

Dated 14 March 2016

## Debenture Deed constituting fixed return unsecured debentures of Anesco South West Renewables plc

**This Deed** is made on 14 March 2016

### Between

Anesco South West Renewables PLC (formerly Anesco Asset Management Seventeen Limited), a company registered in England and Wales with registered number 9351832 and having its registered office at Unit 9, Easter Park, Benyon Road, Silchester, Reading, RG7 2PQ (the **Issuer**); and

Abundance Investment Limited, a company registered in England and Wales with registered number 07049166 and having its registered office at Threshold & Union House, 65-69 Shepherds Bush Green, London W12 8TX (the **Agent**).

### Background

- (A) The Issuer has resolved, pursuant to a resolution of its board of directors dated 14 March 2016, to create and issue the Debentures in relation to its investment in the Project.
- (B) The Issuer has determined to constitute the Debentures in the manner set out in this Deed.

**Now this Deed Witnesses** as follows:

### 1. Definitions and Interpretation

1.1 In this Deed, unless the subject or context requires otherwise, the following expressions shall have the meanings set out opposite them below:

**Abundance** means Abundance Investment Limited a private limited company incorporated in England and Wales with company number 07049166 and its registered address at Threshold & Union House, 65-69 Shepherds Bush Green, London W12 8TX; and which is authorised and regulated by the Financial Conduct Authority ("FCA") with FCA registration number 525432.

**Abundance Service** means the website, services and the Bulletin Board operated by Abundance at [www.abundanceinvestment.com](http://www.abundanceinvestment.com).

**Abundance Terms and Conditions** means the terms and conditions governing the operation of the Abundance Service, from time to time, the latest copy of which can be found at [www.abundanceinvestment.com](http://www.abundanceinvestment.com).

**Additional Interest** has the meaning given in clause 10.

**Affected Person** means any person which Abundance or the Issuer, in its discretion (acting reasonably and in good faith and after consulting with the other), determines, as a result of a Tax or Regulatory Requirement is ineligible to acquire or hold Debentures or that it would be unlawful or inappropriate for them to do so due to the additional costs or restrictions of that Tax or Regulatory Requirement.

**Agency Agreement** means the agency agreement between the Agent and the Issuer entered into on or around the date of this Deed.

**Anesco** means Anesco Limited (registered number 07443091).

**Annual Interest Amount** means £20,933 for each year during the term of the Debentures on the assumption that the Issue Amount is £495,000. In the event that the Issue Amount is less than £495,000, the Annual Interest Amount shall be adjusted but shall bear the same pro rata proportion to the Issue Amount.

**Annual Principal Repayment** means an amount equal to one sixth (1/6<sup>th</sup>) of the Issue Amount.

**Asset Purchase and Maintenance Agreement** means each of the "Asset Purchase and Maintenance Agreements" between:

(a) Anesco Biomass 1 Limited and Tarka Housing Limited entered into in February and March 2015 in respect of each of the 75 residential properties (and as assigned to the Issuer under a Deed of Assignment dated 25 February 2016); and

(b) Anesco Biomass 1 Limited and North Devon Homes Limited entered into in April and May 2015 in respect of each of the 18 residential properties (as subsequently assigned to Anesco Biomass 2 Limited and as assigned by to the Issuer under a Deed of Assignment dated 25 February 2016).

**Authorisation** means any consent, authorisation, registration, filing, lodgement, agreement, notarisation, certificate, permission, licence, approval, authority or exemption from, by or with any governmental, semi-governmental or judicial entity or authority (including any self-regulatory organisation established under statute or by a governmental or semi-governmental body).

**Biomass Project** means the project in respect of 93 biomass heat generating systems sited at residential premises and the Issuer's rights to the RHI Tariffs in respect of those systems under the relevant Asset Purchase and Maintenance Agreements.

**Business Day** means a day other than a Saturday, Sunday or English public holiday when banks in London are open for business.

**Cash Return Period** means the First Cash Return Period, the Final Cash Return Period and each six month period between those two periods in respect of which repayments of Principal and payments of Interest and Additional Interest are calculated and payable in accordance with this Deed.

**Change of Control** means a change whereby either the beneficial ownership of more than 50% of the issued or allotted share capital of the Issuer ceases to be held by the same shareholder(s) of the Issuer as at the date of this Deed or the legal power to direct or cause the direction of the general management of the Issuer ceases to be held by the person or persons holding such power as at the date of this Deed and **Controlled** shall be construed accordingly.

**Costs** has the meaning set out in Schedule 1 (Calculations).

**DAL** means Dunsfold Airport Limited.

**Debenture** means each Debenture constituted by this Deed.

**Deed** means this Deed and the Schedules to this Deed as amended from time to time.

**Deferred Amount** means a payment of Principal and/or Interest that is deferred (in whole or part) in accordance with clauses 8 and 9 (respectively).

**Eligible EEA Country** has the meaning given to it in the Abundance Terms and Conditions.

**Energy Efficiency Project** means the project of the Issuer consisting of the incorporation of certain energy efficiency measures for certain housing association premises including, without limitation, in respect of LED lighting, air conditioning and insulation and the rights to certain contractual revenues for those measures under the relevant ESPA.

**ESPA** means each of the energy savings performance agreements dated 28 August 2015 between the Issuer and each of Tarka Housing Limited and Westcountry Housing Association Limited respectively.

**Enforcement Action** has the meaning given to it in the Agency Agreement.

**Environment** means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

(a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);

(b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and

(c) land (including, without limitation, land under water).

