



**Registration of a Charge**

Company Name: **SMART METER ASSETS 1 LTD**

Company Number: **08862096**



XAZKLEHU

Received for filing in Electronic Format on the: **11/03/2022**

**Details of Charge**

Date of creation: **11/03/2022**

Charge code: **0886 2096 0031**

Persons entitled: **DEUTSCHE BANK AG, LONDON BRANCH**

Brief description:

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

Certified by: **HERBERT SMITH FREEHILLS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 8862096

Charge code: 0886 2096 0031

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th March 2022 and created by SMART METER ASSETS 1 LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th March 2022 .

Given at Companies House, Cardiff on 15th March 2022

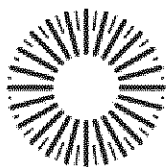
The above information was communicated by electronic means and authenticated  
by the Registrar of Companies under section 1115 of the Companies Act 2006



**Companies House**



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



HERBERT  
SMITH  
FREEHILLS

**EXECUTION VERSION**

**11 MARCH**  
**..... 2022**

**SMART METER ASSETS 1 LTD**  
as the Chargor

and

**DEUTSCHE BANK AG, LONDON BRANCH**  
as the Security Agent

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**SECURITY AGREEMENT**

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Herbert Smith Freehills LLP

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**THIS DEED** is made on 11 March 2022

**BETWEEN:**

- (1) **SMART METER ASSETS 1 LTD** (a company registered in England and Wales with registration number 08862096) whose registered office is at 6th Floor 1 Aldermanbury Square, London, United Kingdom, EC2V 7HR (the "**Chargor**"); and
- (2) **DEUTSCHE BANK AG, LONDON BRANCH** as agent and trustee for itself and each of the other Secured Parties (the "**Security Agent**").

**IT IS AGREED** as follows:

**1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS**

**1.1 Definitions**

- 1.1.1 Terms defined in the Senior Facilities Agreement and the Intercreditor Agreement shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

**"Account Bank"** means any bank, building society, financial institution or other person.

**"Account Proceeds"** means all amounts (including interest) from time to time standing to the credit of any Bank Account and the debts represented thereby and includes all renewals and extensions thereof.

**"Administrator"** means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Chargor's affairs, business and property.

**"Assigned Agreements"** means the Hedging Agreements, the Intercompany Loans and the Material Contracts, in each case to which the Chargor is now or may in the future become a party.

**"Bank Account"** means any bank or other account (including any sub-division of such account) maintained by the Chargor with any Account Bank.

**"Charged Assets"** means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Fixed Security*) and 4.1 (*Creation of Floating Charge*) of this Deed.

**"Debts"** means all of the Chargor's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to the Chargor or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

**"Excluded Assets"** has the meaning given to such term in Clause 5 (*Excluded Assets*).

**"Intercompany Loans"** means any loan or other indebtedness from time to time owing from any member of the Group to the Chargor.

**"Intercreditor Agreement"** means the intercreditor agreement dated on or about the date of this Deed between, among others, (1) the Chargor (2) Deutsche Bank AG, London Branch as agent and (3) the Security Agent.

**"Insurance Policies"** means all present and future contracts or policies of insurance or assurance (including life policies) and any related policies of re-insurance, in each case in which the Chargor has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

**"Insurance Proceeds"** means all monies from time to time payable to the Chargor under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

**"Intellectual Property Rights"** means all patents, patent applications, trade marks and service marks (whether registered or not), trade mark and/or service mark applications, trade names, registered designs, design rights, copyrights, database rights, domain names, computer software, know-how, trade secrets, inventions and other intellectual property rights and interests (which may now or in the future exist), whether registered or unregistered, and the benefit of all applications and the rights to use such assets (which may now or in the future exist) and all Related Property Rights.

**"Investments"** means all of the Chargor's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants and other securities of any kind whatsoever whether in bearer or registered form, and all other interests in any person and all Related Investment Rights whether the same are held directly by or to the order of the Chargor or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system (including Euroclear UK & Ireland Limited for the London Stock Exchange plc and the Central Gilts Office Service for transactions in gilt edged stocks and any nominees thereof) or custodian on behalf of the Chargor or whether the same have been delivered to or to the order of the Security Agent or its nominee including all Related Investment Rights, all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of the Chargor.

**"LPA"** means the Law of Property Act 1925.

**"Material Contracts"** means each agreement specified in Part B (*Material Contracts*) of Schedule 1;

**"Occupational Lease"** means any occupational lease or licence or other right of occupation to which the Real Property may be subject from time to time.

**"Planning Acts"** means the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008 and any other enactment for the time being in force relating to the use, development and enjoyment of land and buildings (including section 96 of, and Schedules 13 and 14 to, the Environment Act 1995).

**"Real Property"** means:

- (a) all of the freehold and/or leasehold property of the Chargor specified in Part A (*Real Property*) of Schedule 1;
- (b) all freehold and/or leasehold property or immovable property of the Chargor situate in England and Wales (other than the property referred to in paragraph (a));
- (c) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b) above; and
- (d) the Related Property Rights.

**"Receiver"** means any person appointed by the Security Agent to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

**"Related Investment Rights"** means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of any Investment.

**"Related Property Rights"** means, where used in relation to a particular property, asset (or class of assets) or right, the following:

- (a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);
- (b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and
- (c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

**"Rental Income"** means all amounts owing to the Chargor by way of rent, licence fees, service charge, dilapidations, ground rent and/or rent charge in respect of any Real Property.

**"Secured Obligations"** means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group to any Secured Party under the Finance Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

**"Security Period"** means the period from the date of this Deed until the Senior Discharge Date.

**"Senior Facilities Agreement"** means the senior facilities agreement dated on or about the date of this Deed between, among others, (1) the Chargor; (2) SMA BidCo Limited and (3) the Security Agent.

- 1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

## 1.2 Construction and Third Party Rights

- 1.2.1 The provisions of clause 1.2 (*Construction*) of the Senior Facilities Agreement shall apply to this Deed as if they were set out in this Deed save that any reference to "this Agreement" shall be a reference to this Deed and, in addition, unless a contrary indication appears, any reference in this Deed to:

- (A) the singular includes the plural and vice versa;
- (B) a Clause or a Schedule is a reference to a clause of or schedule to this Deed;
- (C) this Deed shall be construed as references also to any separate or independent stipulation or agreement contained in it;
- (D) references to any form of property or asset (including a Charged Asset) shall include a reference to all or any part of that property or asset; and
- (E) the word **"including"** is without limitation.

- 1.2.2 The words **"other"**, **"or otherwise"** and **"whatsoever"** shall not be construed *eiusdem generis* or be construed as any limitation upon the generality of any preceding words or matters specifically referred to.

- 1.2.3 Any reference in this Deed to any Finance Document or any other agreement or other document shall be construed as a reference to that Finance Document or that other agreement or document as the same may have been, or may from time to time be, restated, varied, amended, supplemented, extended, substituted, novated or assigned, whether or not as a result of any of the same:
- (A) there is an increase or decrease in any facility made available under that Finance Document or other agreement or document or an increase or decrease in the period for which any facility is available or in which it is repayable;
  - (B) any additional, further or substituted facility to or for such facility is provided;
  - (C) any rate of interest, commission or fees or relevant purpose is changed;
  - (D) the identity of the parties is changed;
  - (E) the identity of the providers of any security is changed;
  - (F) there is an increased or additional liability on the part of any person; or
  - (G) a new agreement is effectively created or deemed to be created.
- 1.2.4 The rights expressly conferred on the Security Agent or a Receiver under this Deed are enforceable by each of them, subject to the provisions of the Contracts (Rights of Third Parties) Act 1999.
- 1.2.5 No other term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 1999 by anyone who is not a party to this Deed save as otherwise permitted pursuant to this Deed.
- 1.2.6 This Deed is subject to the terms of the Intercreditor Agreement. In the event of a conflict between the terms of this Deed and the Intercreditor Agreement, the terms of the Intercreditor Agreement shall prevail.

