

MR01

Particulars of a charge



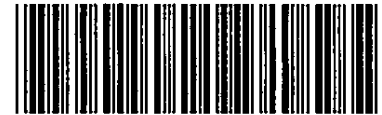
Companies House

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is
no instrument. Use form MR08



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A29

03/12/2015

#245

COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 8 6 9 5 0 4 9

Company name in full HAYMAKER (MOUNT MILL) LTD ✓

2 For official use

→ Filing in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 1 3 1 1 2 0 1 5 ✓

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name LIGHTSOURCE RENEWABLE ENERGY HOLDINGS LIMITED ✓

Name

Name

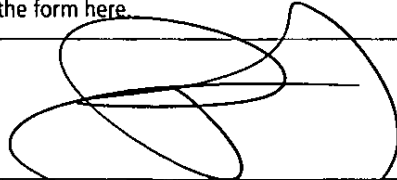
Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description	
Brief description	<p>Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument</p>	<p>Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"</p> <p>Please limit the description to the available space</p>
5	Other charge or fixed security	
	<p>Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes ✓</p> <p><input type="checkbox"/> No</p>	
6	Floating charge	
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7 ✓</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> Yes</p>	
7	Negative Pledge	
	<p>Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box ✓</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
8	Trustee statement ^①	
	<p>You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge</p> <p><input type="checkbox"/></p>	<p>^① This statement may be filed after the registration of the charge (use form MR06)</p>
9	Signature	
Signature	<p>Please sign the form here.</p> <p>Signature</p> <p>X  X</p>	
	<p>This form must be signed by a person with an interest in the charge</p>	

MRO1

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Carolyn Gillespie

Company name Lightsource Renewable Energy

Holdings Limited

Address 7th Floor, 33 Holborn

Post town London

County/Region

Postcode E C 1 N 2 H U

Country England

DX

Telephone 0203 056 0843



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8695049

Charge code: 0869 5049 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th November 2015 and created by HAYMAKER (MOUNT MILL) LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd December 2015

Given at Companies House, Cardiff on 9th December 2015



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DEBENTURE

dated

13 November 2015

by

HAYMAKER (MOUNT MILL) LIMITED
Chargor

and

SULIS ENERGY LIMITED
Purchaser

and

LIGHTSOURCE RENEWABLE ENERGY HOLDINGS LIMITED
Chargee

I certify this is a true copy of the original
and, where relevant, the person pictured
is a true likeness of the person who presented it

Dated 19 / 11 / 2015

By CAROLYN GILLESPIE

(Print Name)

Signed



BAKER & MCKENZIE

Baker & McKenzie LLP
100 New Bridge Street
London EC4V 6JA
United Kingdom
www.bakermckenzie.com

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Schedule 1

The Chargor

Schedule 2

Forms of Notice of Assignment

Part A - Form of Notice of Assignment of Insurance

Part B - Form of Notice of Assignment of Account

Part C - Form of Notice of Assignment of Specific Contract

Schedule 3

Form of Legal Mortgage

Schedule 4

Form of Deed of Release

Schedule 5

Not used

Schedule 6

Accounts

Bank Account

Bank

Account Number

Sort Code

Haymaker (Mount Mill) Ltd

BBVA

a/c 01068808

23-59-11

Schedule 7

Insurance Policies

Debenture

This Agreement is dated 13/11/ 2015

Between

HAYMAKER (MOUNT MILL) LIMITED, as the chargor, the details of which are set out in Schedule 1 (the "**Chargor**"),

SULIS ENERGY LIMITED, as purchaser (the "**Purchaser**"), and

LIGHTSOURCE RENEWABLE ENERGY HOLDINGS LIMITED, as chargee (the "**Chargee**")

Recitals

- A The Chargee has agreed to sell and the Purchaser has agreed to purchase the entire issued share capital of Lightsource SPV 193 Limited on the terms set out in (and as defined in) a sale and purchase agreement dated on or about the date of this Debenture (the "**Sale and Purchase Agreement**")
- B The Purchaser has agreed to procure that the Chargor provides the Security to the Chargee pursuant to Clause 29.1 (Buyer Security) of the Sale and Purchase Agreement to secure the payment and discharge of the Secured Obligations (as defined below)

Operative Provisions

1. Definitions and interpretation

1.1 Definitions

In this Debenture and any Mortgage (as defined below)

"**Account**" means each account opened or maintained by the Chargor with any bank, building society, financial institution or other person (and any replacement account or subdivision or subaccount of that account), the debt or debts represented thereby and all Related Rights, including but not limited to those accounts set out in Schedule 6 (*Accounts*)

"**Aggregate Fern Lemur 6 Deferred Consideration**" has the meaning given to that term in the Sale and Purchase Agreement

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

"**Business Days**" has the meaning given to that term in the Sale and Purchase Agreement

"**Cash Collateralised Sum**" has the meaning given to that term in the Sale and Purchase Agreement

"**Charged Property**" means all the assets and undertaking of the Chargor which from time to time are the subject of the Security created or expressed to be created in favour of the Chargee by or pursuant to this Debenture and any Mortgage

"**Collateral Rights**" means all rights, powers and remedies of the Chargee provided by or pursuant to this Debenture or any Mortgage or by law

"**Commercial PPA**" means each power purchase agreement for the sale of electricity entered into from time to time by the Chargor

"**Connection Agreement**" means the network connection agreement in relation to a PV Plant between the Chargor and a local distribution network operator

"Consents" means any Authorisation, required

- (a) to enable the Purchaser and the Chargor lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party,
- (b) to ensure that the obligations expressed to be assumed by the Purchaser and the Chargor in the Transaction Documents to which it is a party are legal, valid, binding and enforceable,
- (c) to make the Transaction Documents to which the Purchaser and the Chargor is a party admissible in evidence in its relevant jurisdiction, and
- (d) for the acquisition, ownership and operation of the relevant PV Plant and the conduct of the Chargor of the business, trade and activities comprising or connected with the Chargor's Project

"Deed of Release" means a deed of release in substantially the form set out in Schedule 4 (*Form of Deed of Release*)

"Delegate" means any delegate, agent or attorney appointed by the Chargee

"Direct Agreement" means, in relation to the Chargor, any direct agreement applicable to it

"Disputes" has the meaning given to it in Clause 33 (*Jurisdiction and Enforcement*)

"EPC Contract" means, in relation to the Chargor, the EPC contract applicable to it

"Event of Default" means any of the following events or circumstances

- (a) the Purchaser does not pay on the due date any amount of the Fern Lemur 6 Deferred Consideration payable pursuant to the terms of any Fern Lemur 6 Agreement at the place and in the currency in which it is expressed to be payable,
- (b) a Relevant Company
 - (i) is unable or admits inability to pay its debts as they fall due,
 - (ii) is declared to be unable to pay its debts under applicable law,
 - (iii) suspends or threatens to suspend making payments on any of its debts, or
 - (iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness,
- (c) a moratorium is declared in respect of any indebtedness of a Relevant Company. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium
- (d) any corporate action, legal proceedings or other procedure or step is taken in relation to
 - (i) the suspension of payments, with a view to the suspension of payments generally, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of a Relevant Company,
 - (ii) a composition, compromise, assignment or similar arrangement with any creditor of a Relevant Company as part of a general composition, compromise,

assignment or similar arrangement affecting its creditors generally and by reason of actual or anticipated financial difficulties,

- (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of a Relevant Company or any of its assets, or
- (iv) enforcement of any Security over any assets of a Relevant Company, or any analogous procedure or step is taken in any jurisdiction

This paragraph (d) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement

- (e) any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of a Relevant Company having an aggregate value in excess of £500,000 and is not discharged within 15 Business Days
- (f) the Purchaser or the Chargor does not comply with any material provision of the Security Documents to which it is a party provided that no Event of Default will occur under this paragraph (f) if the failure to comply is capable of remedy and is remedied within 5 Business Days of the earlier of (1) the Chargee giving notice to the Purchaser or the Chargor or (2) the Purchaser or the Chargor becoming aware of its failure to comply,
- (g) any warranty, representation or statement made or deemed to be made by the Purchaser or the Chargor in any Security Document to which it is a party is or proves to have been incorrect or misleading in any material respect when made or deemed to be made by reference to the facts and circumstances then existing provided that no Event of Default will occur under this paragraph (g) if the circumstances giving rise to the misrepresentation are capable of remedy and are remedied within 5 Business Days of the earlier of (1) the Chargee giving notice to the Purchaser or the Chargor or (2) the Purchaser or the Chargor becoming aware of such misrepresentation