**Environmental Law** means any applicable law or regulation which relates to:

(a) the pollution or protection of the Environment;

(b) the conditions of the workplace; or

(c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

**EPC Agreement** means:

(a) for the Energy Savings Project means each of the following EPC Agreements:

(i) the EPC Agreement between each of the Issuer and Anesco dated 9 March 2016 pursuant to the ESPA with Tarka Housing Ltd; and

(ii) the EPC Agreement between each of the Issuer and Anesco dated 9 March 2016 pursuant to the ESPA with Westcountry Housing Association Ltd;

(b) for the Solar PV Project means each of the following EPC agreements:

(i) the EPC Agreement between Anesco Rooftop Ltd and Anesco dated 30 June 2016 in relation to each of the units, 8, 9 and 10 of The Green, Easter Park, Benyon Road, Reading, RG7 2PQ (as subsequently novated to the Issuer under a Deed of Novation);

(ii) the EPC Agreement between Anesco Rooftop Ltd and Anesco dated 15 February 2016 in respect of the PV Systems installed at Thatcham Memorial Hall and Playing Fields, Bath Road, Thatcham, RG18 3AG (as subsequently novated to the Issuer under a Deed of Novation); and

(c) for the Biomass Project means each of the following EPC agreements:

(i) the EPC Agreement between Anesco Biomass 1 and Anesco dated 10 March 2013 (as subsequently novated to the Issuer under a Deed of Novation dated 25 February 2016); and

(ii) the EPC Agreement between Anesco Biomass 1 and Anesco dated 10 March 2015 (as subsequently novated to Anesco Biomass 2 and then novated to the Issuer under a Deed of Novation dated 25 February 2016).

**Feed-in Tariff Scheme** means the feed-in tariff scheme established and operated pursuant to the terms of The Feed-in Tariffs Order 2012 (as amended from time to time).

**Final Cash Return Period** means the Cash Return Period beginning 1 October 2021 and ending on the Maturity Date.

**Final Contract** means each of the twenty (20) final contracts for energy efficiency works in respect of various properties under the two ESPAs dated prior to the date of this Deed and entered into by the Issuer and each of Westcountry Housing Association Ltd and Tarka Housing Ltd respectively.

**Final Repayment Date** means the date falling 10 weeks after the Maturity Date and is the date by which all outstanding Principal and all other sums due but unpaid under this Deed must be repaid.

**Finance Documents** means this Deed, the Agency Agreement, the Subordination Agreement, or any document designated as such by the Agent and the Issuer.

**Financial Indebtedness** means any obligation (whether incurred as principal or surety and whether present, future, actual or contingent) for the payment or repayment of any money including, without limitation, any indebtedness in respect of money borrowed or debt balances at any financial institution or under any bond, note, debenture, loan stock or similar instrument, loan, share, receivable, finance or capital lease, acceptance credit or bill discounting facility.

**First Cash Return Period** means the Cash Return Period beginning on 1 April 2016 and ending on 30 September 2016.

**Holder** means the person entered in the Register as the holder of each Debenture from time to time.

**Holder Representative** means the Holders appointed as a committee to represent the interests of Holders in accordance with paragraph 16 of the Provisions.

**Insolvency Event** means each of the events and circumstances listed in clauses 15.1.5-15.1.8 (inclusive).

**Interest** means any amount of interest payable to a Holder in accordance with clause 9 of this Deed.

**Issue Amount** means the principal or face amount of the Debentures issued under this Deed, from time to time, before and excluding any repayments of Principal made under the Deed but less any amount the Issuer has redeemed early in accordance with clause 12 or clause 13.

**Lease Agreement** means each of:

(a) the Lease Agreements dated 17 July 2015 entered into between Anesco, Anesco Rooftops Ltd and Celedon Holdings Ltd in respect of units 8, 9, 10 of The Green, Easter Park, Benyon Road, Reading, RG7 2PQ (as subsequently assigned to the Issuer by Form TR1 assignments);

(b) the Lease Agreement between Anesco Rooftop Ltd and TMHPFF dated 18 December 2015 in respect of the roof-space above Thatcham Memorial Hall and Playing Fields (as subsequently assigned to the Issuer by a deed of assignment); and

(c) the Lease Agreement dated 15 November 2012 between Dunsfold Park Limited (later DAL) and Juwi Renewable Energies Ltd in respect of the roof above unit 86 Dunsfold Park, Cranleigh, Surrey (as assigned to the Issuer by a deed of assignment and variation).

**Management Services Agreement** means a management services agreement dated 8 March 2016 between the Issuer and Anesco Limited in respect of various services.

**Maturity Date** means 31 March 2022.

**Members** has the meaning given in the Abundance Terms and Conditions.

**O&M Contract** means each of the operation and maintenance agreements in respect of the Relevant Projects which

(a) for the Solar PV Project, means each of the following:

(i) each of the O&M Contracts between Anesco Rooftop Ltd and Anesco dated 30 June 2016 in relation to each of the units, 8, 9 and 10 of The Green, Easter Park, Benyon Road, Reading, RG7 2PQ (as subsequently novated to the Issuer under a Deed of Novation);

(ii) the O&M Contracts between Anesco Rooftop Ltd and Anesco dated 15 February 2016 in respect of the PV Systems installed pursuant to arrangements with TMHPFF (as subsequently novated to the Issuer under a Deed of Novation); and

(iii) the O&M Contract between the Issuer and Anesco dated 8 March 2016 in respect of the pv system installed pursuant to arrangements with DAL; and

(b) for the Biomass Project, means each of the following:

(i) the operations and maintenance contract dated 10 March 2015 between Anesco Biomass 1 Ltd and Anesco for biomass apparatus at various properties for North DevonHomes Ltd (as novated to Anesco Biomass 2 and then novated to the Issuer under deed on 25 February 2016); and

(ii) the operations and maintenance contract dated 10 March 2015 between Anesco Biomass 1 Ltd and Anesco for biomass apparatus at various properties for Tarka Housing Ltd and Westcountry Housing Association Ltd (as novated to the Issuer under deed on 25 February 2016); and

(c) for the Energy Savings Project, means each of the following:

(i) the operations and maintenance contract between the Issuer and Anesco dated 9 March 2016 pursuant to the ESPA dated 28 August 2015 and various final contracts made between the Issuer and Tarka Housing Ltd;

(ii) the operations and maintenance contract between the Issuer and Anesco dated 9 March 2016 pursuant to the ESPA dated 28 August 2015 and various final contracts made between the Issuer and Westcountry Housing Association Ltd; and

(iii) the operations and maintenance contract in respect of Templar House between the Issuer and Anesco dated 9 March 2016 pursuant to the ESPA dated 28 August 2015 and a final contract made between the Issuer and Westcountry Housing Association Ltd.

