed operate the Accounts in accordance with the terms of the Facility Agreement.

9. **INSURANCES**

9.1 **Insurances: Undertakings**

The Chargor shall at all times during the subsistence of this Deed keep the Charged Property insured in accordance with the terms of the Facility Agreement.

9.2 **Application of Insurance Proceeds**

The Chargor shall apply all moneys received under any Insurance relating to the Charged Property in accordance with the terms of the Facility Agreement

10. **DEMAND AND ENFORCEMENT**

10.1 **Enforcement**

The Security created by this Deed shall become enforceable upon:-

10.1.1 the occurrence of an Event of Default which is continuing; or

10.1.2 any request being made by a Chargor to the Security Agent for the appointment of a Receiver or an administrator, or for the Security Agent to exercise any other power or right available to it; or

10.2 **Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

10.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;

10.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Charged Property, without the restrictions imposed by sections 99 and 100 of the LPA;

10.2.3 to the extent that any Charged Property constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;

10.2.4 subject to Clause 11.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Charged Property; and

10.2.5 appoint an administrator of any Chargor.

10.3 Disposal of the Charged Property

In exercising the powers referred to in Clause 10.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Charged Property at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

10.4 Same rights as Receiver

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

10.5 Delegation

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 thinks fit.

11. RECEIVERS

11.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by the Security Agent under this Deed shall be in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the case of the removal of an administrative receiver).

11.2 Removal

The Security Agent may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Charged Property of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Charged Property) appoint a further or other Receiver or Receivers over all or any part of such Charged Property.

11.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

- 11.3.1 of the Security Agent under this Deed;
- 11.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 11.3.3 of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;
- 11.3.4 in relation to any Charged Property, which he would have if he were its only beneficial owner; and
- 11.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

11.4 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time he shall act as principal and shall not become the agent of the Security Agent.

11.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

11.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Agent and the maximum rate specified in section 109(6) of the LPA shall not apply.

12. APPLICATION OF MONEYS

12.1 Application of moneys

All sums received by virtue of this Deed and/or any other Transaction Security Documents by the Security Agent or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the in accordance with clause 29.1 (*Order of application*) of the Facility Agreement and section 109(8) of the LPA shall not apply.

13. POWER OF ATTORNEY

13.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

13.1.1 the Security Agent (whether or not a Receiver has been appointed);

13.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of the Security Agent; and

13.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or, following an Event of Default which is continuing, which the Security Agent in its sole opinion may consider necessary for perfecting its title to any of the Charged Property or enabling the Security Agent or the Receiver to exercise any of its rights or powers under this Deed.

13.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 13.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 13.1 (*Appointment*).

14. CONSOLIDATION

14.1 Combination of accounts

In addition to any general lien, right to combine accounts, right of set-off or other right which it may at any time have, the Security Agent and each Secured Party may at any time after this Deed has become enforceable, without notice to the Chargor, combine or consolidate all or any accounts which it then has in relation to such Chargor (in whatever name) and any Secured Liabilities owed by such Chargor to the Security Agent or that Secured Party, and/or set-off or transfer any amounts standing to the credit of one or more accounts of such Chargor in or towards satisfaction of any Secured Liabilities owed it on any other account or otherwise.

14.2 Application

The Security Agent's and each Secured Party's rights under Clause 14.1 (*Combination of accounts*) apply:-

- 14.2.1 whether or not any demand has been made under this Deed, or any liability concerned has fallen due for payment;
- 14.2.2 whether or not any credit balance is immediately available or subject to any restriction;
- 14.2.3 irrespective of the currencies in which any balance or liability is denominated, and the Security Agent and the relevant Secured Party may for the purpose of exercising its right elect to convert any sum or liability in one currency into any other at its spot rate applying at or about 11.00am on the date of conversion; and
- 14.2.4 in respect of any Secured Liabilities owed by the relevant Chargor, whether owed solely or jointly, certainly or contingently, presently or in the future, as principal or surety, and howsoever arising.

15. PROTECTION OF THIRD PARTIES

15.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon the Security Agent, as varied and extended by this Deed, and all other powers of the Security Agent, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

15.2 Purchasers

No purchaser from or other person dealing with the Security Agent, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

- 15.2.1 to enquire whether any of the powers which the Security Agent or a Receiver have exercised has arisen or become exercisable;
- 15.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act; or
- 15.2.3 as to the propriety or validity of the exercise of those powers,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

15.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any other Secured Party, any Receiver or any person to whom any of them have delegated any of their powers.