"Fern Lemur 6 Agreement" has the meaning given to that term in the Sale and Purchase Agreement

"Fern Lemur 6 Deferred Consideration" has the meaning given to that term in the Sale and Purchase Agreement

"Fern Trading" means Fern Trading Limited a company incorporated under the laws of England and Wales with registered number 06447318, having its registered office at 6th Floor, 33 Holborn, London, England, EC1N 2HT

"Final Discharge Date" means the date on which neither the Purchaser nor the Chargor have any further actual or contingent obligation to make a payment to the Chargee under or pursuant to any of the Transaction Documents

"Insurance Policy" means any policy of insurance or reinsurance taken out by or on behalf of the Chargor or which the Chargor has the benefit of from time to time, including but not limited to those set out in Schedule 7 (*Insurance Policies*), and any renewal or replacement of any such policy whether with the same or a different insurer or insurers and whether on the same or different terms

"Intellectual Property" means any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow

and other intellectual property rights and interests, whether registered or unregistered, the benefit of all applications and rights to use such assets and all Related Rights

"Intercompany Loans" means any loan made by the Purchaser to the Chargor pursuant to the relevant Intercompany Loan Agreement

"Intercompany Loan Agreement" means each loan agreement made between the Purchaser as lender and the Chargor as borrower evidencing the Intercompany Loans

"Investments" means

- (a) any stocks, shares, debentures, securities and certificates of deposit,
- (b) all interests in collective investment schemes, and
- (c) all warrants, options and other rights to subscribe or acquire any of the investments described in (a) and (b),

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system)

"IPC Contract" means, in relation to the Chargor, the IPC contract applicable to it (if any)

"Lease" means, in relation to the Chargor, the applicable lease

"Monetary Claims" means any book and other debts and monetary claims owing to the Chargor and any proceeds of such debts and claims (including any claims or sums of money deriving from or in relation to any Intellectual Property, any Investment, the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Chargor is a party and any other assets, property, rights or undertaking of the Chargor)

"Mortgage" means a mortgage or legal charge in respect of all or any part of the Real Property substantially in the form of Schedule 3 (*Form of Legal Mortgage*)

"Mortgaged Property" means all freehold, leasehold or immovable property which the Chargor purports to mortgage or charge pursuant to a Mortgage or this Debenture

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 2 (*Forms of Notice of Assignment*) or in such form as may be specified by the Chargee

"O&M Agreement" means the operation and maintenance agreement entered into from time to time between an O&M Contractor and the Chargor

"O&M Contractor" means Lightsource Renewable Services Limited (registered no 08275681) with its registered office at 7th Floor, 33 Holborn, London, EC1N 2HT or any other replacement or successor

"O&M Guarantee" means the guarantee or other security, if any, to be provided from Lightsource to the Chargor relating to the obligations of the O&M Contractor under the applicable O&M Agreement

"Party" means a party to this Debenture

"Project" means the financing, management, ownership, operation and maintenance by the Chargor of its PV Plant

"Project Services Agreement" means each agreement for the provision of project

services entered into from time to time between a PSA Contractor and the Chargor

"PSA Contractor" means Lightsource Asset Management Limited (registered no 09294289) with its registered office at 7th Floor, 33 Holborn, London, EC1N 2HT or any other replacement or successor

"Purchaser Escrow Account" has the meaning given to the term "Buyer Escrow Account" in the Sale and Purchase Agreement

"PV Plant" means, in relation to the Chargor, the applicable photovoltaic plant

"Real Property" means

- (a) the Mortgaged Property,
- (b) any present or future freehold, leasehold or immovable property and any other interest in land or buildings and all rights relating thereto in which the Chargor has an interest, and
- (c) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such freehold or leasehold property,

and includes all Related Rights

"Receiver" means a receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Charged Property and that term will include any appointee made under a joint and/or several appointment

"Regulations" has the meaning given to it in Clause 14.3 (*Right of Appropriation*)

"Related Rights" means, in relation to any asset

- (a) the proceeds of sale of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset, and
- (d) all dividends, interest and any other monies and/or proceeds paid or payable in respect of that asset

"Release Conditions" means either

- (a) the Remaining Aggregate Fern Lemur 6 Deferred Consideration is equal to an amount less than £250,000 for the time being, or
- (b) the Cash Collateralised Sum is paid into the Purchaser Escrow Account as cash collateral for the obligations of the Purchaser under the Fern Lemur 6 Agreements to pay the same

"Relevant Company" means the Chargor, Fern Trading or the Purchaser

"Remaining Aggregate Fern Lemur 6 Deferred Consideration" has the meaning given to that term in the Sale and Purchase Agreement

"Sale and Purchase Agreement" has the meaning given to that term in the above recitals

"Secured Obligations" means the obligation of the Purchaser to the Chargee (in its capacity as the Seller) to satisfy the payment of the Aggregate Fern Lemur 6 Deferred Consideration

"Secured Party" means the Chargee and any Receiver or Delegate

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"Specific Contracts" means

- (a) the relevant Intercompany Loan Agreement,
- (b) the Lease,
- (c) the O&M Agreement,
- (d) the O&M Guarantee,
- (e) the Project Services Agreement,
- (f) the EPC Contract,
- (g) the IPC Contract,
- (h) the Commercial PPA,
- (i) the Connection Agreement,
- (j) the meter operating agreement,
- (k) each Warranty,
- (l) each Warranty Document,
- (m) the Sale and Purchase Agreement,
- (n) any direct agreement in relation to an O&M Agreement or a Project Services Agreement,
- (o) any guarantee in relation to an O&M Agreement or a Project Services Agreement

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles and other chattels (excluding any for the time being forming part of the Chargor's stock in trade or work in progress) and all Related Rights

"Transaction Documents" means the Sale and Purchase Agreement, the Fern Lemur 6 Agreements and the Security Documents

"Transaction Security" means the Security created or expressed to be created in favour of the Chargee pursuant to the Security Documents

"Warranty" means each of the panel, inverter and mounting structure warranties transferred or assigned to the Chargor by the relevant supplier in accordance with the relevant EPC Contract

"Warranty Document" means any agreement under which a Warranty is granted or assigned to the Chargor in respect of panels, inverters and mounting structures supplied to the Chargor in relation to its PV Plant

1.2 Defined Terms

Unless defined in this Debenture, or the context otherwise requires, a term defined in the Sale and Purchase Agreement or in any other Transaction Document has the same meaning in this Debenture and each Mortgage, or any notice given under or in connection with this Debenture or any Mortgage, as if all references in those defined terms to the Sale and Purchase Agreement or other Transaction Documents were a reference to this Debenture, each Mortgage or that notice

1.3 Construction

- (a) In this Debenture or, as applicable, any Mortgage the rules of interpretation contained in Clause 1 (*Interpretation*) of the Sale and Purchase Agreement shall apply to the construction of this Debenture or any Mortgage or any notice given under or in connection with this Debenture or any Mortgage
- (b) An Event of Default is "**continuing**" if it has not been remedied or waived

1.4 Third party rights

A person who is not a party to this Debenture has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture

1.5 Duplication

To the extent that the provisions of the Debenture duplicate those of any Mortgage the provisions of that Mortgage shall prevail

1.6 Disposition of Property

The terms of the other Transaction Documents and of any side letters between the Parties in relation to the Transaction Documents are incorporated into this Debenture, each Mortgage and each other Transaction Document to the extent required for any purported disposition of the Real Property contained in any Transaction Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1.7 Incorporation of provisions into any Mortgage

Clauses 1.2 (*Defined Terms*), 1.3 (*Construction*), 6.1 (*Further Assurance General*), 6.3 (*Implied Covenants for Title*), 14 (*Enforcement of Security*), 15 (*Extension and Variation of The Law of Property Act 1925*), 15.3 (*Power of leasing*), 17 (*Powers of Receiver*), 20 (*Power of Attorney*), 21.6 (*Partial Invalidity*), 32 (*Governing Law*) and 33 (*Jurisdiction and Enforcement*) of this Debenture are incorporated into any Mortgage as if expressly incorporated into that Mortgage, as if references in those clauses to this Debenture were references to that Mortgage and as if all references in those clauses to Charged Property were references to the assets of the the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to the Chargee by or pursuant to that Mortgage

1.8 Mortgage

It is agreed that each Mortgage is supplemental to this Debenture

1.9 Present and future assets

- (a) A reference in this Debenture and any Mortgage to any Mortgaged Property or other asset includes, unless the contrary intention appears, present and future Mortgaged Property and other assets

- (b) The absence of or incomplete details of any Charged Property in any Schedule shall not affect the validity or enforceability of any Security under this Debenture or any Mortgage