**Offer Document** means the document produced by the Issuer relating to the Debentures dated on or about the date of this Deed, as amended or updated from time to time.

**Ordinary Resolution** has the meaning given to in the Agency Agreement.

**Permitted Disposal** means any disposal (i) of cash as contemplated by the Transaction Documents; (ii) of any trading stock made on arm's length terms and in the ordinary course of trading of the Issuer (including any worn out, excess to requirements or obsolete assets); or (iii) arising as a result of any Permitted Security.

**Permitted Indebtedness** means any Financial Indebtedness incurred by the Issuer as follows:

(a) under the Finance Documents;

(b) any Subordinated Debt; or

(c) trade credit in the ordinary course of carrying on the business of the Project.

**Permitted Security** means any lien arising by operation of law and in the ordinary course of trading of the Issuer in relation to the Project.

**Power Purchase Agreement** means in respect of the Solar PV Project, each of the power purchase agreements for the provision of electricity from roof-mounted solar photovoltaic installations:

(a) dated 30 March 2015 between Anesco and Anesco Rooftop Ltd in relation to Units 8, 9 and 10 of Easter Park, Benyon Road, Silchester, Reading, RG7 2PQ (as subsequently novated to the Issuer under a Deed of Novation);

(b) dated 11 July 2012 between Juwi Renewable Energies Ltd and DAL in relation to unit 86 Dunsfold Park, Cranleigh, Surrey (as subsequently novated to the Issuer under a Deed of Novation and Variation); and

(c) dated 18 December 2015 between Anesco Rooftop Ltd and TMHPFF in relation to the Thatcham Memorial Hall and Playing Fields, Bath Road, Thatcham, RG18 3AG (as subsequently novated to the Issuer under a Deed of Novation).

**Principal** means, as the context requires, the principal amount of the Debentures for the time being outstanding or the principal amount of the Debentures held by any Holder.

**Project** means each of the Relevant Projects of the Issuer.

**Project Assets** means for:

(a) the Biomass Project, biomass fired heat energy generating systems together with fixings, boilers and all ancillary equipment, any wood chipper, metres, and associated infrastructure, cabling, conduits and media owned by the Issuer and located at various of the Issuer's customers and all rights of the Issuer under the Project Documents for that project;

(b) the Solar PV Project, photovoltaic installations together with all ancillary equipment, metres and associated infrastructure, cabling, conduits and media owned by the Issuer and all rights of the Issuer under the Project Documents for that project; and

(c) the ESCO Project, all energy efficiency equipment including, without limitation, any light-emitting diode lighting or other energy efficient lighting, insulation, air conditioning systems and associated infrastructure, cabling, conduits and media owned by the Issuer and all rights of the Issuer under the Project Documents for that project.

**Project Document** means each of:

(a) the Management Services Agreement;

(b) any document designated as such by the Issuer and the Agent; and

(c) for each of the Relevant Projects, each of the following documents:

(i) each EPC Agreement;

(ii) each Power Purchase Agreement;

(iii) each O&M Contract;

(iv) each Lease Agreement;

(v) each ESPA;

(vi) each Final Contract;

(vii) each Asset Purchase and Maintenance Agreement; and

(viii) each agreement assigning, novating, amending or varying any of the above agreements.

**Provisions** mean the provisions for meetings of Holders, amendments and waivers and for a Holders' Representative as set out in Schedule 3 of the Agency Agreement.

**Register** means the register of Holders of Debentures.

**Relevant Projects** means each of (or, if applicable, any of) the Biomass Project, the Solar PV Project and the Energy Efficiency Project.

**Relevant Subsidy** means any feed-in-tariff or other payment due under the Feed-in-Tariff Scheme or any RHI Tariff or other payment due under the RHI.

**Relevant Surplus** has the meaning given in Schedule 1 (Calculations). Reserve has the meaning given in paragraph 6 of Schedule 4 (Positive Undertakings).

**Reserved Matters** means the matters or provisions specified in paragraph 16 of the Provisions.

**Restricted Person** means any person who does not fulfil any criteria of eligibility to invest and/or to hold Debentures set out in the Abundance Terms and Conditions from time to time including (without limitation): (i) any US Person; or (ii) any person who is resident in, whose permanent place of business or whose jurisdiction of incorporation or establishment is in any of the Channel Islands or the Isle of Man; or (iii) any Affected Person.

**Revenues** has the meaning given in Schedule 1 (Calculations).

**RHI** means the renewable heat incentive scheme introduced by the Government pursuant to the RHI Regulations 2011 (as amended).

**RHI Tariff** means the tariff that is payable to the Issuer as owner of the relevant Project Assets under the Renewable Heat Incentive.

**RPI** means the domestic measure of inflation in the UK compiled by the UK Office of National Statistics.

**Schedule** means a Schedule to this Deed.

**Shareholder** means Anesco Asset Management Limited, a company registered in England and Wales with registered number 07597560 and having its registered office at Unit 9, Easter Park, Benyon Road, Silchester, Reading, RG7 2PQ.

**Shareholder Loan Agreement** means the £1,013,161 loan agreement entered into between the Shareholder (as lender) and the Issuer (as borrower) dated on or about the date of this Deed.

**Solar PV Project** means the project of the Issuer consisting of the rights to the Feed-in-Tariffs and revenue under and its other rights under each of the applicable Lease Agreements and Power Purchase Agreements in respect of seven solar photovoltaic roof-mounted systems totalling 128kWp of electrical generating capacity located variously at Easter Park, Thattham Memorial Hall and Playing Fields and Dunsfold Airport.

**Special Resolution** has the meaning given to in the Agency Agreement.

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

**Subordinated Debt** means any Financial Indebtedness owing under the Shareholder Loan Agreement as subordinated under the Subordination Agreement.