### 1.3 **Implied Covenants for Title**

The obligations of the Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

### 1.4 **Effect as a Deed**

This Deed is intended to take effect as a deed notwithstanding that the Security Agent may have executed it under hand only.

### 1.5 **Law of Property (Miscellaneous Provisions) Act 1989**

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

### 1.6 **Security Trust Provisions**

The Security Agent holds the benefit of this Deed on trust for the Secured Parties in accordance with clause 17 (*Security Agent*) of the Intercreditor Agreement.



## 2. **COVENANTS TO PAY**

### 2.1 **Covenant to Pay Secured Obligations**

The Chargor covenants with the Security Agent that it shall on demand pay, perform or discharge the Secured Obligations on the date or dates on which such Secured Obligations are expressed to become due in accordance with the terms of the relevant Finance Document.

### 2.2 **Potential Invalidity**

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Obligations*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant or security to be unlawful under any applicable law.

## 3. **FIXED SECURITY**

### 3.1 **Creation of Fixed Security**

Subject to Clause 5 (*Excluded Assets*), the Chargor charges to the Security Agent by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in the Chargor at the date of this Deed shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Obligations all of the Chargor's rights to and title and interest from time to time in any and each of the following:

- 3.1.1 the Real Property subject in the case of leasehold property to any necessary third party consents to such mortgage being obtained;
- 3.1.2 all contracts, guarantees, warranties and other documents to which it is a party or in its favour or of which it has the benefit relating to any Real Property subject of the security constituted by this Deed;
- 3.1.3 all licences held by it to enter upon or use land and/or to carry on the business carried on upon that land and all agreements relating to land to which it is a party or otherwise entitled;
- 3.1.4 all Rental Income and all Related Property Rights relating thereto;
- 3.1.5 all plant, machinery, vehicles, Meters, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;
- 3.1.6 (to the extent that the same are not the subject of a fixed charge under Clause 3.1.7) all Debts;
- 3.1.7 all Account Proceeds;
- 3.1.8 all Bank Accounts;
- 3.1.9 all of its Investments;
- 3.1.10 all of its Intellectual Property Rights;
- 3.1.11 all goodwill and uncalled capital;
- 3.1.12 all Authorisations (statutory or otherwise) held in connection with its business or the use of any Charged Assets and the right to recover and receive all compensation which may be payable in respect of them.

- 3.1.13 any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 3.1 or an assignment under Clause 3.2 (*Assignments*);
- 3.1.14 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the Insurance Policies and the Insurance Proceeds and, in each case, all Related Property Rights relating thereto; and
- 3.1.15 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the Assigned Agreements and all Related Property Rights relating thereto.

### 3.2 **Assignments**

Subject to Clause 5 (*Excluded Assets*), the Chargor assigns to the Security Agent with full title guarantee as a continuing security for the payment and discharge of the Secured Obligations all of the Chargor's rights to and title and interest from time to time in:

- 3.2.1 the Insurance Policies and the Insurance Proceeds and, in each case, all Related Property Rights relating thereto; and
- 3.2.2 the Assigned Agreements and all Related Property Rights relating thereto (except that any assignment of the Hedging Agreements is to be subject to any rights of set-off or netting provided for thereunder).

### 3.3 **Preservation of fixed charge**

Without prejudice to Clause 3.1.6 (*Creation of Fixed Security*) and Clause 3.2 (*Assignments*), if pursuant to the terms of the Finance Documents the Chargor is entitled to withdraw the proceeds of any book and other debts standing to the credit of a Bank Account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1.7 (*Creation of Fixed Security*) and 3.2 (*Assignments*), the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of the Chargor and the proceeds of those debts.

## 4. **FLOATING CHARGE**

### 4.1 **Creation of Floating Charge**

- 4.1.1 The Chargor charges to the Security Agent by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Obligations all of the Chargor's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues, whatsoever and wheresoever, present and future (including stock-in-trade or work in progress) other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*).
- 4.1.2 The floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 4.1.3 Without prejudice to Clause 4.1.2 the Security Agent reserves its rights to appoint an administrative receiver on and following the occurrence of an Event of Default which is continuing in accordance with sections 72B to H (inclusive) of the Insolvency Act 1986.

### 4.2 **Automatic Crystallisation of Floating Charge**

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

- 4.2.1 the Chargor creates or attempts to create any Security over all or any of the Charged Assets without the prior consent of the Security Agent or save as expressly permitted under the Finance Documents; or
- 4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or
- 4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of the Chargor; or
- 4.2.4 an Administrator is appointed with respect to the Chargor or any of its assets or any step intended to result in such appointment is taken,

then the floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to the floating charge.

#### 4.3 **Crystallisation on Notice of Floating Charge**

Notwithstanding anything express or implied in this Deed, the Security Agent may, at its sole discretion, at any time:

- 4.3.1 following the occurrence of an Event of Default which is continuing; or
- 4.3.2 if the Security Agent considers in good faith that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Security Agent reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding up of the Chargor; or
- 4.3.3 the Chargor requests the Security Agent to exercise any of its powers under this Deed,

by giving notice in writing to that effect to the Chargor convert the floating charge created by Clause 4.1 (*Creation of Floating Charge*) into a fixed charge as regards any assets (other than any Excluded Assets) specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

### 5. **EXCLUDED ASSETS**

- 5.1 Subject to Clause 5.2 and Clause 6.2 (*Further Assurance*), to the extent that any asset contains any prohibition or restriction on the ability of the Chargor to create any Security over it or its rights and/or interests in such asset (each, an "**Excluded Asset**"), the Security created by Clause 3 (*Fixed Security*) shall include and extend to all amounts which the Chargor may receive, or has received, in respect of that Excluded Asset but shall not extend to and shall exclude (i) that Excluded Asset itself and (ii) the Chargor's rights and/or interests in respect of such Excluded Asset, in each case, unless and until any relevant consent has been obtained or any restriction on the creation of security over any such asset is removed.
- 5.2 In respect of any Excluded Asset to be the subject of the Security created or purported to be created pursuant to Clause 3 (*Fixed Security*), the Chargor shall as soon as reasonably practicable after the date of this Deed or, if later, the date on which it acquires an interest in such Excluded Asset, use its reasonable endeavours to obtain any consents or to remove any restriction, in each case, which is necessary to enable that Excluded Asset to be the subject of the Security created or purported to be created pursuant to Clause 3 (*Fixed Security*). Immediately upon obtaining any necessary consent (i) the asset concerned shall become subject to the security created by this Deed, (ii) the Chargor shall serve a notice of assignment or charge (as applicable), substantially in the form contained in Schedule 2 (*Form of Notice of Assignment*), Schedule 3 (*Form of Notice of Assignment - Insurances*)

or Schedule 4 (*Form of Notice of Charge*) and (iii) the Chargor shall deliver a copy of each obtained consent to the Security Agent.