1.10 Fixed Security

Clauses 3 1 (*Fixed Charges*) and 3 2 (*Assignments*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Debenture or any Mortgage and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Debenture or any Mortgage or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not

1.11 No obligation

The Chargee shall not be under any obligation in relation to the Charged Property as a consequence of this Debenture or any Mortgage and the Chargor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Charged Property

2. Payment of Secured Obligations

2 1 Covenant to Pay

The Chargor covenants with the Chargee that it shall discharge all Secured Obligations on their due date in accordance with their respective terms and the Chargor shall pay to the Chargee when due and payable every sum at any time owing, due or incurred by the Chargor to the Chargee or any of the other Secured Parties in respect of any such Secured Obligations Provided that neither such covenant nor the Security constituted by this Debenture or any Mortgage shall extend to or include any liability or sum which would, but for this proviso, cause such covenant or Security to be unlawful or prohibited by any applicable law

2.2 Interest on Demands

If the Chargor fails to pay any sum on the due date for payment of that sum the Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with the provisions in relation to default interest of the Sale and Purchase Agreement

3. Fixed Charges, Assignments and Floating Charge

3.1 Fixed Charges

- (a) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to the Mortgaged Property or land in England and Wales vested in the Chargor at the date of this Debenture shall be a charge by way of first legal mortgage) (subject to obtaining any necessary consent to such mortgage or fixed charge from any third party) the Real Property
- (b) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Tangible Moveable Property

- (c) The Chargor charges, to the extent permitted by law, with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) its PV Plant
- (d) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Accounts
- (e) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Intellectual Property
- (f) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) any goodwill and rights in relation to the uncalled capital of the Chargor
- (g) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the Investments
- (h) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) all Monetary Claims and all Related Rights other than any claims which are otherwise subject to a fixed charge or assignment (at law or in equity) pursuant to this Debenture
- (i) The Chargor charges with full title guarantee in favour of the Chargee for the payment and discharge of the Secured Obligations, by way of first fixed charge all of its right, title and interest from time to time in and to (subject to obtaining any necessary consent to such fixed charge from any third party) the benefit of all Consents and all Related Rights

3.2 Assignments

- (a) The Chargor, to the extent permitted by applicable law, assigns and agrees to assign absolutely with full title guarantee to the Chargee as security for the payment and discharge of the Secured Obligations all of its right, title and interest from time to time in and to each of the following assets (subject to obtaining any necessary consent to that assignment from any third party)
 - (i) the proceeds of any Insurance Policy and all Related Rights, and
 - (ii) the Specific Contracts, all proceeds paid or payable thereunder and all Related Rights
- (b) For the avoidance of doubt, prior to the occurrence of an Event of Default (which is continuing) the Chargor shall be permitted to continue to exercise its rights, powers and discretions in relation to its Specific Contracts and retain payments of receivables

assigned hereunder, subject always to the provisions of the Sale and Purchase Agreement and this Debenture

3.3 Floating Charge

- (a) The Chargor, with full title guarantee, charges in favour of the Chargee with the payment and discharge of the Secured Obligations by way of first floating charge all present and future assets and undertaking of the Chargor
- (b) The floating charge created by Clause 3.3(a) above shall be deferred in point of priority to all fixed Security and assignments validly and effectively created by the Chargor under the Security Documents in favour of the Chargee as security for the Secured Obligations
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this Clause 3.3 (*Floating Charge*)

4 Crystallisation of Floating Charge

4.1 Crystallisation: By Notice

The Chargee may at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.3 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if

- (a) an Event of Default has occurred and is continuing provided that, in respect of the occurrence of an Event of Default under paragraph (a) of the definition of Event of Default, the rights of the Chargee to take any such action shall be limited to the taking of action against, and in respect of, assets within the Charged Property (selected at the sole discretion of the Chargee) with a value which is equal to no more than the aggregate amount of the Remaining Aggregate Fern Lemur 6 Deferred Consideration outstanding at the time of the occurrence of the relevant Event of Default, or
- (b) the Chargee reasonably considers 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
- (c) the Chargee reasonably considers that it is necessary in order to protect the priority of the Security

4.2 Crystallisation: Automatic

Notwithstanding Clause 4.1 (*Crystallisation By Notice*) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if

- (a) the Chargor creates or attempts to create any Security (other than any Security permitted under the terms of the Sale and Purchase Agreement), over any of the Charged Property,
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property,
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor or an administrator is appointed to the Chargor, or

- (d) any person (who is entitled to do so) gives notice of its intention to appoint an administrator to the Chargor or files such a notice with the court

5. Perfection of security

5.1 Notices of Assignment

Save as otherwise agreed in writing with the Chargee, the Chargor shall deliver to the Chargee (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the Chargor

- (a) in respect of each Specific Contract (other than the Warranty Documents, O&M Agreements, the O&M Guarantees, the Project Services Agreements, the direct agreements in relation to an O&M Agreement or a Project Services Agreement or any guarantee in relation to a Project Services Agreement) or Insurance Policy entered into by it on or prior to the date of this Debenture, promptly after the date of this Debenture,
- (b) in respect of any Specific Contract (other than the O&M Agreements, the O&M Guarantees, the Project Services Agreements, the direct agreements in relation to an O&M Agreement or a Project Services Agreement or any guarantee in relation to a Project Services Agreement) or Insurance Policy entered into by it after the date of this Debenture, within three (3) Business Days of the date of such Specific Contract or Insurance Policy, and
- (c) in respect of any other asset which is the subject of an assignment pursuant to Clause 3.2 (*Assignments*) promptly upon the request of the Chargee from time to time,

and in each case shall use all reasonable endeavours to procure that each notice is acknowledged by the obligor or debtor specified by the Chargee and shall retain and, if requested to do so, promptly deliver to the Chargee written evidence of the delivery of such Notices of Assignment to the relevant counterparties specified in such Notices of Assignment, provided that the obligation under this Clause 5.1 (*Notices of Assignment*) shall not apply if such notices and acknowledgements have been incorporated into

- (i) in the case of a Specific Contract, the relevant Direct Agreement entered into between, amongst others, the Chargee and the counterparty to the relevant Specific Contract, or
- (ii) in the case of any Insurance Policy, the endorsements contained in such policy

5.2 Notices of Charge

The Chargor shall if requested by the Chargee from time to time promptly deliver to the Chargee (or procure delivery of) notices of charge (in form and substance reasonably satisfactory to the Chargee) duly executed by, or on behalf of, the Chargor and shall use all reasonable endeavours to procure that each notice is acknowledged by each of the banks or financial institutions with which any of the Accounts are opened or maintained

5.3 Real Property: Delivery of Documents of Title

The Chargor shall

- (a) immediately upon the execution of this Debenture or any Mortgage (and upon the acquisition by it of any interest in any Real Property at any time) deposit (or procure the deposit) with the Chargee all deeds, certificates and other documents constituting or evidencing title to its Real Property (other than the Investments in relation to which

Clause 5 5 (*Investments Delivery of Documents of Title*) shall apply) or shall procure that the Chargor's solicitor delivers appropriate undertakings satisfactory to the Chargee to hold the deeds, certificates and other documents of title to the order of the Chargee, and

- (b) deposit with the Chargee at any time thereafter any further such deeds, certificates and other documents, promptly upon coming into possession of any of those items or shall procure that the Chargor's solicitor delivers appropriate undertakings satisfactory to the Chargee to hold the deeds, certificates and other documents of title to the order of the Chargee

5.4 Registration of Intellectual Property

The Chargor shall, if requested by the Chargee, execute all such documents and do all acts that the Chargee may reasonably require to record the interest of the Chargee in any registers relating to any registered Intellectual Property

5.5 Investments: Delivery of Documents of Title

The Chargor shall

- (a) immediately upon the execution of this Debenture (and upon the acquisition by it of any Investment at any time), deposit (or procure the deposit) with the Chargee (and the Chargee shall be entitled to retain) all certificates and other documents of title to the Investments and stock transfer forms (executed in blank by or on behalf of the Chargor) in respect of the Investments
- (b) promptly upon the accrual, offer or issue of any Related Rights (in the form of stocks, shares, warrants or other securities) in which the Chargor has a beneficial interest, procure the delivery to the Chargee of (a) all certificates and other documents of title representing those Related Rights and (b) such duly executed blank stock transfer forms or other instruments of transfer in respect of those Related Rights as the Chargee may require