**Subordination Agreement** means the subordination agreement entered into between the Shareholder, the Borrower and the Agent dated on or about the date of this Deed.

**Subsequent Cash Return Period** means, in relation to any Cash Return Period, the Cash Return Period immediately following that Cash Return Period (and **Subsequent Cash Return Periods** means, in relation to any Cash Return Period, each of the Cash Return Periods following that Cash Return Period).

**Tax** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

**Tax or Regulatory Requirement** means any Tax or law, regulation, rule, order, official directive or guideline of any governmental, inter-governmental or supranational body, agency, department or regulatory authority or organisation or any decision of a court (having the force of law) in any country or territory.

**TMHPFF** means Thattham Memorial Hall and Playing Fields Foundation.

**Transaction Documents** means the Finance Documents and the Project Documents.

**UK** means the United Kingdom.

**US** means the United States of America.

**US Person** means any persons who are or deemed to be US Persons for the purposes of US tax laws or US securities laws (including (without limitation) the US Securities Act of 1933). The Issuer may determine (acting reasonably) whether a person acquiring or holding Debentures (or proposing to do so) is a US person in accordance with applicable law at the time it makes such determination. Further summaries of what constitutes a US Person are provided in the Abundance Terms and Conditions.

**Written Resolution** has the meaning given to it in the Agency Agreement.

1.2 In this Deed unless the contrary intention appears:

1.2.1 terms defined in the Agency Agreement have the same meaning in this Deed.

1.2.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;

1.2.3 Words denoting the singular include the plural and vice versa and a reference to one gender includes the other gender;

1.2.4 A reference to a “person” means any individual, company, corporation, partnership, joint venture, association, unincorporated organisation, trust or other judicial entity;

1.2.5 A reference to a party or any other person includes its successors in title, permitted assigns and permitted transferees;

1.2.6 References to clauses, paragraphs and Schedules (including, for the avoidance of doubt, the Abundance Terms and Conditions) are to the clauses, paragraphs and Schedules of this Deed which form part of this Deed and shall have the same force and effect as if set out in the body of this Deed and any reference to this Deed shall include the Schedules;

1.2.7 A reference to this Deed or to any other deed, instrument, agreement or document shall, unless the context otherwise requires, be construed as reference to this Deed or such other deed, instrument, agreement or document as the same may from time to time be amended, varied, supplemented or novated, in each case, in accordance with its terms;

1.2.8 A reference to an “encumbrance” shall be construed as a reference to a mortgage, charge, assignment, pledge, lien (save as arising in the ordinary course of business), hypothecation, right of set-off (save as arising under the general law for the protection of certain classes of creditors) or trust arrangement for the purpose of and having a similar effect to the granting of security, or other security interest of any kind;

1.2.9 Indebtedness shall be construed as a reference to any obligation for payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent.

1.2.10 A reference to a statute or statutory provision or other law is a reference to it as amended, or replaced and includes all legislation and regulations made under it;

1.2.11 A month shall be construed as a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month save that, where any such period would otherwise end on a day that is not a Business Day, it shall end on the next Business Day, unless that day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Business Day provided that, if a period starts on the last Business Day in a calendar month or if there is no numerically corresponding day in the month in which that period ends, that period shall end of the last Business Day in that later month;

1.2.12 The winding-up, dissolution or administration of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such person is incorporated or of any jurisdiction in which such person carries on business;

1.2.13 All the provisions of this instrument are severable and distinct from one another and the illegality, invalidity or unenforceability of any provision of this instrument under the law of any jurisdiction shall not affect its validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision;

1.2.14 References to the Debentures include references to all and/or any of the Debentures;

1.2.15 The terms **including, include and in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of words preceding those words;

1.2.16 Headings are inserted for convenience and do not affect the interpretation of this Deed;

1.2.17 A reference in this Deed to the exercise of any rights of a Holder Representative shall mean the exercise of such rights by a Holder Representative appointed pursuant to the Provisions; and

1.2.18 A reference to an Event of Default continuing means that it has not been remedied or expressly waived.

1.3 Where indicated in this Deed, terms will have the meaning given to them by the Abundance Terms and Conditions.

1.4 Other terms will have the specific meaning given to them in the relevant provisions of this Deed or the Schedules forming part of it.

## **2 Form, Title, Register and Agent**

2.1 Debentures will be held in electronic form, represented by book entries in the Register.

2.2 Holders will be issued with an electronic confirmation of their holding of Debentures via the Abundance Service in accordance with the Abundance Terms and Conditions.

2.3 The Issuer and the Agent will only recognise and treat each registered Holder as the absolute owner of his Debentures for all purposes and shall not bound to take notice of any trust to which any Debenture may be subject and shall not be required to obtain any proof thereof or as to the identity of such Holder.

2.4 No notice of any trust, except as required by applicable law, will be entered on the Register in respect of any Debentures.

2.5 The Debentures will be registered only in accordance with the Abundance Terms and Conditions.

2.6 The Issuer shall maintain arrangements so that any changes to the Register required under this clause shall be made by Abundance in accordance with the Abundance Terms and Conditions.

2.7 Subject to clause 2.8, the personal representatives of a deceased Holder shall be the only persons recognised by the Issuer as having any title to, or interest in, that Debenture on the death of such Holder but will only be so recognised subject to their becoming Members in accordance with the Abundance Terms and Conditions.

2.8 Any person becoming entitled to a Debenture in consequence of the death or bankruptcy of any Holder or otherwise by operation of law, may, upon producing such evidence that he is so entitled as the Issuer may reasonably require, be registered himself as the Holder subject to his becoming a Member of Abundance in accordance with the Abundance Terms and Conditions.

2.9 The Issuer may retain any payments paid upon any such Debentures which any person referred to in clause 2.8 is entitled to, until such person is registered as the holder of such Debentures or he has duly transferred the Debentures.