## 6. **FURTHER ASSURANCE**

6.1 The Chargor must promptly upon request by the Security Agent do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent or any Receiver may reasonably specify (and in such form as the Security Agent or any Receiver may reasonably require in favour of the Security Agent or its nominee(s)) for:

- 6.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;
- 6.1.2 conferring upon the Security Agent such security as it may require over the assets of the Chargor outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;
- 6.1.3 facilitating the realisation of all or any part of the assets of the Chargor which are, or are intended to be, the subject of the Security created under this Deed; and
- 6.1.4 exercising all powers, authorities and discretions conferred on the Security Agent or any Receiver pursuant to this Deed or by law.

6.2 The Chargor shall, at any time, promptly upon request, execute over all or any of the Charged Assets, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Security Agent in such form as the Security Agent shall require.

## 7. **GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS**

7.1 The Chargor undertakes to the Security Agent with respect to the Charged Assets that:

### 7.1.1 **Negative Pledge**

it shall not except as expressly permitted by the Finance Documents, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them;

### 7.1.2 **Disposals**

it shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of the whole or any part of the Charged Assets, other than as expressly permitted under the Senior Facilities Agreement;

### 7.1.3 **Prejudicial Action**

it shall not do or cause or permit to be done anything which may in any way reduce, jeopardise or otherwise prejudice the value to the Security Agent of the Charged Assets (except to the extent expressly permitted by the terms of this Deed);

### 7.1.4 **Repair and Condition**

it shall keep the Charged Assets in good working order and condition (ordinary wear and tear excepted) to the satisfaction of the Security Agent; and

### 7.1.5 **Information**

it shall promptly supply to the Security Agent such information as the Security Agent may reasonably require (acting on the instructions of the relevant Secured

Parties) about the Charged Assets and its compliance with the terms of this Deed and such further information regarding its financial condition, assets and operations as the Security Agent may reasonably request (acting on the instructions of the relevant Secured Parties).

## 7.2 Notices of Charge and/or Assignment

7.2.1 In relation to each Assigned Agreement and each Insurance Policy, the Chargor shall:

(A)

- (1) on the date of this Deed; and
- (2) (in the event that the Chargor enters into an Assigned Agreement or Insurance Policy (as the case may be) after the date of this Deed) immediately after and in any event by no later than five Business Days after entering into such Assigned Agreement or Insurance Policy (as the case may be),

deliver to the Security Agent and serve on each counterparty to that Assigned Agreement or Insurance Policy (as the case may be) and any relevant counterparty as required by the Security Agent (each, a **"counterparty"**):

- (i) in the case of each Assigned Agreement, a notice of assignment in respect of the security created over that Assigned Agreement pursuant to this Deed, in a form substantially similar to that contained in Schedule 2 (*Form of Notice of Assignment*); and
- (ii) in the case of each Insurance Policy, a notice of assignment in respect of the security created over that Insurance Policy pursuant to this Deed, in a form substantially similar to that contained in Schedule 3 (*Form of Notice of Assignment - Insurances*),

or in such other form as the Security Agent may reasonably require; and

- (B) use its reasonable endeavours to procure that each person on whom any such notice is served promptly provides to the Security Agent a duly signed acknowledgement of that notice in the form appended to such notice (or in such other form as the Security Agent may reasonably require).

7.2.2 In relation to any Bank Account in which it has an interest, the Chargor shall:

(A)

- (1) on the date of this Deed; and
- (2) (in the event that the Chargor opens or acquires an interest a Bank Account after the date of this Deed) immediately after and in any event by no later than five Business Days after it acquires such an interest,

deliver to the Security Agent and serve on the relevant Account Bank notice of the charge over that Bank Account created or purported to be created pursuant to this Deed, in a form substantially similar to that

contained in Schedule 4 (*Form of Notice of Charge*), or in such other form as the Security Agent may reasonably require; and

- (B) use its reasonable endeavours to procure that the relevant Account Bank on whom any such notice is served promptly provides to the Security Agent a duly signed acknowledgement of that notice in the form appended to such notice (or in such other form as the Security Agent may reasonably require).

7.2.3 In respect of any Bank Account opened or maintained by the Chargor with the Security Agent as at the date of this Deed, the execution of this Deed by the Chargor and the Security Agent constitutes:

- (A) notice in writing by the Chargor to the Security Agent (in its capacity as Account Bank) of the charge granted by it over the relevant Bank Account(s) in favour of the Security Agent under this Deed; and
- (B) acknowledgement of such notice by the Security Agent (in its capacity as Account Bank).

### 7.3 **Intellectual Property Rights**

The Chargor shall, if requested by the Security Agent, execute all such documents and do all such acts as the Security Agent may reasonably require to record the interests of the Security Agent in any registers relating to registered Intellectual Property Rights.

## 8. **REAL PROPERTY UNDERTAKINGS**

### 8.1 **Positive Undertakings**

In relation to Real Property, the Chargor agrees that it shall:

- 8.1.1 observe and perform all the terms on its part contained in any lease or agreement for lease comprised within the Real Property;
- 8.1.2 duly and punctually perform and observe and indemnify the Security Agent for any breach of any covenants, stipulations and obligations (restrictive or otherwise) affecting the Real Property;
- 8.1.3 duly and punctually pay or procure payment (except when contested on reasonable grounds) of, and shall indemnify the Security Agent and any Receiver or delegate on demand against, all present and future rents, rates, taxes, assessments, outgoings and other similar sums payable on or in respect of the Real Property or by the owner or occupier of the Real Property upon the same becoming due and payable or within any applicable grace period; and
- 8.1.4 in case of any default which is outstanding by the Chargor in performing or complying with any covenant, undertaking, restriction, applicable law or regulations affecting the Real Property, permit representatives of the Security Agent and its advisers to (at the cost of the Chargor):
  - (A) enter on the Real Property;
  - (B) comply with or object to any notice served on the Chargor in respect of the Real Property; and
  - (C) take any action as the Security Agent may reasonably consider necessary or desirable (acting on the instructions of the relevant Secured Parties) to prevent or remedy any breach of any such covenant, undertaking, restriction, applicable law or regulations or to comply with or object to any such notice.

## 8.2 Negative Undertakings

In relation to Real Property, the Chargor agrees that, unless it has the prior written consent of the Security Agent (or the same is otherwise expressly permitted in accordance with the Finance Documents), it shall not:

- 8.2.1 exercise the statutory power of leasing and/or accept surrenders of leases conferred on mortgagors and further agrees that the Security Agent may grant or accept surrenders of leases without restriction, or enter into any agreement for lease or letting, in respect of any Real Property; or
- 8.2.2 part with the possession of the same or any part thereof (including any fixtures forming part of the Real Property) nor confer upon any person, any licence, right or interest to occupy the Real Property or any part of it or to grant any licence or permission to assign or underlet or to suffer or permit any variation or addition to any Occupational Lease nor waive or release any term of any such Occupational Lease; or
- 8.2.3 carry out or permit to be carried out any structural alterations to or to demolish, pull down or remove any building or erection from time to time forming part of the same or make or suffer to be made any change in the state, nature or use of the same (including by severing or unfixing or removing any of the fixtures from any Real Property) (except for the purpose of effecting necessary repairs to, or renewing or replacing, the same); or
- 8.2.4 enter into any onerous or restrictive covenants affecting the Real Property.

## 8.3 Registration and Notifications

The Chargor shall:

- 8.3.1 immediately notify the Security Agent of any contract, conveyance, transfer or other disposition for the acquisition by the Chargor of the legal or beneficial interest in any Real Property; and
- 8.3.2 make an application to the Chief Land Registrar on Form RX1 for the registration against the registered titles (if any) specified in Part A (*Real Property*) of Schedule 1 (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the following restriction:  
"No [disposition or specify type of disposition] of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [Security Agent] referred to in the charges register".