6. Further Assurance

6.1 Further Assurance: General

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in Clause 6 1(b) below
- (b) The Chargor shall promptly at its own cost enter into a Mortgage over any Real Property and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may reasonably specify (and in such form as the Chargee may require in favour of the Chargee or its nominee(s))
 - (i) to create, perfect, protect and maintain the Security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights,
 - (ii) to confer on the Chargee security over any property, assets or undertaking of the Chargor located in any jurisdiction outside England and Wales equivalent

or similar to the Security intended to be conferred by or pursuant to this Debenture and each Mortgage, and/or

- (iii) following the occurrence of an Event of Default which is continuing, to facilitate the realisation of the Charged Property

6.2 Consents

The Chargor shall use all reasonable endeavours to obtain (in form and content reasonably satisfactory to the Chargee) as soon as possible any consents necessary (including any consent necessary for any Mortgage) to enable the assets of the Chargor to be the subject of an effective fixed charge, legal mortgage or assignment pursuant to Clause 3 (*Fixed Charges, Assignments and Floating Charge*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such Security and the Chargor shall promptly deliver a copy of each consent to the Chargee

6.3 Implied Covenants for Title

The obligations of the Chargor under this Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994

7. Negative Pledge and Disposals

7.1 Negative Pledge

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the Charged Property other than any Security permitted pursuant to the Sale and Purchase Agreement

7.2 No Disposal of Interests

The Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture or any Mortgage, except as permitted pursuant to the Sale and Purchase Agreement or by this Clause 7 (*Negative Pledge and Disposals*) or, in relation to any Account, Clause 9 2 (*Accounts Operation Before Event of Default*)

- (a) execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the Charged Property,
- (b) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property,
- (c) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the value of any of the Charged Property or the ability of the Chargee to exercise any of the Collateral Rights, or
- (d) assign or otherwise dispose of any interest in any Account

8. Investments

8.1 Investments: Payment of Calls

The Chargor shall pay when due all calls or other payments which may be or become due in respect of any of the Investments, and in any case of default by the Chargor in such payment,

the Chargee may, if it thinks fit, make such payment on behalf of the Chargor in which case any sums paid by the Chargee shall be reimbursed by the Chargor to the Chargee on demand and shall carry interest from the date of payment by the Chargee until reimbursed at the rate and in accordance with Clause 2.2 (*Interest on Demands*)

8.2 Investments: Exercise of Rights

8.3 Voting rights and dividends prior to an Event of Default

- (a) Prior to the occurrence of an Event of Default (which is continuing), the Chargor shall, subject to paragraph (b) below, be entitled to exercise all voting rights in relation to the Investments
- (b) The Chargor shall not
 - (i) exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights and powers in relation to the Investments, or
 - (ii) otherwise permit or agree to, or concur or participate in any (i) variation of the rights attaching to or conferred by all or any part of the Investments (ii) increase in the issued share capital of any of the charged companies (iii) exercise, renunciation or assignment of any right to subscribe for any shares or securities in any of the charged companies or (iv) reconstruction, amalgamation, sale or other disposal of any of the charged companies or any of the assets of any of the charged companies (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),in each case in a manner which in the opinion of the Chargee (acting reasonably) would materially prejudice the value of, or the ability of the Chargee to realise, the Security created by this Debenture provided that the proceeds of any such action shall form part of the Charged Property

8.4 Voting rights and dividends after an event of default

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

- (a) exercise (or refrain from exercising) any voting rights in respect of the Investments,
- (b) apply all dividends, interest and other monies arising from the Investments as though they were the proceeds of sale under this Debenture,
- (c) transfer the Investments into the name of the Chargee or such nominee(s) of the Chargee as it shall require, and
- (d) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Investments including the right, in relation to any company whose shares or other securities are included in the Investments, to concur or participate in
 - (i) 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 thereof),
 - (ii) the release, modification or variation of any rights or liabilities attaching to such shares or securities, and

- (iii) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Chargee thinks fit, and the proceeds of any such action shall form part of the Charged Property

9 Accounts

9.1 Accounts: Notification and Variation

The Chargor, during the subsistence of this Debenture

- (a) shall promptly deliver to the Chargee on the date of this Debenture (and, if any change occurs thereafter, on the date of such change), details of each Account maintained by it, and
- (b) shall not, except with the Chargee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account

9.2 Accounts: Operation Before Event of Default

The Chargor shall prior to the occurrence of an Event of Default (which is continuing) be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account

9.3 Accounts: Operation After Event of Default

After the occurrence of an Event of Default (which is continuing) the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior consent of the Chargee

9.4 Accounts: Application of monies

The Chargee shall, upon the occurrence of an Event of Default (which is continuing), be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with Clause 18 (*Application of monies*)

10. Monetary Claims

10.1 Dealing with Monetary Claims

The Chargor shall not at any time during the subsistence of the Debenture, except as permitted under the Sale and Purchase Agreement

- (a) deal with the Monetary Claims except upon realisation of the same paying the proceeds of those Monetary Claims into an Account or, following the occurrence of an Event of Default (which is continuing), as the Chargee may require (and such proceeds shall be held upon trust by the Chargor for the Chargee prior to such payment in), or
- (b) factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting

10.2 Release of Monetary Claims: After Event of Default

After the occurrence of an Event of Default (which is continuing) the Chargor shall not, except with the prior written consent of the Chargee, be entitled to withdraw or otherwise

transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account

11. Insurances

11.1 Insurance: Undertakings

The Chargor shall at all times during the subsistence of this Debenture

- (a) keep the Charged Property insured in accordance with the terms of the Sale and Purchase Agreement,
- (b) if required by the Chargee, cause each insurance policy or policies relating to the Charged Property other than any Insurance Policy which has been the subject of a Notice of Assignment pursuant to Clause 5 (*Perfection of security*) to contain (in form and substance reasonably satisfactory to the Chargee) an endorsement naming the Chargee as sole loss payee in respect of all claims until such time as the Chargee notifies the insurer(s) to the contrary,
- (c) promptly pay all premiums and other monies payable under all its Insurance Policies and promptly upon reasonable request, produce to the Chargee a copy of each policy and evidence (reasonably acceptable to the Chargee) of the payment of such sums, and
- (d) if required by the Chargee (but subject to the provisions of any lease of the Charged Property), deposit all Insurance Policies relating to the Charged Property with the Chargee

11.2 Insurance: Default

If the Chargor defaults in complying with Clause 11.1 (*Insurance Undertakings*), the Chargee may effect or renew any such insurance on such terms, in such name(s) and in such amount(s) as it reasonably considers appropriate, and all monies expended by the Chargee in doing so shall be reimbursed by the Chargor to the Chargee on demand and shall carry interest from the date of payment by the Chargee until reimbursed at the rate specified in Clause 2.2 (*Interest on Demands*)

12. Real Property

12.1 Property. Notification

The Chargor shall immediately notify the Chargee of any contract, conveyance, transfer or other disposition for the acquisition by the Chargor (or its nominee(s)) of any Real Property

12.2 Lease Covenants

The Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of its Charged Property is at any time subject

- (a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee, and
- (b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of its Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term

12.3 General Property Undertakings

The Chargor shall

- (a) repair and keep in good and substantial repair and condition to the reasonable satisfaction of the Chargee all the Real Property, plant, machinery, fixtures (including trade fixtures), fittings, vehicles, computers and other equipment at any time forming part of its Charged Property,
- (b) not at any time without the prior written consent of the Chargee sever or remove any of the fixtures forming part of its Real Property or any of the plant or machinery (other than stock in trade or work in progress) on or in the Charged Property (except for the purpose of any necessary repairs, general maintenance, renewal, upgrade or replacement of it),
- (c) comply with and observe and perform
 - (i) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to its Real Property,
 - (ii) any conditions attaching to any planning permissions relating to or affecting its Real Property, and
 - (iii) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of its Real Property,
- (d) not grant any lease, tenancy, contractual licence or right to occupy in respect of the whole or any part of its Real Property or otherwise part with possession of the whole or any part of its Real Property except with the prior written consent of the Chargee,
- (e) permit the Chargee and any person nominated by the Chargee to enter into and upon any of its Real Property at all reasonable times during business hours and on not less than 24 hours' notice to view the state and condition of its Real Property and will remedy any material defect or want of repair forthwith after service by the Chargee of notice of the defect or want of repair, and
- (f) give immediate notice to the Chargee if it receives any notice under section 146 of the Law of Property Act 1925 or any proceedings are commenced against it for the forfeiture of any lease comprised in any Real Property

12.4 Entitlement to Remedy

If the Chargor fails to comply with any of the undertakings contained in this Clause 12 (*Real Property*), the Chargee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the reasonable opinion of the Chargee be required to remedy such failure and all monies spent by the Chargee in doing so shall be reimbursed by the Chargor on demand with interest from the date of payment by the Chargee until reimbursed in accordance with Clause 2.2 (*Interest on Demands*)