2.10 The Holders appoint the Agent to act on their behalf in accordance with the terms of the Agency Agreement.

2.11 The provisions of the Agency Agreement (as the same may be amended, varied or modified from time to time) shall apply to this Agreement.

### **3 Denomination, Issue and Status**

3.1 The Debentures are issued in minimum amounts of five pounds Sterling (£5.00) and multiples of one pound Sterling (£1.00).

3.2 The aggregate principal amount of the Debentures is limited to a maximum of four hundred and ninety-five thousand pounds sterling (£495,000).

3.3 As and when issued, the Debentures shall constitute direct, unconditional and unsecured obligations of the Issuer and rank and will rank *pari passu*, equally and rateably without discrimination or preference with all other outstanding unsecured and unsubordinated obligations of the Issuer, without any preference among themselves.

3.4 The Debentures are issued to, and can only be held by, Members in accordance with the Abundance Terms and Conditions.

### **4 Transfer**

The Debentures may only be transferred in accordance with the Abundance Terms and Conditions or, if applicable, in accordance with clauses 2.7 and 2.8.

### **5 Representations of the Issuer**

So long as the Debentures are outstanding, the Issuer makes each of the representations and warranties set out in Schedule 3.

### **6 Undertakings of the Issuer**

So long as the Debentures are outstanding, the Issuer agrees to comply with each of the undertakings given by it that are set out in Schedules 4 and 5.

### **7 Use of Proceeds**

7.1 The Issuer may only use the proceeds raised from the Debentures issued under this Deed, subject to the requirements to fund and maintain the Reserve under paragraph 6 of Schedule 4, to refinance the Subordinated Debt, provided that the Subordinated Debt is reduced and cancelled by the same amount as the amount of that refinancing.

7.2 No Holder is bound to monitor or verify the application of any net proceeds of a Debenture issued pursuant to this Deed.

### **8 Repayment of Principal**

8.1 Subject to this Deed, the Issuer shall repay Principal by making the Annual Principal Repayment in semi-annual instalments following the end of each Cash Return Period, each instalment amount being equal to fifty per cent (50%) of the Annual Principal Repayment.

8.2 The making of any repayment of Principal (including any Deferred Amounts) or its deferral following the end of any Cash Return Period (other than the Final Repayment Date) depends on the amount of Relevant Surplus of the Issuer and the Reserve in that Cash Return Period. As soon as is reasonably practicable following the end of each Cash Return Period, the Issuer shall perform the calculation of its Relevant Surplus in accordance with Schedule 1 (Calculations) and the Reserve, to determine what (if any) repayment of Principal is required to be made in respect of that Cash Return Period at that time.

8.3 If because there is sufficient Relevant Surplus or Reserve in a Cash Return Period (on the basis of the calculation referred to in clause 8.2), the Issuer determines that it is required to make a repayment of Principal in respect of that Cash Return Period, the Issuer shall make that payment within ten weeks of the end of that Cash Return Period.

8.4 If because there is both insufficient Relevant Surplus or Reserve in a Cash Return Period (on the basis of the calculation referred to in clause 8.2), the Issuer determines that no repayment of Principal may be made in respect of that Cash Return Period or the amount of Relevant Surplus and Reserve available for such repayment of Principal is less than the amount required to be paid under clause 8.1, the Issuer's liability to pay such shortfall of Principal (a "**Deferred Amount**") will be treated as not having fallen due shall be deferred and become due and payable by the Issuer on the earlier of: (i) the date falling 10 weeks after the end of the next Subsequent Cash Return Period in which the Issuer has determined that there is sufficient Relevant Surplus or Reserve (on the basis of calculations referred to in clause 8.2) to make that payment; (ii) the date falling twelve (12)

months from the date on which it would have been due and payable if not first deferred under this clause; (iii) the date all payments under this Deed are accelerated under clause 15.4.1 after an Event of Default; or (iv) the Final Repayment Date.

8.5 Any Deferred Amount shall bear Additional Interest in accordance with clause 10.

8.6 All outstanding Principal (including any Deferred Amounts) must be repaid by the Issuer no later than the Final Repayment Date.

## 9 Interest

9.1 Subject to this Deed, the Issuer shall pay Interest following the end of each Cash Return Period in accordance with this clause.

9.2 The Debentures bear and accrue Interest on and from the date the Debentures are issued to and including the date that they are repaid or redeemed in full.

9.3 The Issuer shall pay Interest equal to the Annual Interest Amount to the Holders in semi-annual instalments following the end of each Cash Return Period, each instalment amount being equal to fifty per cent (50) % of the Annual Interest Amount.

9.4 The making of any payment of Interest (including any Deferred Amounts) or its deferral following the end of any Cash Return Period (other than the Final Repayment Date) depends on the amount of Relevant Surplus of the Issuer and the Reserve in the relevant Cash Return Period. As soon as is reasonably practicable following the end of each Cash Return Period, the Issuer shall perform the calculation of its Relevant Surplus in Schedule 1 (Calculations) and the Reserve, to determine what (if any) payment of Interest is required to be made in respect of that Cash Return Period at that time.

9.5 If because there is sufficient Relevant Surplus or Reserve in a Cash Return Period (on the basis of the calculations referred to in clause 9.4), the Issuer determines that it is required to make a payment of Interest in respect of that Cash Return Period, the Issuer shall make that payment within ten weeks of the end of that Cash Return Period.

9.6 If due to both insufficient Relevant Surplus or Reserve in a Cash Return Period (on the basis of calculations referred to in clause 9.4), the Issuer determines that no payment of Interest is required to be made in respect of that Cash Return Period or the amount of Relevant Surplus and Reserve available for such payment is less than the amount required under clause 9.3, the Issuer's liability to pay such shortfall of Interest (a "**Deferred Amount**") will be treated as not having fallen due and shall be deferred and become due and payable by the Issuer on the earlier of: (i) the date falling 10 weeks after the end of the next Subsequent Cash Return Period in which the Issuer has determined (on the basis of the calculations referred to in clause 9.4) that there is sufficient Relevant Surplus or Reserve to make that payment; (ii) the date falling twelve months from the date on which it would have been due and payable if not first deferred under this clause; (iii) the date that all payments under this Deed are accelerated under clause 15.3.1 after an Event of Default; or (iv) the Final Repayment Date.