16. PROTECTION OF THE SECURITY AGENT, THE SECURED PARTIES AND ANY RECEIVER

16.1 No liability

None of the Security Agent, the other Secured Parties, any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

16.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Charged Property shall not render the Security Agent, any Receiver or any of their respective officers or employees liable:-

16.2.1 to account as mortgagee in possession;

16.2.2 for any loss on realisation; or

16.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever the Security Agent or any Receiver enters into possession of any Charged Property it shall be entitled at any time it or he thinks fit to relinquish possession.

16.3 Indemnity

Each Chargor shall indemnify and keep indemnified the Security Agent, each other Secured Party, any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

16.3.1 any act or omission by any of them in relation to all or any of the Charged Property;

16.3.2 any payment relating to or in respect of all or any of the Charged Property which is made at any time by any of them;

16.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;

16.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and

16.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to the Security Agent or any other Secured Party,

except in the case of gross negligence or wilful misconduct on the part of that person.

16.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 16 (*Protection of the Security Agent, the Secured Parties and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

16.5 Indemnity out of the Charged Property

The Security Agent, the other Secured Parties, any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Charged Property in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 16.3 (*Indemnity*).

16.6 Continuing protection

The provisions of this Clause 16 (*Protection of the Security Agent, the Secured Parties and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

17. PROVISIONS RELATING TO THE SECURITY AGENT

17.1 Powers and discretions

The rights, powers and discretions given to the Security Agent in this Deed:-

- 17.1.1 may be exercised as often as, and in such manner as, the Security Agent thinks fit;
- 17.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and
- 17.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

17.2 Certificates

A certificate by an officer of the Security Agent:-

- 17.2.1 as to any amount for the time being due to the Secured Parties or any of them; or
- 17.2.2 as to any sums payable to the Security Agent under this Deed,

shall (save in the case of manifest error) be conclusive and binding upon the Chargors for all purposes.

17.3 Assignment

The Security Agent may assign this Deed to any successor in title to any of the Secured Liabilities or to a replacement Security Agent appointed in accordance with the provisions of the Facility Agreement and each Secured Party may assign its interest in this Deed in whole or in part to any successor in title to any of the Secured Liabilities, and the Security Agent and any Secured Party may disclose any information in its possession relating to any Chargor, its affairs or the Secured Liabilities to any actual or prospective assignee.

17.4 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

17.5 Provisions of the Facility Agreement

The provisions of the Facility Agreement shall apply to the Security Agent's rights and duties and the resignation of the Security Agent as if set out in this Deed.

18. PRESERVATION OF SECURITY

18.1 Continuing Security

This Deed shall be a continuing security to the Security Agent and shall remain in force until expressly discharged in writing by the Security Agent.

18.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which the Security Agent or any other Secured Party may have now or at any time in the future for or in respect of any of the Secured Liabilities.

18.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Agent or any other Secured Party) including:-

- 18.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 18.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 18.3.3 the taking, variation, compromise, exchange, renewal, enforcement 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 or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 18.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 18.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 18.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 18.3.7 an insolvency, liquidation, administration or similar procedure.

18.4 Immediate recourse

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

18.5 Appropriations

During the Security Period the Security Agent and each Secured Party may:-

- 18.5.1 refrain from applying or enforcing any monies, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 12.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 18.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

18.6 New Accounts

If the Security Agent or any other Secured Party receives notice (whether actual or otherwise) of any subsequent Security over or affecting any of the Charged Property or if a petition is presented or a resolution passed in relation to the winding up of a Chargor, the Security Agent and the relevant Secured Party or Secured Parties may close the current account or accounts and/or open a new account or accounts for such Chargor. If the Security Agent or any other Secured Party does not open a new account or accounts immediately it shall nevertheless be treated as if it had done so at the time when the relevant event occurred, and as from that time all payments made by such Chargor to the Security Agent or that Secured Party shall be credited or be treated as having been credited the new account or accounts and shall not operate to reduce the Secured Liabilities.

18.7 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 the Security Agent confirms on behalf of the Lenders that the Lenders shall make further advances to the Chargors on the terms and subject to the conditions of the Finance Documents.