13. Representations and General Undertakings

Representations

The Chargor makes the following representations and warranties to the Chargee and acknowledges that the Chargee has become a party to this Agreement in reliance on these representations and warranties

13.1 Status

- (a) It is a corporation with limited liability, duly incorporated and validly existing under the law of England
- (b) It has the power to own its assets and carry on its business as it is being conducted

13.2 Binding obligations

The obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable obligations

13.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Agreement do not and shall not

- (a) conflict with
 - (i) any law or regulation applicable to it,
 - (ii) its constitutional documents, or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or a termination event (howsoever described) under any such agreement or instrument, in each case, which has or is reasonably likely to materially adversely affect the interests of the Chargee

13.4 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of this Agreement and the transactions contemplated by this Agreement

13.5 Governing law and judgments

- (a) The choice of law set out in this Agreement will be recognised and enforced in its jurisdiction of incorporation
- (b) Any judgment obtained in the jurisdiction of such governing law and (if applicable) an award obtained in an arbitration forum to which it has submitted will be recognised and enforced in its jurisdiction of incorporation

13.6 Insolvency

No

- (a) corporate action, legal proceeding or other procedure or step described in paragraph (d) of the definition of "Event of Default", or
 - (b) creditors' process described in paragraph (e) of the definition of "Event of Default",
- has been taken or, to its knowledge, threatened in relation to it and none of the circumstances described in paragraphs (b) or (c) of the definition of "Event of Default" apply to it

13.7 Security

The Security created by this Agreement

- (a) is enforceable in accordance with the terms of this Agreement and is not restricted or inhibited by the terms of its constitutional documents,
- (b) has or will have first ranking priority and it is not subject to any prior ranking or *pari passu* Security, and
- (c) is not subject to avoidance in the event of any winding-up, dissolution or administration involving the Chargor

13.8 Ownership

It is the sole legal and beneficial owner of the respective assets over which it purports to grant Security free and clear of all security interests (other than as permitted under the Sale and Purchase Agreement)

13.9 Ownership of Investments

It is the sole legal and beneficial owner of the Investments free and clear of all security interests save as created by this Debenture and has not sold or disposed of or granted any options or pre-emption rights in respect of any of its right, title and interest, in the Investments (other than as permitted under the Sale and Purchase Agreement) and all of the Investments are validly issued and are not subject to any options to purchase, pre-emption rights or similar rights or other restrictions upon disposal which would operate to restrict in any way their disposal by the Chargee should it come to enforce its Security over the Charged Property contained in this Debenture (other than as expressly permitted under the Sale and Purchase Agreement)

13.10 Repetition

The representations set out in this Clause 13 (*Representations and General Undertakings*) are made by the Chargor on the date of this Agreement. With the exception of those representations stated to be given on the date of this Agreement and in Clause 13.6 (*Insolvency*), each other representation is deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of this Agreement and on each date for so long as the Secured Obligations remain outstanding

General Undertakings

13.11 Intellectual Property

The Chargor shall during the subsistence of this Debenture in respect of any Intellectual Property which is material to or required in connection with its business

- (a) take all such steps and do all such acts as may be reasonably necessary to preserve and maintain the subsistence and the validity of any such Intellectual Property, and
- (b) not use or permit any such Intellectual Property to be used in any way which may materially and adversely affect its value

13.12 Information and Access

The Chargor shall from time to time on request of the Chargee, furnish the Chargee with such information as the Chargee may reasonably require about the Chargor's business and affairs, its Charged Property and its compliance with the terms of this Debenture and Mortgage and the Chargor shall permit the Chargee, its representatives, professional advisers and contractors, free access at all reasonable times and on reasonable notice to (a) inspect and take copies and extracts from the books, accounts and records of the Chargor and (b) to view the Chargor's Charged Property (without becoming liable as mortgagee in possession)

13.13 Amendments

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture, agree to or acquiesce in any material variation, amendment or waiver of any provision of, or grant any material consent under, any of the Specific Contracts to which it is a party, save as permitted under the Sale and Purchase Agreement

14. Enforcement of security

14.1 Enforcement

At any time after the occurrence of an Event of Default (which is continuing)

- (a) the Security created by or pursuant to the Security Documents is immediately enforceable, and
- (b) the Chargee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion
 - (i) enforce all or any part of that Security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold, sell or otherwise dispose of all or any part of the Charged Property (at the time, in the manner and on the terms it thinks fit),
 - (ii) deliver Notices of Assignment duly executed on behalf of, one or more of the Chargor (and the Chargor irrevocably authorises the Chargee to sign such Notices of Assignment on their behalf pursuant to the power of attorney granted under Clause 20 (Power of Attorney) below), and
 - (iii) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers

14.2 No Liability as Mortgagee in Possession

Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property or be liable for any loss upon realisation or for any neglect, default or omission of any nature whatsoever in connection with the Charged Property to which a mortgagee or mortgagee in possession might otherwise be liable

14.3 Right of Appropriation

To the extent that any of the Charged Property constitutes "financial collateral" and this Debenture and the obligations of the Chargor hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003 No 3226), as amended, (the "**Regulations**")) the Chargee shall have the right to appropriate all or any part of such financial collateral in or towards discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Chargor or the Purchaser. For this purpose, the Parties agree that the value of such financial collateral so appropriated shall be (a) in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of such Investments determined by the Chargee by reference to a public index or by such other process as the Chargee may select, including

independent valuation. In each case, the Parties agree that the method of valuation provided for in this Debenture shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

14.4 Effect of Moratorium

The Chargee shall not be entitled to exercise its rights under Clause 14.1 (*Enforcement*) or Clause 4.2 (*Crystallisation Automatic*) where the right arises as a result of an Event of Default occurring solely due to any person obtaining or taking steps to obtain a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

15. Extension and variation of the Law of Property Act 1925

15.1 Extension of Powers

The power of sale or other disposal conferred on the Chargee and on any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture and each Mortgage.

15.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture and each Mortgage or to the exercise by the Chargee of its right to consolidate all or any of the Security created by or pursuant to this Debenture and each Mortgage with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Chargee without notice to the Chargor on or at any time after the occurrence of an Event of Default (which is continuing).

15.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Chargee at any time on or after this Debenture or any Mortgage has become enforceable in accordance with Clause 14 (*Enforcement of security*) and the Chargee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with Sections 99 and 100 of the Law of Property Act 1925.
- (b) For the purposes of Sections 99 and 100 of the Law of Property Act 1925, the expression "Mortgagor" will include any incumbrancer deriving title under the Chargor and neither Sub-section (18) of Section 99 nor Sub-section (12) of Section 100 of the Law of Property Act 1925 will apply.
- (c) The Chargor shall not have, at any time prior to the Final Discharge Date, the power pursuant to Section 99 of the Law of Property Act 1925, to make any Lease in respect of any Real Property without the prior written consent of the Chargee.

16. Appointment of Receiver or Administrator

16.1 Appointment and Removal

At any time after having been requested by the Chargor or after this Agreement becomes enforceable in accordance with Clause 14 (*Enforcement of security*), the Chargee may by deed or otherwise (acting through an authorised officer of the Chargee), without prior notice to the Chargor

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property,
- (b) appoint two or more Receivers of separate parts of the Charged Property,
- (c) remove (so far as it is lawfully able) any Receiver so appointed,
- (d) appoint another person(s) as an additional or replacement Receiver(s), or
- (e) appoint one or more persons to be an administrator of the Chargor,

and, except as provided hereunder, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Law of Property Act 1925) does not apply to this Debenture

16.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 16.1 (*Appointment and Removal*) shall be

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver,
- (b) for all purposes deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Chargee, and
- (c) entitled to remuneration for his services at a rate to be fixed by the Chargee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

16.3 Statutory Powers of Appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Chargee under the Law of Property Act 1925 and the Insolvency Act 1986 (as extended by this Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Chargee in respect of any part of the Charged Property

17. Powers of Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor) have and be entitled to exercise, in relation to all or any part of the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture and each Mortgage (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor)

- (a) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,
- (b) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- (c) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do, and

- (d) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him,
 - (ii) the exercise of the Collateral Rights (including realisation of all or any part of the Charged Property), or
 - (iii) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Property