9.7 Any Deferred Amount shall bear Additional Interest in accordance with clause 10.

9.8 All due but unpaid Interest shall be payable on the Final Repayment Date.

9.9 Interest shall be calculated and accrue on the basis of the actual number of days elapsed in the relevant period and a 365 day year.

## 10 Additional Interest

10.1 The Issuer shall pay Additional Interest on any Deferred Amounts in respect of Principal or Interest at a rate of 3% over the published Base Rate of Barclays Bank PLC (or, if that rate is unavailable from Barclays Bank PLC, the equivalent base rate of another major UK retail bank of comparable size chosen by the Issuer) from the date when payment of such amount of Principal or Interest would have been made in accordance with clauses 8 or 9 (as applicable) until actual payment, after as well as before judgment.

10.2 In respect of each Cash Return Period, the Issuer shall pay Additional Interest on Deferred Amounts outstanding during that Cash Return Period, within 10 weeks of the end of such Cash Return Period except that, if there is insufficient Relevant Surplus or Reserve (in accordance with the Issuer's calculations in Schedule 1) for that Cash Return Period to make such payment in full, such shortfall may be deferred on the same basis as applicable to payments of Principal and Interest in accordance with clauses 8 and 9 save that any deferred Additional Interest will not itself bear Additional Interest.

10.3 Additional Interest shall accrue on a daily basis and on the basis of a 365 day year.

10.4 All due but unpaid Additional Interest (including any Deferred Amounts) shall be payable in accordance with 10.2 and by no later than the Final Repayment Date.

## 11 Payments

11.1 All payments owing to Holders under this Deed are subject to clause 7 of the Agency Agreement including, without limitation, provisions detailing the priority of payments under this Deed.



11.2 Subject to the Agency Agreement, the Issuer may, at any time, make any payment of any Deferred Amount(s) or Additional Interest in advance of its due date, provided that there is sufficient Relevant Surplus to do so (with the effect that it may make such payments in priority to any Costs other than amounts due to the Agent (as described in paragraph 1.5 (c) of Schedule 1 (Calculations)).

11.3 Subject to clause 1.7 of Schedule 1 (Calculations), if there is either:

11.3.1 a shortfall in Relevant Surplus for the Issuer to make any required payment to Holders under clauses 8 to 10 (inclusive) of this Deed (but not including any payment into or from the Reserve); or

11.3.2 at the time of making any required payment to Holders under clauses 8 to 10 (inclusive) of this Deed, there is less cash freely available to the Issuer than the amount of Relevant Surplus available to make that payment,

(each such shortfall in Relevant Surplus or cash in the sub-clauses above, being a “**Relevant Shortfall**”), the Issuer shall make that required payment out of the Reserve in an amount no greater than the Relevant Shortfall.

## 12 Redemption and Early Redemption at the Issuer’s option

12.1 The Issuer shall be entitled at any time following (i) a Change of Control; and/or (ii) a Tax or Regulatory Requirement by issue of an irrevocable notice (“**Notice of Redemption**”) to the Holders (or, in the case of a Tax or Regulatory Requirement, to any Affected Person) giving not less than 20 Business Days’ and no more than 40 Business Days’ notice (which shall be given via the Abundance Service) of its intention to redeem the Debentures or, in the case of the Debentures held by an Affected Person, redeem the affected Debentures. Each Notice of Redemption will specify the date for the proposed redemption.

12.2 Following the Notice of Redemption, on the date specified for redemption, the Issuer will redeem the affected Debentures and repay the Principal of those affected Debentures together with any accrued Interest and/or Additional Interest then owing in relation to those affected Debentures.

12.3 Where the Issuer has issued a Notice of Redemption in respect of a Change of Control, the Issuer will pay a further percentage amount of such Principal amount calculated and verified by the Independent Valuer, being a percentage of premium payable in addition to the Principal amount having regard to all reasonable circumstances including the period of time remaining until the Final Repayment Date and amount of Interest that would have been payable but for early redemption, discounted to present value in a commercially reasonable manner.

12.4 By no later than the end of the notice period specified in the Notice of Redemption, the Issuer (acting reasonably) shall have appointed the Independent Valuer which shall be a firm of Chartered Accountants who have not been engaged by the Issuer to provide professional services to it within a period of 5 years prior to the Issue of the Notice of Redemption.

Following the appointment of the Independent Valuer the Issuer shall inform the relevant Holders of the identity of the Independent Valuer as soon as reasonably practicable.

12.5 Save in the case of manifest error, the verification of the calculation by the Independent Valuer shall be final and binding on the Issuer and the relevant Holders and any applicable premium shall be paid by the Issuer within 28 days of the date the Issuer is notified of the Independent Valuer’s confirmation.

12.6 The costs of the Independent Valuer shall be payable by the Issuer.

12.7 Subject to clause 14.1, the Issuer shall not be entitled to redeem the Debentures otherwise than in accordance with this Clause 12.

## 13 Mandatory Redemption on the Relevant Events

13.1 Where a Relevant Event (defined below) has occurred, the Issuer shall promptly issue a Notice of Redemption (via the Abundance Service) informing the Holders of the same and stating the Principal amount of the Debentures which will be redeemed and the date upon which redemption will take place (which shall be a date within 20 Business Days of the Notice of Redemption being issued).

13.2 Subject to clause 13.4, in the case of an Asset Event (which does not result in a Relevant Payment), the amount of Principal which will be redeemed shall be calculated as follows:

$$P \times (S/T)$$

Where,

P = the amount of Principal outstanding at the date of redemption:

T = the total aggregate output (in kWp) of all the Project Assets in the Project; and

S = the output (in kWp) of the affected Project Asset(s) in relation to which a Relevant Event has occurred.