## 8.4 Deposit of Documents of Title

The Chargor shall on the date of this Deed or promptly after the acquisition of any Real Property (as applicable) deposit with the Security Agent (unless already held by its solicitors on behalf of and to the Security Agent's order or at HM Land Registry for the purpose of registration of the security constituted by this Deed) all deeds, certificates and other documents of title from time to time relating to the Real Property subject of the security constituted by this Deed.

## 8.5 Remedy

If the Chargor fails to comply with any undertaking or obligation contained in this Clause 8, the Security Agent shall be entitled (either itself, or through any agent, nominee or advisor) to do such things as it reasonably believes are required to remedy such failure. The Chargor shall reimburse to the Security Agent on demand all amounts expended by the Security Agent in remedying such failure together with interest (in accordance with the

terms of the Senior Facilities Agreement) from the date of payment by the Security Agent until reimbursed.

## **9. INSURANCE UNDERTAKINGS**

### **9.1 Insurance Obligations**

The Chargor shall at all times during the Security Period:

- 9.1.1 keep all of the Charged Assets of an insurable nature, or procure that the Charged Assets of an insurable nature are kept, insured as required under the terms of the Senior Facilities Agreement;
- 9.1.2 if required by the Security Agent, cause each Insurance Policy relating to the Charged Assets to contain in a form and substance acceptable to the Security Agent:
  - (A) an endorsement noting the interests of the Security Agent in respect of all claims and providing for the Security Agent to be first loss payee or co-insured until such time as the Security Agent notifies the relevant insurer to the contrary;
  - (B) a standard mortgagee clause whereby such insurance shall not be vitiated or avoided as against the Security Agent in the event or as a result of any misrepresentation, act or neglect or failure to make disclosure on the part of any insured party or any circumstances beyond the control of an insured party; and
  - (C) terms providing that it shall not be invalidated so far as the Security Agent is concerned for failure to pay any premium due without the insurer first giving to the Security Agent not less than 14 days prior written notice;
- 9.1.3 if required by the Security Agent (but subject to the provisions to the contrary in any Occupational Lease), deposit all Insurance Policies relating to Charged Assets (or if contrary to any Occupational Lease to do so, certified copies thereof) with the Security Agent;
- 9.1.4 duly and promptly pay the premiums and other monies necessary for effecting and keeping up such insurances and, if requested by the Security Agent, promptly provide to the Security Agent evidence of such payment and comply in all respects with the terms and conditions of the Insurance Policies;
- 9.1.5 procure that there be given to the Security Agent such information in connection with the Insurance Policies as the Security Agent may reasonably request; and
- 9.1.6 not permit anything to be done which may make void or voidable any of the Insurance Policies.

### **9.2 Failure**

If the Chargor fails to comply with its obligations under Clause 9.1 (*Insurance Obligations*) then the Security Agent shall be entitled to insure the Charged Assets, at the expense of the Chargor, on such terms, against such risks and in such amounts as the Security Agent reasonably considers appropriate and the amount of any expenditure incurred by the Security Agent in so doing shall be added to the Secured Obligations. The Chargor shall reimburse to the Security Agent on demand all amounts expended by it in remedying such failure together with interest (in accordance with the Senior Facilities Agreement) from the date of payment by the Security Agent until reimbursed.



### 9.3 **Application of Insurance Proceeds**

All moneys received or receivable by the Chargor under any Insurance Policies in respect of the Real Property or any other Charged Asset of an insurable nature shall be held on trust for the Security Agent (as trustee for the Secured Parties) and applied (subject to the rights and claims of any person having prior rights thereto):

- 9.3.1 in accordance with the terms of the Senior Facilities Agreement; or
- 9.3.2 after the occurrence of an Event of Default which is continuing and if the Security Agent so directs, in or towards satisfaction of the Secured Obligations in accordance with clause 19 (*Application of Monies Received under this Deed*).

## 10. **UNDERTAKINGS AS TO INVESTMENTS**

### 10.1 **Deposit of Title Documents**

10.1.1 The Chargor shall:

- (A) in the case of any Investment that the Chargor is the legal or registered owner of on the date of this Deed, on the date of this Deed; and
- (B) in the case of any Investment that the Chargor becomes the legal or registered owner of after the date of this Deed, as soon as reasonably practicable and in any case no later than five Business Days following the date it becomes the legal or registered owner of such Investment,

deposit with the Security Agent or its nominee:

- (A) (to the extent that the relevant documents have not been deposited with a clearance system, settlement system or custodian acceptable to the Security Agent) all stock and share certificates and documents of, or evidencing, title or the right to title relating to such Investment;
- (B) stock transfer forms or other instruments of transfer relating to such Investment duly completed to the Security Agent's satisfaction; and
- (C) such other documents as the Security Agent may require (acting reasonably) from time to time for the purpose of perfecting its title to such Investment or for the purpose of vesting the same in itself, its nominee or any purchaser or presenting the same for registration at any time.

### 10.2 **Registration of transfers**

At any time after the occurrence of an Event of Default which is continuing and if required by the Security Agent, the Chargor shall procure that all Investments which are in registered form are duly registered in the name of the Security Agent or its nominee once a transfer relating to those Investments is presented for that purpose.

### 10.3 **Clearance Systems etc**

At any time after the occurrence of an Event of Default which is continuing and if required by the Security Agent, the Chargor shall instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for the account of the Chargor to the account of the Security Agent (or its nominee) with such clearance system (or as otherwise required by the Security Agent).

### 10.4 **Calls**

The Chargor:

- 10.4.1 shall not, without the consent in writing of the Security Agent, acquire any Investments unless they are fully paid; and
- 10.4.2 shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments and, for the avoidance of doubt, no Secured Party shall incur any liability in respect of any amounts due from the Chargor in respect of any Investments.

**10.5 Dividends before enforcement**

Subject to Clause 10.6 (*Dividends after enforcement*), the Chargor is entitled to retain any cash income derived from the Investments, subject to the terms of the Finance Documents.

**10.6 Dividends after enforcement**

At any time on or after the occurrence of an Event of Default which is continuing, the Chargor shall hold any dividend or other monies received by it in respect of the Investments on trust for the Secured Parties and pay the same immediately to the Security Agent or as it may direct. The Security Agent shall be entitled to apply the same as permitted in accordance with the terms of the Finance Documents.

**10.7 Voting Rights and Other Matters**

- 10.7.1 Prior to the occurrence of an Event of Default which is continuing and save as otherwise provided in this Clause 10.7, the Chargor shall exercise or direct the exercise of all voting rights in respect of the Investments provided that the Chargor shall not exercise (or direct the exercise of) any voting rights in any manner which, in the reasonable opinion of the Security Agent, may prejudice the value of, or the ability of the Security Agent to realise, the security over the Investments created pursuant to this Deed.
- 10.7.2 The Chargor shall not, without the prior written consent of the Security Agent (unless the same is otherwise expressly permitted in accordance with the Finance Documents):
- (A) permit or agree to any variation of the rights attaching to or conferred by any of the Investments (except where such variation would not be prejudicial to the value or effectiveness of, or the ability of the Security Agent to realise, the Security created by our pursuant to this Deed);
  - (B) elect to receive or vote in favour of receiving any dividends or other distributions other than in the form of cash or shares; or
  - (C) participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895-901 of the Companies Act 2006.
- 10.7.3 At any time on or after the occurrence of an Event of Default which is continuing, the Security Agent may in such manner and on such terms as it sees fit (in the name of the Chargor or otherwise and without the need for further consent from the Chargor):
- (A) exercise (or refrain from exercising) any voting rights in respect of the Investments; and/or
  - (B) apply all dividends and other monies arising from the Investments in accordance with Clause 19 (*Application of Monies Received under this Deed*); and/or

- (C) without prejudice to any other provision of this Deed, transfer the Investments into the name of a nominee or transferee of the Security Agent as the Security Agent may require; and/or
- (D) exercise (or refrain from exercising) all or any of the powers and rights conferred upon or exercisable by the legal or beneficial owner of the Investments.