18. Application of monies

- (a) All monies received or recovered by the Chargee or any Receiver pursuant to this Debenture and each Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied
 - (i) first, in the payment of the costs, charges and expenses incurred and payments made by the Chargee and the Receiver, the payment of their remuneration and the discharge of any liabilities incurred by the Chargee or the Receiver in, or incidental to, the exercise of any of their powers,
 - (ii) second, in payment of any amounts which the Chargee is required by law to pay in priority to the claims of the Chargee himself,
 - (iii) third, to pay, or to reimburse, the Chargee or any Receiver for, any costs and expenses or other liabilities incurred by the Chargee or the Receiver in the exercise of rights under the Security Documents or enforcement of the Transaction Security,
 - (iv) fourth, to reserve such amounts as the Chargee may reasonably require for the payment of the costs and expenses or other liabilities referred to in paragraphs (i) to (iii) above which may become payable in the future,
 - (v) fifth, in payment to the Chargee for the discharge of the Secured Obligations, and
 - (vi) to pay to the Chargor or any other person entitled thereto, any excess
- (b) If there are insufficient amounts available to discharge all the liabilities or obligations under any of paragraphs (a)(i) to (a)(vi) above, then the liabilities or obligations referred to in that Clause shall be discharged pro rata to the amounts due

19. Protection of Purchasers

19.1 Consideration

The receipt of the Chargee or any Receiver shall be conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property or making any acquisition, the Chargee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

19.2 Protection of Purchasers

No purchaser or other person dealing with the Chargee or any Receiver shall be bound to inquire whether the right of the Chargee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Chargee or such Receiver in such dealings

20. Power of Attorney

20.1 Appointment and Powers

The Chargor by way of security irrevocably appoints the Chargee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for

- (a) carrying out any obligation imposed on the Chargor by this Debenture or any other agreement binding on the Chargor to which the Chargee is party (including the execution and delivery of any Mortgages, deeds, charges, assignments or other Security and any transfers of the Charged Property), and
- (b) enabling the Chargee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or any Mortgage or by law (including, after the occurrence of an Event of Default (which is continuing), the exercise of any right of a legal or beneficial owner of the Charged Property)

20.2 Ratification

The Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers

21. Effectiveness of Security

21.1 Continuing Security

- (a) The Security created by or pursuant to this Debenture and any Mortgage shall remain in full force and effect as a continuing Security for the Secured Obligations unless and until discharged by the Chargee
- (b) No part of the Security from time to time intended to be constituted by this Debenture or any Mortgage will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Obligations

21.2 Cumulative Rights

The Security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall be cumulative, in addition to and independent of every other Security which the Chargee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law No prior Security held by the Chargee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Property shall merge into the Security constituted by this Debenture and any Mortgage

21.3 No Prejudice

The Security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or

document or by any time or indulgence granted to the Chargor or any other person, or the Chargee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Chargee holds the Security or by any other thing which might otherwise prejudice that Security or any Collateral Right

21.4 Remedies and Waivers

No failure on the part of the Chargee to exercise, nor any delay on its part in exercising, any Collateral Right shall operate as a waiver of that Collateral Right or constitute an election to affirm this Debenture or any Mortgage. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right

21.5 No Liability

None of the Chargee, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or any Mortgage or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part

21.6 Partial Invalidity

If, at any time, any provision of this Debenture or any Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security intended to be created by or pursuant to this Debenture or any Mortgage is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security

21.7 Waiver of defences

The obligations of the Chargor under this Debenture and each Mortgage, the Security created pursuant to this Debenture and each Mortgage and the Collateral Rights will not be affected by an act, omission, matter or thing which, but for this Clause 21.7 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under this Debenture and each Mortgage (without limitation and whether or not known to it or any Secured Party) including

- (a) any time, waiver or consent granted to, or composition with, the Chargor or other person,
- (b) the release of the Chargor or any other person under the terms of any composition or arrangement with any creditor of the Chargor,
- (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, the Chargor or other person or any non-presentment or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person,
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of the Sale and Purchase Agreement, any Security Document or any other document or Security or of the Secured Obligations,

- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Transaction Document or any other document or Security or of the Secured Obligations,
- (g) any insolvency or similar proceedings, or
- (h) any partial enforcement of the Security under the Security Documents taken by the Chargee

21.8 Immediate recourse

The Chargor waives any right it may have of first requiring the Chargee or a Secured Party to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Chargor under this Debenture or any Mortgage. This waiver applies irrespective of any provision of this Debenture or any Mortgage to the contrary.

21.9 Deferral of Rights

Until such time as the Secured Obligations have been discharged in full, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or any Mortgage

- (a) to be indemnified by the Chargor,
- (b) to claim any contribution from any guarantor of the Chargor's obligations under this Debenture, any Mortgage or any other Transaction Document,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under this Debenture or any Mortgage or the Chargee under any other guarantee or other Transaction Document or Security taken pursuant to, or in connection with, this Debenture, any Mortgage or any other Transaction Document by the Chargee,
- (d) bring legal or other proceedings for an order requiring the Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given an undertaking under Clause 2.1 (*Covenant to Pay*),
- (e) exercise any right of set-off against the Chargor, or
- (f) claim, rank, prove or vote as a creditor of the Chargor in competition with any Secured Party

21.10 Turnover Trust

- (a) The Chargor shall not accept or permit to subsist any collateral from any other Chargor or any other person in respect of any rights the Chargor may have arising out of this Debenture or any Mortgage. If, despite this provision, any such collateral shall be accepted or subsisting the Chargor(s) acknowledges that its rights under such collateral shall be held on trust for the Chargee and the Secured Parties, to the extent necessary to enable all amounts which may be or become payable to the Chargee and the Secured Parties by the Chargor under or in connection with the Transaction Documents to be repaid in full, and the Chargor shall if requested promptly transfer the same to the Chargee or as it may direct for application in accordance with Clause 18 (*Application of monies*).
- (b) If the Chargor receives any benefit, payment or distribution relating to the rights mentioned in Clause 21.9 (*Deferral of Rights*) above, it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or

become payable to the Chargee and the Secured Parties by the Chargor under or in connection with the Transaction Documents to be repaid in full on trust for the Chargee and the Secured Parties and shall promptly pay or transfer the same to the Chargee or as it may direct for application in accordance with Clause 18 (*Application of monies*)

22. Release of Security

22.1 Redemption of Security

Upon the Release Conditions being satisfied, the Chargee will, at the cost of the Purchaser, execute the Deed of Release pursuant to which the Chargee shall release and cancel the Security constituted by this Debenture and each Mortgage and procure the reassignment to the Chargor of the property and assets assigned by it to the Chargee pursuant to this Debenture, in each case subject to Clause 22.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Chargee or any of its nominees

22.2 Avoidance of Payments

If the Chargee (acting reasonably) considers that any amount paid or credited to it or any other Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Debenture and each Mortgage and the Security constituted by those documents shall continue and such amount shall not be considered to have been irrevocably paid

23. Retention of Debenture

The Chargee may retain this Debenture, each Mortgage, the Security constituted by or pursuant to this Debenture and each Mortgage and all documents relating to or evidencing ownership of all or any part of the Charged Property for a period of seven months after any discharge in full of the Secured Obligations provided that if at any time during that seven month period a petition or application is presented for an order for the winding-up of, or the making of an administration order in respect of, the Chargor or any person who is entitled to do so gives written notice of its intention to appoint an administrator of the Chargor or files such a notice with the court or the Chargor commences to be wound-up voluntarily or any analogous proceedings are commenced in respect of the Chargor, the Chargee may continue to retain such Security and such documents for such further period as the Chargee may determine and the Security and such documents shall be deemed to have continued to be held as Security for the Secured Obligations

24. Set-Off

The Chargor authorises the Chargee (but the Chargee shall not be obliged to exercise such right), after the occurrence of an Event of Default (which is continuing), to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Chargee to the Chargor

25. Subsequent Security Interests

If the Chargee (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture, any Mortgage or the Sale and Purchase Agreement, all payments thereafter by or on behalf of the Chargor to the Chargee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties shall be treated as having been credited to a new account of the Chargor and not as having been

applied in reduction of the Secured Obligations as at the time when the Chargee received such notice

26. Suspense Accounts and Currency Conversion

26.1 Suspense Accounts

All monies received, recovered or realised by the Chargee under this Debenture or any Mortgage (including the proceeds of any conversion of currency) may in the discretion of the Chargee be credited to any interest bearing suspense or impersonal account maintained with the Chargee or any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Chargee may think fit pending their application from time to time (as the Chargee is entitled to do in its discretion) in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above

26.2 Currency Conversion

For the purpose of or pending the discharge of any of the Secured Obligations the Chargee may convert any money received, recovered or realised or subject to application by it under this Debenture or any Mortgage from one currency to another, as the Chargee thinks fit and any such conversion shall be effected at the Chargee's spot rate of exchange for the time being for obtaining such other currency with the first currency