18.8 Deferral of Chargor's rights

During the Security Period and unless the Security Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 18.8.1 to receive or claim payment from, or be indemnified by an Obligor;
- 18.8.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 18.8.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- 18.8.4 to exercise any right of set-off against any Obligor; and/or
- 18.8.5 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

19. RELEASE

19.1 Release

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

19.1.1 release the Charged Property from this Deed; and

19.1.2 re-assign the Charged Property that has been assigned to the Security Agent under this Deed.

19.2 Reinstatement

If the Security Agent considers that any amount paid or credited to any Secured Party under any Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

19.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

19.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

19.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

20. MISCELLANEOUS PROVISIONS

20.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

20.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

20.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

20.2 Information

The Security Agent may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as the Security Agent may think fit and each Chargor authorises and requests any such person to provide any such information to the Security Agent and agrees to provide such further authority in this regard as the Security Agent may from time to time require.

20.3 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

20.4 **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.

20.5 **Deeds of accession**

Each of the parties agrees that each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed.

21. **GOVERNING LAW**

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

22. **ENFORCEMENT**

22.1 **Jurisdiction of English Courts**

22.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

22.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

22.1.3 This Clause 22.1 (*Jurisdiction of English Courts*) is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

and each Chargor expressly agrees and consents to the provisions of this Clause 22 (*Enforcement*) and Clause 21 (*Governing Law*).

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGORS

Company name	No	Registered address
KCC Nominee 1 (Coal Drops) Limited	08292033	4 Stable Street London N1C 4AB
KCC Nominee 2 (Coal Drops) Limited	08290936	4 Stable Street London N1C 4AB

Schedule 2

DETAILS OF LAND

REGISTERED LAND

Title number	Description	Chargor (s)	Freehold/Leasehold
NGL952441	Coal Drops Yard, King's Cross Central, London, N1C	KCC Nominee 1 (Coal Drops) Limited and KCC Nominee 2 (Coal Drops) Limited	Leasehold

UNREGISTERED LAND

None at the date of this Deed

Schedule 3


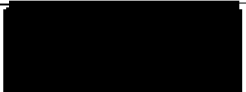
DETAILS OF SHARES

Name of Company	Description and Number of Shares	Name of Shareholder

None at the date of this Deed

Schedule 4

DETAILS OF MATERIAL INSURANCES

Policy number	Policy type
	Combined Construction All Risks, Loss of Anticipated Revenue and Third Party Liability Insurance
	Excess Public Liability

Schedule 5

DETAILS OF INTELLECTUAL PROPERTY

None at the date of this Deed

Schedule 6

DEED OF ACCESSION

THIS DEED OF ACCESSION is made on []

BETWEEN:-

- (1) [] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [];
- (2) [] **BANK [PLC] [Plc] [plc]** as the Security Agent.

WHEREAS:-

- (A) The New Chargor is, or will on the date of this Deed of Accession become, a member of the Group.
- (B) The Chargors have entered into a deed dated [] 2016 (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Debenture**") between each of the companies named in the Debenture as Chargors, and [] Bank [PLC] [Plc] [plc] as agent and trustee for the Secured Parties.
- (C) The New Chargor at the request of the Chargors and in consideration of the Secured Parties making or continuing to make facilities available to the Chargors and after giving due consideration to the terms and conditions of the Finance Documents and the Debenture and satisfying itself that there are reasonable grounds for believing that the entry into this Deed of Accession by it will be of benefit to it, has decided in good faith and for the purpose of carrying on its business to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture shall have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.2 of the Debenture shall apply to this Deed of Accession insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees:-

- 2.1 to become a party to and to be bound by the terms of the Debenture as a Chargor with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Deed of Accession); and
- 2.2 to be bound by all the covenants and agreements in the Debenture which are expressed to be binding on a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Parties, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Details of Land*);
- 3.2 the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Details of Shares*);
- 3.3 the Insurances assigned or (to the extent not assigned or effectively assigned) charged shall include the insurances referred to in Schedule 3 (*Details of Material Insurances*);
- 3.4 the Intellectual Property charged shall include the Intellectual Property referred to in Schedule 4 (*Details of Intellectual Property*); and
- 3.5 the Specific Contracts assigned or (to the extent not assigned or effectively assigned) charged shall include the Specific Contracts referred to in Schedule 5 (*Details of Specific Contracts*).