#### **10.8 Liability of Security Agent**

The Chargor agrees with the Security Agent that no Secured Party nor any nominee will have any liability for:

- 10.8.1 failing to present any coupon or other document relating to any of the Investments;
- 10.8.2 accepting or failing to accept any offer relating to any of the Investments;
- 10.8.3 failing to attend or vote at any meetings relating to any of the Investments;
- 10.8.4 failing to notify the Chargor of any matters referred to in this Clause 10.8 or of any communication received by a Secured Party in relation to any of the Investments; or
- 10.8.5 any loss arising out of or in connection with the exercise or non-exercise of any rights or powers attaching or accruing to the Investments or which may be exercised by the Security Agent or any nominee of the Security Agent under this Deed (whether or not on sale or other realisation of the Investments a better price could have or might have been obtained by either deferring or advancing the date of sale or realisation or otherwise).

#### **10.9 Nominees**

The Chargor represents and warrants that it has not and undertakes that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments.

#### **10.10 Register of members**

The Chargor shall procure that, during the Security Period, no company whose shares are subject to the Security purported to be created under this Deed keeps information in respect of its members on the central register kept by the Registrar at Companies House.

### **11. UNDERTAKINGS AS TO THE CHARGE OVER BOOK AND OTHER DEBTS**

#### **11.1 Realisation of Debts**

During the Security Period, the Chargor undertakes with reference to the Debts:

- 11.1.1 to collect the Debts in the ordinary course of its business and without prejudice to its rights to apply such proceeds as permitted or required under the terms of the Senior Facilities Agreement, to hold the proceeds of those Debts on trust for the Security Agent;
- 11.1.2 not, without the prior consent in writing of the Security Agent (or unless the same is otherwise expressly permitted in accordance with the Finance Documents), to sell, factor, discount, charge, assign, declare a trust over or otherwise dispose of or release, exchange, compound, set off or grant time or indulgence or otherwise deal with all or any of the Debts in favour of any other person or purport to do so;

- 11.1.3 to pay into an account in accordance with the terms of the Senior Facilities Agreement or otherwise as the Security Agent may direct all monies which the Chargor may receive in respect of the Debts; and
- 11.1.4 save to the extent that the Security Agent otherwise agrees in writing or as permitted by the Senior Facilities Agreement not to withdraw any amounts (whether in the nature of principal or interest) standing to the credit of the Bank Account referred to in Clause 11.1.3.

## 11.2 **Debts: Position after Default**

- 11.2.1 After the occurrence of an Event of Default which is continuing, the Chargor shall not, except with the consent of the Security Agent, withdraw or otherwise transfer the proceeds of realisation of any Debts standing to the credit of any Bank Account.
- 11.2.2 While an Event of Default is continuing, the Security Agent may take whatever steps it deems necessary to collect and realise any of the Debts, including requiring payment direct to the Security Agent.

## 12. **UNDERTAKINGS AS TO THE BANK ACCOUNTS AND ACCOUNT PROCEEDS**

### 12.1 **Notification of changes to or additional Bank Accounts**

The Chargor shall, as soon as reasonably practicable after the date on which it opens a Bank Account after the date of this Deed or the date on which any changes occur to any of its Bank Accounts (other than changes of an administrative or technical nature), deliver to the Security Agent details of that Bank Account (save for any Bank Account held with the Security Agent as Account Bank) or of that change and, to the extent that that Bank Account (whether new or as changed) is not then subject to the Security created or purported to be created pursuant to this Deed or any other Finance Document, shall (to the extent permitted by applicable law) create Security over that Bank Account in favour of the Security Agent, as security for the Secured Obligations.

### 12.2 **Account Proceeds: Position before an Event of Default**

Before the occurrence of an Event of Default which is continuing the Chargor shall (subject to any restrictions in the Senior Facilities Agreement preventing the withdrawal of the same) be entitled to withdraw any credit amount referred to in the definition of Account Proceeds from any relevant Bank Account.

### 12.3 **Account Proceeds: Position after an Event of Default**

After the occurrence of an Event of Default which is continuing the Chargor shall not be entitled to be paid, withdraw or otherwise transfer any credit amount referred to in Clause 12.2 (*Account Proceeds: Position before an Event of Default*) with the prior written consent of the Security Agent.

## 13. **RIGHTS OF THE SECURITY AGENT**

### 13.1 **Enforcement**

At any time on or after the occurrence of an Event of Default which is continuing the security created pursuant to this Deed shall be immediately enforceable and the Security Agent may in its absolute discretion and without notice to the Chargor or the prior authorisation of any court:

- 13.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and

13.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:

- (A) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and
- (B) granted to a Receiver by this Deed or from time to time by law.

**13.2 Restrictions on Consolidation of Mortgages**

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Security Agent shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Security Agent at any time on or after the occurrence of an Event of Default which is continuing. The Chargor hereby consents to the Security Agent making an application to the Chief Land Registrar on Form CC for registration against the registered titles (if any) specified in Part A (*Real Property*) of Schedule 1 (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the right to consolidate.

**13.3 Restrictions on Exercise of Power of Sale**

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Obligations shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Security Agent at any time on or after the occurrence of an Event of Default which is continuing.

**13.4 Leasing Powers**

The restrictions contained in sections 99 to 100 of the LPA shall not apply to restrict the rights of the Security Agent or any Receiver under this Deed. The statutory powers of leasing may be exercised by the Security Agent upon and following the occurrence of an Event of Default which is continuing and the Security Agent and any Receiver may make any lease or agreement for lease and/or accept any surrenders of leases and/or grant options on such terms as it sees fit without the need to comply with the aforementioned restrictions.

**13.5 No Prior Notice Needed**

The powers of the Security Agent set out in Clauses 13.2 (*Restrictions on Consolidation of Mortgages*) to 13.4 (*Leasing Powers*) may be exercised by the Security Agent without prior notice to the Chargor.

**13.6 Right of Appropriation**

13.6.1 Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed 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 2003/3226) (the "**Regulations**")), the Security Agent shall have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Obligations. For this purpose, the parties agree that the value of any such Charged Assets so appropriated shall be, in the case of cash, the amount standing to the credit of each Bank Account at the time of such appropriation and, in the case of any other asset, the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Security Agent by reference to such method or source of valuation as the Security Agent may select, including by independent valuation.

The parties agree that the methods or sources of valuation provided for in this Clause or selected by the Security Agent in accordance with this Clause shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

- 13.6.2 The Security Agent shall notify the Chargor as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

## **14. EXONERATION**

### **14.1 Exoneration**

No Secured Party shall, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Security Agent under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Security Agent shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

### **14.2 Indemnity**

The Security Agent and every Receiver, attorney, delegate, manager, agent or other person appointed by the Security Agent hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Security Agent and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

## **15. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **15.1 Appointment**

- 15.1.1 At any time on or after the occurrence of an Event of Default which is continuing, or at the request of the Chargor or its directors, the Security Agent may, without prior notice to the Chargor, in writing (under seal, by deed or otherwise under hand) appoint:

- (A) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in its stead; or
- (B) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.