13.3 In the case of a Relevant Payment, the Issuer shall redeem an amount of Principal equal to the amount of the Relevant Payment.

13.4 Any redemption made pursuant to clauses 13.1 to 13.3 (inclusive) above shall be made by the Issuer repaying a pro-rata amount of Principal held by each Holder and any sum so redeemed shall be paid together with any Interest and/or Additional Interest accrued or owing on such sums up until the date of redemption.

13.5 For the purpose of this clause the following capitalised terms will have the meanings as set out below:

**Asset Event** means the occurrence of any circumstance or event as contemplated by the Project Documents resulting in the Issuer losing or no longer having the right to the Relevant Subsidy in relation to the Project Assets that have been funded under this Deed.

**Contractual Payment** means any one-off termination payment or compensatory payment received by the Issuer under the Project Documents including, without limitation, any Outstanding Payment (as defined under an Asset Purchase and Maintenance Agreement) and any Termination Payment (as defined under an ESPA).

**Insurance Payment** means any payment received by the Issuer under its insurance policies taken out in connection with any of the Project Documents or Relevant Projects.

**Relevant Event** means an Asset Event or any other event or circumstance resulting in a Relevant Payment.

**Relevant Payment** means any Insurance Payment or any Contractual Payment.

## 14 Purchase and Cancellation

14.1 Subject to paragraph 14 of the Provisions, the Issuer or any party associated with the Issuer may at any time by agreement with the relevant Holder purchase any Debentures at any price by tender, private treaty or otherwise.

14.2 Any Debentures which are repaid, redeemed or purchased by the Issuer shall forthwith be cancelled and shall not be available for re-issue.

## 15 Events of Default

15.1 Each of the following events or circumstances set out in this clause 15.1 is an Event of Default:

15.1.1 any failure by the Issuer to pay in full any amount payable to such Holder in respect of the Debentures within 10 Business Days after the due date for its payment; or

15.1.2 the Issuer fails to perform or comply with any of its other obligations under the Finance Documents (other than the obligations specified in clause 15.1.1) or any of its material obligations under the Project Documents and, except where such failure is incapable of remedy, such failure continues for 10 Business Days after the earlier of (a) written notice has been given by the Agent requiring remedy of such failure; or (b) the date that the Issuer has become aware of such failure; or

15.1.3 any representation, warranty or statement made or deemed to be made by the Issuer in the Finance Documents or any other document delivered by or on behalf of the Issuer under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made; or

15.1.4 any Financial Indebtedness in respect of Permitted Indebtedness exceeding £5,000 of the Issuer is not paid when due or otherwise becomes due and payable prior to its specified maturity or any creditor of the Issuer becomes entitled to declare any such Financial Indebtedness due and payable prior to its specified maturity including, without limitation, due to an event of default (howsoever described) occurring; or

15.1.5 the Issuer is deemed insolvent or unable to pay its debts for the purposes of section 123(1) or section 123(2) of the Insolvency Act 1986; or

15.1.6 in relation to the Issuer, any corporate action, legal proceedings or other procedure or step is taken in relation to the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or a reorganisation, composition, compromise, assignment or arrangement with any creditor of the Issuer (other than for the purposes of a bona fide, solvent scheme of reconstruction or amalgamation previously approved by a Special Resolution) or the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Issuer or any of its assets and such person not being paid out or discharged within 10 Business Days; or

15.1.7 any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of the Issuer and is not discharged or stayed within 10 Business Days; or

15.1.8 anything analogous to or having a substantially similar effect to any of the events specified in clauses 15.1.5 to 15.1.7 inclusive shall occur under the laws of any applicable jurisdiction; or

15.1.9 it is or becomes unlawful for the Issuer to perform any of its obligations under the Finance Documents or any such obligation ceases to be legally, valid and binding or any subordination created under a Subordination Agreement is or becomes unlawful; or

15.1.10 it rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or evidences an intention to do so; or

15.1.11 the Issuer ceases to carry on the business or a substantial part of the business that it carries on at the date of this Agreement or abandons or ceases to carry on the management or ownership of a material part of the Project Assets for a continuous period of 15 Business Days or more.

15.2 The Issuer shall promptly and as soon as practicable notify the Holders and the Agent of the happening of any Event of Default upon becoming aware of its occurrence (and the steps, if any, being taken to remedy it) and, to the extent that the Agent is aware of an Event of Default, the Agent shall provide such notification.

15.3 If any Event of Default occurs and is continuing, the Agent if so directed in writing by Holders of at least twenty five per cent. (25%) of the Principal (or by an Ordinary Resolution or Special Resolution of the Holders), shall:

15.3.1 by notice in writing (an **“Acceleration Notice”**) declare all the Debentures to be due and payable to take effect on the first Business Day following the end of a period of twenty (20) Business Days following the date the Acceleration Notice is given (the **“Standstill Period”**), whereupon the Debentures shall become immediately due and payable by the Issuer at their principal amount together with all unpaid and/or accrued Interest, all Deferred Amounts and any other sum then payable on the Debentures without further action or formality unless, prior to the end of that Standstill Period, the Acceleration Notice has been withdrawn in accordance with clause 10.6 of the Agency Agreement *provided* that, in the case of any Insolvency Event, the Standstill Period (or any days remaining within that period) may be waived with immediate effect at any time by the Agent giving notice to that effect to the Issuer and the Holders (a **“No Standstill Notice”**) if the Agent determines, in its absolute discretion, that immediate acceleration is necessary to protect the interests of the Holders and upon the service of such a No Standstill Notice, all the Debentures will be due and payable (and become immediately due and payable by the Issuer) on the first Business Day following the date of the No Standstill Notice at their principal amount together with all unpaid and/or accrued Interest, all Deferred Amounts and any other sum then payable on the Debentures without further action or formality; or

15.3.2 allow the Agent, at the cost and expense of the Issuer (such costs to be proper and reasonable and as far as practicable agreed in advance of appointment), to appoint accountants, lawyers or technical advisers as agreed by the Agent and the Issuer to protect the Holders’ interests under the Finance Documents and to investigate the Event of Default affecting the Project; or

15.3.3 permit the appointment of a Holder Representative in accordance with the terms of the Agency Agreement.