27. Assignment

- (a) The Chargor may not assign or transfer all or part of its rights or obligations under this Debenture or any Mortgage without the prior written consent of the Chargee
- (b) The Chargee may assign and transfer all or any of its rights and obligations under this Debenture or any Mortgage to any person to whom it transfers its rights and/or obligations under the Sale and Purchase Agreement
- (c) Subject to the confidentiality provisions of the Sale and Purchase Agreement, the Chargee shall be entitled to disclose such information concerning the Chargor (or any other person) and this Debenture or any Mortgage as the Chargee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law

28. Notices

28.1 Communications in writing

Each communication to be made under or in connection with this Debenture or any Mortgage shall be made in writing and in accordance with the notice provisions of the Sale and Purchase Agreement

28.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) for any communication or document to be made or delivered under or in connection with this Agreement shall be

- (a) in the case of the Chargee, that identified in the Sale and Purchase Agreement,
- (b) in the case of the Purchaser, that identified in the Sale and Purchase Agreement, and

- (c) in the case of the Chargor, that given for the Purchaser in the Sale and Purchase Agreement,

or any substitute address, fax number or department or officer as a Party may notify to the other Party by not less than five (5) Business Days' notice

29. Costs, Expenses, Stamp Taxes and Indemnity

29.1 Costs and Expenses

- (a) The Purchaser shall, promptly on demand, pay the Chargee the amount of all costs and expenses (including legal fees) reasonably incurred in connection with the negotiation, preparation, printing, execution and perfection of this Agreement and the Transaction Security
- (b) If the Purchaser or the Chargor requests an amendment, waiver or consent, the Purchaser shall within three (3) Business Days of demand, reimburse the Chargee for the amount of all costs and expenses (including legal fees) reasonably incurred in responding to, evaluating, negotiating or complying with that request or requirement
- (c) The Purchaser shall, within three (3) Business Days of demand, pay to the Chargee the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of or the preservation of any rights under this Debenture and the Transaction Security and any proceedings instituted by or against the Chargee as a consequence of taking or holding the Transaction Security or enforcing these rights

29.2 Stamp Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Debenture, the Security contemplated in this Debenture and any Mortgage or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Chargee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax

29.3 Indemnity

The Purchaser and the Chargor shall be jointly and severally liable for, notwithstanding any release or discharge of all or any part of the Security, indemnifying the Chargee, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any breach by the Chargor of the provisions of this Debenture or any Mortgage, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or any Mortgage or otherwise relating to the Charged Property

30. Discretion and Delegation

30.1 Discretion

Any liberty or power which may be exercised or any determination which may be made under this Debenture or under any Mortgage by the Chargee or any Receiver may, except as otherwise provided under this Debenture, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons

30.2 Delegation

Each of the Chargee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture

(including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Chargee or the Receiver itself

31. Waivers and Counterparts

31.1 Waivers

No waiver by the Chargee of any of its rights under this Debenture or any Mortgage shall be effective unless given in writing

31.2 Counterparts

This Debenture 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 Debenture

32. Governing Law

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

33. Jurisdiction and Enforcement

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture or any Mortgage (including a dispute relating to the existence, validity or termination of this Debenture or any Mortgage, the consequences of their nullity or any non-contractual obligations arising out of or in connection with this Debenture or any Mortgage) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (c) This Clause 33 (*Jurisdiction and Enforcement*) is for the benefit of the Chargee only. As a result, and notwithstanding Clause 33(a), it does not prevent the Chargee from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions

This Debenture has been signed on behalf of the Chargee and executed as a deed by the Chargor and the Purchaser and is delivered by it on the date specified above

Schedule 1

The Chargor

Name

Registered number

Haymaker (Mount Mill) Limited	08695049
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Schedule 2

Forms of Notice of Assignment

Part A - Form of Notice of Assignment of Insurance

To [Insurer]

Date [•]

Dear Sirs,

We hereby give you notice that we have assigned to [•] (the "**Chargee**") pursuant to a debenture entered into by us in favour of the Chargee 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 make all payments and claims under or arising from the Policy of Insurance to the Chargee *[insert an account number if required]* or to its order as it may specify in writing from time to time,
- 2 note the interest of the Chargee on the Policy of Insurance, and
- 3 disclose to the Chargee, without further approval from us, such information regarding the Policy of Insurance as the Chargee 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 Chargee

We shall continue to be solely responsible for the performance of our obligations under or in connection with the Policy of Insurance

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Chargee at [•] marked for the attention of [•]

Yours faithfully,

for and on behalf of

[•]

On copy only [•]

To *[Chargee]*

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 confirm that (i) the Policy of Insurance is in full force and effect, (ii) we are not aware of any breach of the Policy of Insurance by the Chargor or any other insured party, (iii) we will make any payments due under the Policy of Insurance as provided in the Policy of Insurance, and (iv) no

amendment, waiver or release of any rights, interests and benefits in the Policy of Insurance shall be effective without your prior written consent

For and on behalf of [*Insurer*]

By

Dated

Part B - Form of Notice of Assignment of Account

To [Account Bank]

Date [•]

Dear Sirs,

We hereby give you notice that we have assigned and charged to [•] (the "**Chargee**") all of our right, title and interest in and to the following accounts

[specify accounts]

(including any renewal or redesignation of such account) and all monies standing to the credit of that account from time to time (the "**Accounts**")

With effect from the date of your receipt of a notice from the Chargee

- (a) any existing payment instructions affecting the Accounts are to be terminated and all payments and communications in respect of the Accounts should be made to the Chargee or to its order (with a copy to [CHARGOR]), and
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Account belong to the Chargee

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

Yours faithfully

for and on behalf of
[•]

On copy only [•]

To [Chargee]

Date []

At the request of the Chargee and [•] we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Accounts (as described in those terms) We confirm that

- (a) there are no restrictions on (a) the payment of the credit balance on the Accounts or (b) the assignment of the Accounts to the Chargee or any third party,
- (b) we have not received notice of any previous assignments of, charges over or trusts in respect of, the Accounts and we will not, without the Chargee's consent (a) exercise any right of combination, consolidation or set off which we may have in respect of the Accounts or (b) amend or vary any rights attaching to the Accounts,
- (c) we shall send all statements and other notices given by us relating to the Accounts to the Chargee, and

(d) following receipt of a notice from the Chargee we will act only in accordance with the instructions given by persons authorised by the Chargee

For and on behalf of [•]

By

Part C - Form of Notice of Assignment of Specific Contract

To [•]

Date [•]

Dear Sirs,

We hereby give you notice that we have assigned to [•] (the "**Chargee**") pursuant to a debenture (the "**Debenture**") entered into by us in favour of the Chargee dated [•] all our right, title and interest in and to [details of Specific Contract] (the "**Contract**") including all monies which may be payable in respect of the Contract

With effect from your receipt of this notice

- (a) all remedies provided for in the Contract (including in respect of relevant warranties and indemnities) or available at law or in equity are exercisable by the Chargee although we may continue to exercise all rights and remedies granted to us under the Contract, subject to a further notice from the Chargee indicating otherwise,
- (b) we shall remain entitled to exercise all rights, powers and discretions under the Contract and you should give notices under the Contract to us, in each case, unless and until you receive a further notice from the Chargee indicating otherwise following which all rights to compel performance of the Contract (including in respect of relevant warranties and indemnities) are exercisable by the Chargee, although we shall continue to remain liable to perform all the obligations assumed by us under the Contract,
- (c) until such time as the Chargee reassigns all rights, title and interest in and to the Contract in accordance with the terms of the Debenture, all of our rights, title and interest from time to time in and to the Contract, all proceeds paid or payable under the Contract and all related rights shall be assigned to the Chargee and no changes may be made to the terms of the Contract nor may the Contract be terminated without the Chargee's consent (save to the extent required in order to ensure compliance with applicable law),
- (d) all payments by you to us under or arising from the Contract should be made to us, and following notice from the Chargee, to the Chargee or to its order as it may specify in writing from time to time, and
- (e) you are authorised and instructed, without requiring further approval from us, to provide the Chargee 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 Chargee 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 Chargee

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

Yours faithfully,

for and on behalf of
[•]

On copy only [•]

To **Chargee**

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

We confirm that no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Chargee

For and on behalf of [*relevant contract counterparty*]

By

Dated

This Deed is dated [•] between

[•], registered in England and Wales with company number [•] and registered address [•] (the "Chargor"), and

[•] (the "Chargee")