- 15.1.2 Nothing in Clause 15.1.1 shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.

### **15.2 More than one Receiver**

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Security Agent may specify to the contrary in the appointment.

**15.3 Receiver as agent**

A Receiver shall be the agent of the Chargor who shall be solely responsible for its acts or defaults and for its remuneration. No Receiver shall at any time act as agent of any Secured Party.

**15.4 Receiver's Remuneration**

A Receiver shall be entitled to remuneration for its services at a rate to be determined by the Security Agent from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

**15.5 Actions of the Administrator**

Save as provided for in statute or as otherwise agreed in writing by that Secured Party, no Secured Party shall have any liability for the acts or omissions of an Administrator.

**16. RECEIVER'S POWERS**

**16.1 Powers**

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which it is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

16.1.1 all of 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);

16.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;

16.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Chargor itself could do or omit to do; and

16.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor).

**16.2 Powers may be Restricted**

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Security Agent) appointing it but they shall not be restricted by any winding-up or dissolution of the Chargor.

**17. PROTECTION OF PURCHASERS**

**17.1 Absence of Enquiry**

No person or persons dealing with the Security Agent or any Receiver shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Security Agent or any such Receiver.

17.2 **Receipt: Conclusive Discharge**

The receipt of the Security Agent or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

18. **POWER OF ATTORNEY AND DELEGATION**

18.1 **Power of Attorney: General**

18.1.1 The Chargor hereby irrevocably and by way of security appoints the Security Agent and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

- (A) to execute and deliver any documents or instruments which the Security Agent or such Receiver may require for perfecting the title of the Security Agent to the Charged Assets or for vesting the same in the Security Agent, its nominee or any purchaser;
- (B) to sign, execute, seal and deliver and otherwise perfect any further security document which the Chargor is required to enter into pursuant to this Deed; or
- (C) otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Security Agent or any Receiver under this Deed or which the Chargor is required to do pursuant to this Deed or which may be deemed expedient by the Security Agent or a Receiver in connection with any preservation, disposition, realisation or getting in by the Security Agent or such Receiver of the Charged Assets or in connection with any other exercise of any other power under this Deed.

18.1.2 Such power of attorney becomes exercisable:

- (A) with respect to the Security Agent, immediately after any failure of the Chargor to comply with its obligations under this Deed; and
- (B) with respect to the Receiver, upon the occurrence of an Event of Default which is continuing.

18.2 **Power of Attorney: Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 18 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause.

18.3 **General Delegation**

The Security Agent and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or any revocation of the delegation or any subsequent delegation.

19. **APPLICATION OF MONIES RECEIVED UNDER THIS DEED**

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A Insolvency Act 1986, be applied for the following purposes and in the following order of priority:



19.1.1 in or towards satisfaction of the Secured Obligations in accordance with clause 15 (*Application of Proceeds*) of the Intercreditor Agreement; and

19.1.2 the surplus, if any, shall be paid to the Chargor or other person or persons entitled to it,

save that the Security Agent may credit any monies received under this Deed to a suspense account for so long and in such manner as the Security Agent may from time to time determine and the Security Agent may retain the same for such period as the Security Agent considers appropriate.

## 20. **RELEASE OF SECURITY**

### 20.1 **Release**

At the end of the Security Period the Security Agent shall, at the request and cost of the Chargor, execute or procure the execution by its nominee (in each case in a form acceptable to the Security Agent) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

### 20.2 **Avoidance of Payments**

20.2.1 No amount paid, repaid or credited to a Secured Party shall be deemed to have been irrevocably paid if the Security Agent considers that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.

20.2.2 If any amount paid, repaid or credited to a Secured Party is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between that Secured Party and the Chargor shall be deemed not to have occurred and the Security Agent shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

### 20.3 **CURRENCY OF PAYMENT**

The obligation of the Chargor under this Deed to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by a Secured Party of the full amount of the currency expressed to be payable under this Deed.

## 21. **POWER OF SEVERANCE**

In the exercise of the powers conferred by this Deed, the Security Agent or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Security Agent or any Receiver may apportion any rent or other amount without the consent of the Chargor.

## 22. **REPRESENTATIONS AND WARRANTIES**

### 22.1 **Representations**

The Chargor represents and warrants in favour of each of the Secured Parties:

#### 22.1.1 **Status of Assets and Security**

It is the legal and beneficial owner of the Charged Assets free from Security (other than this Deed or as permitted under the Senior Facilities Agreement) and this Deed confers the security it purports to confer over the Charged Assets and the security created under or pursuant to this Deed is not subject to any prior or pari

passu Security (other than as permitted under the Senior Facilities Agreement) and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

**22.1.2 Accuracy of the Schedules**

Each of the schedules describing Charged Assets legally or beneficially owned by the Chargor is a true, accurate and complete list of such assets owned by it as at the date of this Deed.

**22.1.3 Transfer, registration and calls**

The Investments are free from any restrictions as to transfer or registration and are not subject to any calls or other liability to pay money.

**22.2 Times for Making Representations and Warranties**

The representations and warranties set out in this Clause are made on the date of this Deed and are deemed to be repeated each day prior to the expiry of the Security Period by reference to the facts and circumstances then existing.

**23. NEW ACCOUNTS**

If a Secured Party receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of such notice being the "**Notice Date**") it may, without prejudice to its rights under this Deed, open a fresh account or accounts with the Chargor and continue any existing account in the name of the Chargor and may appropriate to any such fresh account any monies paid in, received or realised for the credit of the Chargor after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Obligations. If a Secured Party fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Obligations outstanding on the Notice Date.

**24. MISCELLANEOUS**

**24.1 The Chargor**

This Deed is binding on the successors and assigns of the Chargor.

**24.2 Assignment and Transfer**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed. The Security Agent may assign and transfer all or any part of its rights and obligations under this Deed to a replacement Security Agent appointed pursuant to the terms of the Intercreditor Agreement. Such replacement Security Agent will, from the date of such assignment or transfer, be the agent of and the trustee of each other Secured Party under this Deed instead of the previous Security Agent.

**24.3 Property**

This Deed is and will remain the property of the Security Agent.

**24.4 Continuing Security**

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Obligations.

**24.5 Additional Security**

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by a Secured Party for all or any part of the Secured Obligations nor shall any such other security or guarantee of liability to a Secured Party of or by any person

not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

**24.6 Variation of Security**

This Deed shall not in any way be affected or prejudiced by a Secured Party at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 24.5 (*Additional Security*) or any rights which a Secured Party may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

**24.7 Enforcement of Other Security**

No Secured Party shall be obliged to enforce any other Security it may hold for, or exercise any other rights it may have in relation to, the Secured Obligations before enforcing any of its rights under this Deed.

**24.8 Redemption of Prior Incumbrances**

The Security Agent may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Chargor. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Chargor to the Security Agent and until such payment shall form part of the Secured Obligations.

**24.9 Further advances**

24.9.1 The Secured Parties must perform their obligations under the Senior Facilities Agreement (including any obligation to make available further advances).

24.9.2 The Chargor hereby consents to the Security Agent making an application to the Chief Land Registrar on Form CH2 for the registration against the registered titles (if any) specified in Part A (*Real Property*) of Schedule 1 (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the obligation to make further advances.