4. **EFFECT ON DEBENTURE**

The Debenture and this Deed of Accession shall be read as one so that references in the Debenture to "this Deed", "herein", and similar phrases shall be deemed to include this Deed of Accession.

5. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

SCHEDULE 1
DETAILS OF LAND

SCHEDULE 2
DETAILS OF SHARES

SCHEDULE 3
DETAILS OF MATERIAL INSURANCES

SCHEDULE 4
DETAILS OF INTELLECTUAL PROPERTY

SCHEDULE 5
DETAILS OF SPECIFIC CONTRACTS

The New Chargor

EXECUTED as a Deed)
by **[NAME OF COMPANY] [LIMITED] [PLC]**)
acting by two Directors or a Director and its)
Secretary:-)
)

Director

Director/Secretary

The Security Agent

SIGNED for and on behalf of)
[] **BANK [PLC] [Plc] [plc]**)

Schedule 7

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To: [Insurer]

Date: []

Dear Sirs,

We give you notice that we have assigned and charged to [SECURITY AGENT] (the "**Security Agent**") pursuant to a deed entered into by us in favour of the Security Agent dated [] all our right, title and interest in and to the proceeds of [*insert details of relevant insurance policy*] (the "**Policy of Insurance**").

With effect from your receipt of this notice we instruct you to:

- (1) following the Security Agent's notification to you that an Event of Default has occurred and is continuing make all payments and claims under or arising from the Policy of Insurance to the Security Agent [*insert an account number if required*] or to its order as it may specify in writing from time to time;
- (2) name the Security Agent as co-insured on the Policy of Insurance in accordance with the terms of the Facility Agreement; and
- (3) disclose to the Security Agent, without further approval from us, such information regarding the Policy of Insurance as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Policy of Insurance.

With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Policy of Insurance (including all rights to compel performance) belong to and are exercisable by the Security Agent.

Please acknowledge receipt of this notice (substantially in the form of the attached) by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
[CHARGOR]

[On copy only:

To: **SECURITY AGENT**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Policy of Insurance shall be effective unless we have given the Security Agent thirty days written notice of it or, if it is not possible to comply with such notification to the Security Agent in accordance with the provisions of the relevant Policy of Insurance, the notice will be provided to the Security Agent in relation to such termination as soon as possible.

For and on behalf of []

By: []

Dated: []

Schedule 8

FORM OF NOTICE OF CHARGE OF BLOCKED ACCOUNTS

To: [Account Bank]

Date: []

Dear Sirs,

We give you notice that we have assigned and charged to [SECURITY AGENT] (the "Security Agent") all of our right, title and interest in and to account number [], account name [] (including any renewal or redesignation of the account) and all monies standing to the credit of that account from time to time (the "Account").

With effect from the date of your receipt of this notice:

- (1) any existing payment instructions affecting the Account are to be terminated and all payments and communications in respect of the Account should be made to the Security Agent or to its order (with a copy to the Chargor); and
- (2) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Security Agent.

Please accept this notice by signing the enclosed acknowledgement and returning it to the Security Agent at [] marked for the attention of [].

Yours faithfully

for and on behalf of
[CHARGOR]

[on copy only]

To: **SECURITY AGENT**

Date: []

At the request of the Security Agent and [CHARGOR] we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms). We confirm that:-

- (1) the balance standing to the Account at today's date is [], no fees or periodic charges are payable in respect of the Account and there are no restrictions on (a) the payment of the credit balance on the Account or (b) the assignment of the Account to the Security Agent or any third party;
- (2) we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the Security Agent's consent (a) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (b) amend or vary any rights attaching to the Account; and
- (3) we will act only in accordance with the instructions given by persons authorised by the Security Agent and we shall send all statements and other notices given by us relating to the Account to the Security Agent.

For and on behalf of []

By: []

Schedule 9

FORM OF NOTICE OF ASSIGNMENT OF SPECIFIC CONTRACT

To: []

Date: []

Dear Sirs,

We give you notice that we have assigned and charged to [SECURITY AGENT] ("Security Agent") pursuant to a deed entered into by us in favour of the Security Agent dated [] all our right, title and interest in and to [details of contract] (the "Contract") including all moneys which may be payable in respect of the Contract.