Background

It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand

Operative Provisions

It is agreed as follows

1. Definitions

In this Deed

"Mortgaged Property" means

- (a) the leasehold property specified in Schedule 1 (*Details of Mortgaged Property*), and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property,

and includes all Related Rights

"Related Rights" means, in relation to any asset

- (a) the proceeds of sale of any part of that asset,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset, and
- (d) any monies and proceeds paid or payable in respect of that asset

2. Legal Charge

The Chargor charges with full title guarantee in favour of the Chargee as a continuing security for the payment and discharge of the Secured Obligations, by way of first legal mortgage the Mortgaged Property

3 Implied Covenants For Title

- (a) The covenants set out in Sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clause 2 (*Legal Charge*)
- (b) It shall be implied in respect of Clause 2 (*Legal Charge*) that the Chargor is disposing of the Mortgaged Property free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment)

4. Application to The Land Registry

The Chargor consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship register of any registered land forming part of the Mortgaged Property

"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 [date] in favour of [Chargee] referred to in the charges register "

5. Third Party Rights

A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed

6 Governing Law

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

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

Schedule 1

Details of Mortgaged Property¹

Description of Property

[]

Title Number

[]

¹ Fern/Burges to populate

Execution Pages (Legal Mortgage)

THE CHARGOR

EXECUTED as a DEED)
by [•])
acting by a director)
in the presence of)

Signature of director

Name of director

Signature of witness

Name of Witness
(in block capitals)

Address of Witness

Occupation of witness

THE CHARGE

SIGNED by)
[•])

By [•]

Address [•]

Fax [•]

Attention [•]

Schedule 4

Form of Deed of Release

Deed of Release

This Deed is dated [] 201[]

Between

[], (the "Chargee"),

in favour of

[], (the "Chargor")

This Deed witnesses

Introduction

- (A) By the Security Documents, the Chargor has mortgaged, charged and/or assigned the Charged Property to the Chargee as security for the performance of the obligations of the Purchaser set out in the Security Documents
- (B) The Chargee has agreed to release the Charged Property from the security constituted by the Security Documents on the terms set out in this Deed

Definitions and interpretation

1. Definitions

In this Deed, the following words and expressions shall have the following meanings unless the context otherwise requires

"**Charged Property**" means the property, rights, title, interests and other assets over or in respect of which the Chargor has created Security pursuant to the Security Documents

"**Effective Date**" means the date upon which all of the Release Conditions are satisfied

"**Release Conditions**" has the meaning given to that term in the Security Documents

"**Sale and Purchase Agreement**" means the sale and purchase agreement in relation to certain Shares (as defined therein) dated [] 2015 between the Chargee in its capacity as Seller and Sula Energy Limited in its capacity as Purchaser

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"**Security Documents**" has the meaning given to them term in the Sale and Purchase Agreement

2. Construction

- (a) Unless a contrary indication appears, any reference in this Deed to
 - (i) any person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being duly appointed as Security Agent or Security Agents,

- (ii) **"assets"** includes present and future properties, revenues and rights of every description, whether tangible or intangible (including uncalled share capital),
- (iii) **"include(s)", "including" and "in particular"** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding or following words, and
- (iv) **"other" and "otherwise"** shall not be construed *ejusdem generis* with any preceding words where a wider construction is possible

3. Third Party Rights

- (a) A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed
 - (i) unless expressly provided to the contrary in this Deed, or
 - (ii) except for any indemnity or other term which is expressed to be for the benefit of any officer, employee or agent of a party
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a party to it is not required to rescind or vary this Deed at any time

Releases

4. Release and reassignment

- (a) On the Effective Date, the Chargee irrevocably and unconditionally
 - (i) releases the Charged Property from all Security created by the Security Documents,
 - (ii) re-assigns to the Chargor absolutely all or any part of the Charged Property which has been assigned to the Chargee by way of security,
 - (iii) discharges all Security created by the Security Documents, and
 - (iv) releases and discharges the Chargor from all their obligations and liabilities under and in respect of the Security Documents and confirms that the Chargee has no outstanding rights or claims (present or future, actual or contingent) against the Chargor in respect of any such obligations and liabilities
- (b) The Chargee makes and gives no representations, warranties or covenants in relation to the assets referred to in Clause 4 of this Deed, except that it has not itself created any Security over them which is not released, reassigned or discharged under this Deed
- (c) The Chargee confirms that it will as soon as reasonably practicable after the Effective Date return to the Chargor (or as they may otherwise direct) any notices of assignment and/or any documents of the Charged Property which have been delivered to it pursuant to the Security Documents

5. Further assurance

The Chargee hereby undertakes, at the reasonable request and expense of the Chargor, to take whatever action and to execute and deliver all such further deeds and documents as may be necessary in order to give effect to the releases contained in this Deed

Costs and expenses

6. Transaction expenses

Each of the Chargor shall promptly on demand pay the Chargee the amount of all costs and expenses (including legal fees), together with any applicable value added tax, reasonably incurred by the Chargee in connection with the negotiation, preparation, printing and execution of this Deed

Execution

7. Continuation

For the avoidance of doubt, nothing in this Deed will be construed as a release, waiver or amendment of any provision of the Sale and Purchase Agreement other than as expressly provided in Clause 4 (*Release and reassignment*) and the provisions of the Sale and Purchase Agreement shall continue in full force and effect

8. 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

9. 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

10. Governing law

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

Enforcement

11. Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed, the consequences of their nullity or any non-contractual obligations arising out of or in connection with this Deed) (a "**Dispute**")
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary
- (c) This Clause 11 (*Jurisdiction*) is for the benefit of the Chargee only. As a result, and notwithstanding Clause 11(a), it does not prevent the Chargee from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions

Executed as a deed and delivered on the date appearing at the beginning of this Deed

Execution Pages (Deed of Release)

[THE CHARGOR]

EXECUTED as a **DEED**)
by [•])
acting by a director)
in the presence of)

Signature of director

Name of director

Signature of witness

Name of Witness
(in block capitals)

Address of Witness

Occupation of witness

THE CHARGEE

SIGNED by)
[•])

By [•]

Address [•]

Fax [•]

Attention [•]

Schedule 6**Accounts**

Bank Account	Bank	Account Number	Sort Code

Schedule 7**Insurance Policies**

Insurance Policy	Insurer	Company	Policy Number	Limit of Indemnity
Operational All Risks Insurance	GCube Underwriting Ltd	Haymaker (Mount Mill) Limited	SO154486102	£10,000,000

Execution

THE CHARGOR

EXECUTED as a DEED
by **HAYMAKER**
(MOUNT MILL)
LIMITED
acting by a director

Signature of director

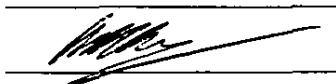
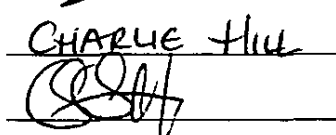
Name of director

Signature of witness

Name of Witness
(in block capitals)

Address of Witness

Occupation of witness


CHARLIE HILL

SYLVIA SCOTT
INVESTMENT ADMIN
33 HOLBORN
LONDON EC1N 2HT

THE PURCHASER

EXECUTED as a DEED
by **SULIS ENERGY LIMITED**
acting by a director
in the presence of

Signature of director

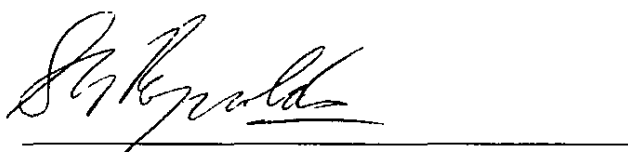
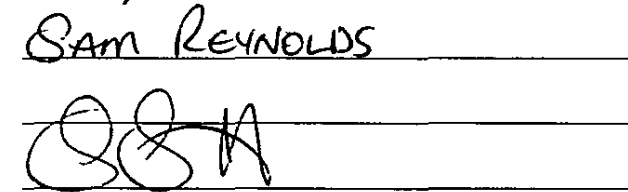
Name of director

Signature of witness

Name of Witness
(in block capitals)

Address of Witness

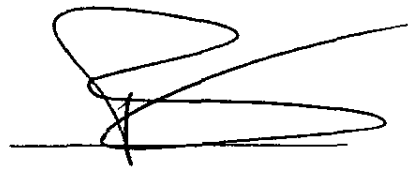
Occupation of witness


SAM REYNOLDS

SYLVIA SCOTT
INVESTMENT ADMIN
33 HOLBORN
LONDON EC1N 2HT

THE CHARGE

SIGNED by
LIGHTSOURCE
RENEWABLE
ENERGY HOLDINGS
LIMITED

By



TIMOTHY ARTHUR