**25. 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 the Deed.

**26. LAW**

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

**27. ENFORCEMENT**

**27.1 Jurisdiction of English courts**

27.1.1 Subject to Clause 27.1.3 below, 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 Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

27.1.2 Subject to Clause 27.1.3 below, the Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly neither party to this Deed will argue to the contrary.

27.1.3 Notwithstanding Clauses 27.1.1 and 27.1.2 above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

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

**SCHEDULE 1**

**PART A**

**REAL PROPERTY**

*[None at the date of this Deed]*

## **PART B**

### **MATERIAL CONTRACTS**

1. The Transitional Services Agreement dated 12 May 2021 and made between GTC Infrastructure Limited and Smart Meter Assets 1 Ltd
2. The Deed of Assignment of IPR in Business Intelligence Tool dated 12 May 2021 and made between GTC Infrastructure Limited and Smart Meter Assets 1 Limited
3. The Share Purchase Agreement between OVO Field Force Ltd (registered number 08785057), BUUK Infrastructure No 2 Limited (registered number 08246443) and OVO Group Ltd (registered number 08862063) dated 3 February 2016 and as amended on 22 March 2017, 29 September 2017, 9 February 2018 and 25 February 2019 (as amended and/or supplemented from time to time)
4. The Secure SMETS1 Meter Supply Agreement (OVO) for the supply of goods with reference number 2013\_03 dated 29 September 2014 between Secure Meters (UK) Limited, Secure Meters Limited, OVO Energy Limited and the Chargor as novated by the Chargor to OVO Field Force Limited Limited on 3 February 2016 and as varied on 3 February 2016, 28 April 2017 and 28 September 2017;
5. The Aclara SMETS2 Meter Supply Agreement (OVO) between OVO Field Force Limited, the Chargor and Aclara Meters (UK) Limited 30 November 2017 as varied by a letter of variation dated 16 December 2020
6. The EDM1 SMETS2 Meter Supply Agreement (UW) between the Chargor and EDM1 Europe Limited dated 23 January 2019
7. The Elster SMETS2 Meter Supply Agreement between the Chargor, OVO Field Force Ltd and Elster Metering Limited dated 2 June 2021;
8. The George Wilson Meter Fitting Kit Agreement between the Chargor and George Wilson Industries Limited dated 28 May 2018 as amended on 12 March 2020;
9. The MELL contract relating to the supply of smart meter triage/disposal/storage service between the Chargor and Macquarie Energy Leasing Limited dated 17 December 2020;
10. The Asset Purchase Agreement for the sale and purchase of smart meters dated 3 February 2016 and as amended on 22 March 2017, 29 September 2017, 9 February 2018 and 25 February 2019 and made between OVO Field Force Ltd (registered number 08785057) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
11. The Asset Purchase Agreement for the sale and purchase of smart meters dated 30 November 2017 and as amended on 22 February 2021 and 21 December 2021 and made between OVO Field Force Ltd (registered number 08785057), OVO Group Ltd (registered number 08862063) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
12. The Meter Rental Agreement for the rental of smart meters dated 3 February 2016 and as amended on 22 March 2017, 9 February 2018 and 25 February 2019 and made between OVO Energy Ltd (registered number 06890795), OVO Gas Ltd (registered number 06752915), OVO Electricity Ltd (registered number 06858121) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
13. The Meter Rental Agreement for the rental of smart meters dated 11 November 2017 and as amended on 22 February 2021 and 21 December 2021 and made between OVO Energy Ltd (registered number 06890795), OVO Gas Ltd (registered number 06752915), OVO Electricity Ltd (registered number 06858121) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
14. The Asset Purchase Agreement for the sale and purchase of smart meters dated 21 December 2021 and made between OVO Energy Ltd (registered number 06890795), OVO Group Ltd (registered number 08862063) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
15. The Meter Rental Agreement dated 21 December 2021 and made between OVO Energy Ltd (registered number 06890795), OVO Gas Ltd (registered number 06752915), OVO Electricity Ltd (registered number 06858121) and Smart Meter Assets 1 Limited (as amended and/or supplemented from time to time)
16. The Management Services Agreement
17. The Utility Warehouse MAP Agreement
18. To the extent not referred to above, each OVO MAP Agreement
19. Each other contract determined by the Chargor and the Security Agent to be a Material Contract

## SCHEDULE 2

### FORM OF NOTICE OF ASSIGNMENT

[On letterhead of the Chargor]

To: [insert name of relevant counterparty]  
Copy: [Security Agent] (the "**Security Agent**")  
From: Smart Meter Assets 1 Ltd (the "**Chargor**")  
Date: [●]

Dear Sir or Madam,

**Debenture dated [ ] between the Chargor  
and the Security Agent (the "**Security Agreement**") – Notice of Security**

We hereby give you notice that under the Security Agreement we have assigned in favour of the Security Agent all of our rights to and title and interest from time to time in the following:

*[insert description of Assigned Agreement] (the "**Assigned Agreement**")*

including without limitation the right to demand and receive all amounts payable to us under or in connection with any Assigned Agreement, all remedies provided for in the Assigned Agreement or available at law or in equity in relation to the Assigned Agreement, the right to compel performance of the Assigned Agreement and all other rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Assigned Agreement [but excluding any rights of set-off or netting provided for thereunder]<sup>1</sup> (the "**Assigned Property**").

Notwithstanding the assignment referred to above, we confirm that:

- (a) we will remain liable under the Assigned Property to perform all the obligations assumed by us under the Assigned Property; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Assigned Property.

We hereby irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent such information regarding the Assigned Property as it may from time to time request;
- (b) send copies of all notices relating to the Assigned Property to the Security Agent;
- (c) comply with the terms of any written notice or instruction relating to the Assigned Property received by you from the Security Agent; and
- (c) to continue to make all payments due to us in respect of the Assigned Property to such accounts as notified to you by us.

We shall remain entitled to exercise all of our rights, powers and discretions under the Assigned Agreement and you should continue to give notices under the Assigned Agreement to us in each case unless and until you receive notice from the Security Agent that an Event of Default is continuing and the security constituted by the Security Agreement has become enforceable, at which time all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Agent or as it directs.

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<sup>1</sup> Note: To be included where the Assigned Agreement is a Hedging Agreement,

Following written confirmation from the Security Agent that the security constituted by the Security Agreement has become enforceable, you should make all payments due to us in respect of the Assigned Agreement to the Security Agent or as the Security Agent directs.

We acknowledge that you may comply with the instructions in this letter without any further permission from us. In the event of any conflict between communications received from us and from the Security Agent, the communication from the Security Agent shall prevail.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

Your acknowledgement will be deemed to confirm in favour of the Security Agent that you:

- (1) have not received notice of the interest of any third party relating to the Assigned Property;
- (2) are not aware of any dispute between us and you relating to the Assigned Property;
- (3) have neither claimed nor exercised, nor will claim or exercise, any security interest, set off, counterclaim or other right in respect of the Assigned Property; and
- (4) will comply with the terms of this letter.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at *[insert address]*, Attention: [ ] with a copy to us.

Yours faithfully,

.....

Authorised signatory  
for and on behalf of Smart Meter Assets 1 Ltd



**ANNEX**

[On the letterhead of the counterparty]

**[On copy of Notice]**

To: [the Security Agent] (the "**Security Agent**")  
Attention: [●]  
Copy: Smart Meter Assets 1 Ltd (the "**Chargor**")  
From: [insert name of relevant counterparty]  
Date: [●]

Dear Sir or Madam,

**Debenture dated [ ] between the Chargor  
and the Security Agent (the "Security Agreement") – Notice of Security**

We acknowledge receipt of the attached notice of security dated [●] given by the Chargor to us relating to the Security Agreement.