With effect from your receipt of this notice:-

- (1) following the Security Agent's notification to you that an Event of Default has occurred and is continuing all payments by you to us under or arising from the Contract should be made to the Security Agent or to its order as it may specify in writing from time to time;
- (2) all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Agent;
- (3) all rights to compel performance of the Contract are exercisable by the Security Agent although the Company shall remain liable to perform all the obligations assumed by it under the Contract;
- (4) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Agent and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Security Agent's consent; and
- (5) you are authorised and instructed, without requiring further approval from us, to provide the Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent as well as to us.

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Security Agent.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [] marked for the attention of [].

Yours faithfully,

for and on behalf of
[CHARGOR]

[On copy only:]

To: **SECURITY AGENT**

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, interests and benefits in and to the Contract and that we will comply with the terms of that notice.

For and on behalf of []

By: []

Dated: []

Schedule 10

FORM OF NOTICE OF CHARGE GENERAL ACCOUNT

To: [Account Bank]

Date: []

Dear Sirs,

We give you notice that we have charged to [SECURITY AGENT] (the "**Security Agent**") all of our right, title and interest in and to account number [], account name [] (including any renewal or redesignation of the account) and all monies standing to the credit of that account from time to time (the "**Account**").

With effect from the date of your receipt of this notice:

- (1) following the Security Agent's notification to you that a Default has occurred and is continuing any existing payment instructions affecting the Account are to be terminated and all payments in respect of the Account should be made to the Security Agent or to its order;
- (2) all communications in respect of the Account should be sent to the Security Agent and copied to the Chargor; and
- (2) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Security Agent.

Please accept this notice by signing the enclosed acknowledgement and returning it to the Security Agent at [] marked for the attention of []

Yours faithfully

for and on behalf of
[CHARGOR]

[on copy only]

To: **SECURITY AGENT**

Date: []

At the request of the Security Agent and **[CHARGOR]** we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Account (as described in those terms). We confirm that:-

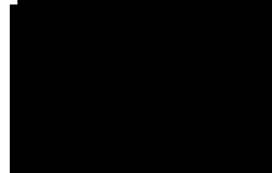
- (1) the balance standing to the Account at today's date is [], no fees or periodic charges are payable in respect of the Account and there are no restrictions on (a) the payment of the credit balance on the Account or (b) the assignment of the Account to the Security Agent or any third party;
- (2) we have not received notice of any previous assignments of, charges over or trusts in respect of, the Account and we will not, without the Security Agent's consent (a) exercise any right of combination, consolidation or set-off which we may have in respect of the Account or (b) amend or vary any rights attaching to the Account;
- (3) we will act only in accordance with the instructions given by persons authorised by the Security Agent; and
- (4) we shall send all statements and other notices given by us relating to the Account to the Security Agent (copied to the Chargor).

For and on behalf of []

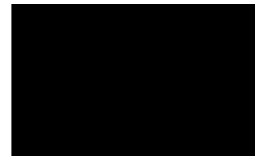
By: []

The Chargors

EXECUTED as a Deed
by KCC NOMINEE 1 (COAL DROPS)
LIMITED acting by two Directors or a Director)
and its Secretary:-)
)
)
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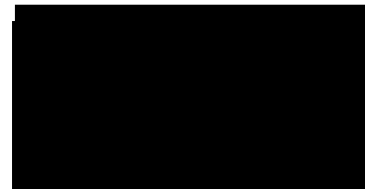


Director

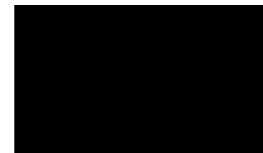


Director/Secretary

EXECUTED as a Deed
by KCC NOMINEE 2 (COAL DROPS)
LIMITED acting by two Directors or a Director)
and its Secretary:-)
)
)
)



Director



Director/Secretary

The Security Agent

SIGNED for and on behalf of)
THE ROYAL BANK OF SCOTLAND PLC)

The Chargors

EXECUTED as a Deed
by **KCC NOMINEE 1 (COAL DROPS)**
LIMITED acting by two Directors or a Director
and its Secretary:-

)
)
)
)
)

Director

Director/Secretary

EXECUTED as a Deed
by **KCC NOMINEE 2 (COAL DROPS)**
LIMITED acting by two Directors or a Director
and its Secretary:-

)
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Director

Director/Secretary

The Security Agent

SIGNED for and on behalf of
THE ROYAL BANK OF SCOTLAND PLC