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

Yours faithfully,

.....

Authorised signatory  
for and on behalf of [insert name of relevant counterparty]

### SCHEDULE 3

#### FORM OF NOTICE OF ASSIGNMENT - INSURANCES

[On letterhead of the Chargor]

To: [insert name of relevant Insurance counterparty]

Copy: [Security Agent] (the "**Security Agent**")

From: Smart Meter Assets 1 Ltd (the "**Chargor**")

Date: [●]

Dear Sir or Madam,

**Debenture dated [       ] between the Chargor  
and the Security Agent (the "Security Agreement") – Notice of Security**

We hereby give you notice that under the Security Agreement we have assigned in favour of the Security Agent all of our rights to and title and interest from time to time in the following:

*[insert description of assigned insurance policy] (the "**Assigned Insurance**")*

Notwithstanding the assignment referred to above, we confirm that:

- (a) we will remain liable under the Assigned Insurance to perform all the obligations assumed by us under the Assigned Insurance; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Assigned Insurance.

We hereby irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent such information regarding the Assigned Insurance as it may from time to time request;
- (b) send copies of all notices relating to the Assigned Insurance to the Security Agent;
- (c) comply with the terms of any written notice or instruction relating to the Assigned Insurance received by you from the Security Agent; and
- (c) continue to make all payments due to us in respect of the Assigned Insurance to such accounts as notified to you by us.

We shall remain entitled to exercise all of our rights, powers and discretions under the Assigned Insurance and you should continue to give notices under the Assigned Insurance to us in each case unless and until you receive notice from the Security Agent that an Event of Default is continuing and the security constituted by the Security Agreement has become enforceable, at which time all such rights, powers and discretions shall be exercisable by, and notices shall be given to, the Security Agent or as it directs.

Following written confirmation from the Security Agent that the security constituted by the Security Agreement has become enforceable, you should make all payments due to us in respect of the Assigned Insurance to the Security Agent or as the Security Agent directs.

We acknowledge that you may comply with the instructions in this letter without any further permission from us. In the event of any conflict between communications received from us and from the Security Agent, the communication from the Security Agent shall prevail.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

Your acknowledgement will be deemed to confirm in favour of the Security Agent that you:

- (1) have not received notice of the interest of any third party relating to the Assigned Insurance;
- (2) are not aware of any dispute between us and you relating to the Assigned Insurance;
- (3) have neither claimed nor exercised, nor will claim or exercise, any security interest, set off, counterclaim or other right in respect of the Assigned Insurance; and
- (4) will comply with the terms of this letter.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at *[insert address]*, Attention: [ ] with a copy to us.

Yours faithfully,

.....

Authorised signatory  
for and on behalf of Smart Meter Assets 1 Ltd

**ANNEX**

[On the letterhead of the Insurance counterparty]

**[On copy of Notice]**

To: [the Security Agent] (the "**Security Agent**")  
Attention: [●]  
Copy: Smart Meter Assets 1 Ltd (the "**Chargor**")  
From: [insert name of relevant Insurance counterparty]  
Date: [●]

Dear Sir or Madam,

**Debenture dated [ ] between the Chargor  
and the Security Agent (the "Security Agreement") – Notice of Security**

We acknowledge receipt of the attached notice of security dated [●] given by the Chargor to us relating to the Security Agreement.

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

Yours faithfully,

.....

Authorised signatory

for and on behalf of [insert name of relevant Insurance counterparty]

## SCHEDULE 4

### FORM OF NOTICE OF CHARGE

[On letterhead of the Smart Meter Assets 1 Ltd]

To: [insert name of relevant Account Bank]  
Copy: [Security Agent] (the "**Security Agent**")  
From: Smart Meter Assets 1 Ltd (the "**Chargor**")  
Date: [●]

Dear Sir or Madam,

#### **Debenture dated [ ] between the Chargor and the Security Agent (the "Security Agreement") – Notice of Security**

We hereby give you notice that, by a charge contained in the Security Agreement, we have charged by way security to the Security Agent all of our present and future rights, title and interest in and to the account proceeds standing to the credit of the bank account[s] listed below (the "**Charged Account[s]**"), including all balances now or in the future standing to the credit of or accrued or accruing on those accounts and the debts represented by them and any replacement, substitute or additional account from time to time whether by way of transfer of monies, redesignation, renumbering, or otherwise and any sub-account(s) of such accounts.

[insert description of the Charged Account[s] - account name, account number, details of branch]

You may disclose to the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification of such disclosure, such information relating to the Charged Account[s] and the sums therein as the Security Agent may at any time and from time to time reasonably request.

All moneys payable by you to us under or in connection with any Charged Account shall be paid as directed by us or in accordance with any account bank agreement, and we shall remain entitled to exercise all our rights, powers and discretions under each Charged Account, unless and until you receive written notice from the Security Agent that an Event of Default is continuing and the security constituted by the Security Agreement has become enforceable, in which event we hereby irrevocably and unconditionally instruct and authorise you:

1. to hold all moneys from time to time deposited in or standing to the credit of the Charged Account[s] to the order of the Security Agent and to pay or release all or any part of such moneys in accordance with the written instructions of the Security Agent at any time and from time to time; and
2. to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums standing to the credit of any Charged Account from time to time or the debts represented by it which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
3. to not permit us to withdraw any amount from any Charged Account without the prior written consent of the Security Agent.

We acknowledge that you may comply with the instructions in this letter without any further permission from us. In the event of any conflict between communications received from us and from the Security Agent, the communication from the Security Agent shall prevail.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

Your acknowledgement will be deemed to confirm in favour of the Security Agent that you:

1. you will pay all sums under or in connection with each Charged Account as directed by or pursuant to this Notice of Charge;
2. you do not have and will not claim or exercise any security interest, set-off, counterclaim or similar rights in respect of any Charged Account, the sums in it or the debts represented by it;
3. you have not received any other notice of any assignment or charge of any Charged Account or of any other interest of any third party in any Charged Account; and
4. you will comply with the other provisions of this Notice of Charge.

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [insert address], Attention: [ ] with a copy to us.

Yours faithfully,

.....

Authorised signatory  
for and on behalf of Smart Meter Assets 1 Ltd

**ANNEX**

[On the letterhead of the Account Bank]

**[On copy of Notice]**

To: [the Security Agent] (the "**Security Agent**")  
Attention: [●]  
Copy: Smart Meter Assets 1 Ltd (the "**Chargor**")  
From: [insert name of relevant Account Bank]  
Date: [●]

Dear Sir or Madam,

**Debenture dated [ ] between the Chargor  
and the Security Agent (the "Security Agreement") – Notice of Security**

We acknowledge receipt of the attached notice of security dated [●] given by the Chargor to us relating to the Security Agreement.

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

Yours faithfully,

.....

Authorised signatory  
for and on behalf of [insert name of relevant Account Bank]

## SIGNATURE PAGES

THE CHARGOR

**EXECUTED AS A DEED by  
SMART METER ASSETS 1 LTD**

acting by: Mark Cresswell

Director

acting by: Christian Scott-Mackenzie

Director\*



**THE SECURITY AGENT**

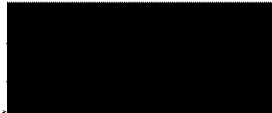
Signed by  
**DEUTSCHE BANK AG,  
LONDON BRANCH**

acting by: ..... Vikki Adams

acting by: ..... Craig Hoepfl



.....  
Authorised signatory



.....  
Authorised signatory