15.4 No Holder shall be entitled to take any Enforcement Action in relation to the Debentures or enforce any provision of this Deed or waive, cure or consent to any Event of Default or proposed breach of the terms of this Deed except where such action is permitted by and in accordance with the terms of the Agency Agreement

## 16 Notices

16.1 The Issuer will give each notice, and will send any other document, to a Holder using the Abundance Service (which, for the avoidance of doubt, includes the use of e-mail). Each Holder agrees that the Issuer may rely on Abundance to deliver any such notice in accordance with the Abundance Terms and Conditions.

16.2 Any notice from the Holders to the Issuer contemplated by this Deed may be given by e-mail to the Issuer at the following address [delvin.lane@anESCO.co.uk](mailto:delvin.lane@anESCO.co.uk) as otherwise directed by the Issuer or Abundance (acting on behalf of the Issuer) at the relevant time.

16.3 A notice, document or information sent or supplied by electronic means to an address specified for the purpose is deemed to be given to or received by the intended recipient on the same day it was sent, and in providing service it is sufficient to prove that the communication was properly addressed and sent.

## 17 Meetings of Holders, Voting and Modifications to the Deed

17.1 The Provisions as defined and set out in Schedule 3 of the Agency Agreement include provisions for:

17.1.1 convening meetings of Holders;

17.1.2 voting and quorum requirements and powers exercisable in respect of an Ordinary Resolution, Special Resolution or a Written Resolution;

17.1.3 the ability to appoint (and powers of) a Holders Representative; and

17.1.4 waivers, modifications or consents in respect of certain material matters that affect the Finance Documents (defined in the Agency Agreement as **“Reserved Matters”**) that are only exercisable by Special Resolution and in respect of other matters that affect the Finance Documents (defined in the Agency Agreement as **“Non-Reserved Matters”**) that are exercisable by Ordinary Resolution and in respect of matters deemed by the Agent to be of a formal, minor or technical nature that are exercisable by the Issuer and/or Agent without Holder consent in accordance with the Agency Agreement.

## 18 No Dealings

The Debentures are not capable of being dealt or listed on any stock exchange or other public market in the United Kingdom or elsewhere and no application has been, or is intended to be made, for the Debentures to be listed or otherwise traded on any such stock exchange or other public market.

## 19 Rights and Obligations

19.1 This Deed does not confer rights on any persons other than the Holders, the Agent and the Issuer.

19.2 Except as expressly provided in clause 19.1, no rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

19.3 Subject to Clause 15.4 and the provisions of the Agency Agreement, each Holder shall be entitled to sue for the performance and observance of the provisions of this Deed as far as his holding of Debentures is concerned.

19.4 For the avoidance of doubt this Deed and the Debentures are enforceable under the Contracts (Rights of Third Parties) Act 1999 by each Holder.

19.5 Abundance provides services in accordance with arrangements it has with the Issuer and operates the Abundance Service in accordance with the Abundance Terms and Conditions as agreed by Members.

## 20 Inspection

A copy of this Deed shall be kept at the registered office of the Issuer and any Holder and any person duly authorised in writing by a Holder may at all reasonable times during office hours inspect it.

## 21 Endorsement

A memorandum of execution of any deed supplemental to this Deed shall be endorsed by the Issuer on this Deed.

## 22 Governing Law and Jurisdiction

22.1 This Deed and the Debentures and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, the law of England and Wales.

22.2 The courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim, whether contractual or non-contractual, arising out of or in connection with this Deed or the Debentures. This document is executed as a deed and is delivered and takes effect on the date written at the beginning of it.

Executed as a deed by )  
Anesco South West Renewables Plc)  
acting by a director )

---

Director

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

Executed as a deed by )  
Abundance Investment Limited )  
acting by a director )

---

Director

Witness Signature:

Witness Name:

Witness Occupation:

Witness Address:

## Schedule 1

### Calculations

**Words and expressions defined in the Deed shall bear the same meanings when used in this Schedule.**

1 The Issuer shall calculate any amounts payable to the Holders under this Deed in the manner set out in the following sub-clauses:

1.1 The First Cash Return Period ends on 30 September 2016. Subsequent Cash Return Periods following the First Cash Return Period will be periods of six months following the First Cash Return Period, as set out in the Deed. The Final Cash Return Period ends on the Maturity Date.

1.2 Within 10 weeks of the last day of the each Cash Return Period, the Issuer will calculate its **Relevant Surplus, Revenues** and **Costs** in such Cash Return Period.

1.3 The Issuer's Relevant Surplus for the purposes of the calculation in paragraph 1.2 is the total of:

(a) the sums receivable by the Issuer as Revenues during that Cash Return Period; plus

(b) any sum actually receivable by the Issuer during that Cash Return Period in relation to rebate or repayment of any Costs incurred during any previous Cash Return Period; less

(c) the Costs incurred by the Issuer in respect of that Cash Return Period.

1.4 The Issuer's **Revenues** for the purpose of the calculation in paragraph 1.2 shall be any sums receivable by the Issuer in respect of the generation or sale of any electricity produced by the Project including (i) any proceeds receivable by the Issuer in relation to any power purchase agreement or similar agreement relating to electricity generated by the installations, under the Feed-in Tariff Scheme, any Renewable Energy Guarantee of Obligation, Levy Exemption Certificate or other relevant government subsidy or embedded benefit; and (ii) any other sums receivable by the Issuer in connection with the Project under performance bonds, letters of credit, bank interest, claims under any insurance policy, liquidated damages or other sums receivable by the Issuer under any contract relating to the Project.

1.5 The Issuer's **Costs** for the purposes of the calculation in paragraph 1.2 shall be the costs and expenses of the Issuer (excluding capital expenditure) incurred in respect of any given Cash Return Period, including (without double counting):

- a) operating costs and expenses (including administrative, legal, management and accounting);
- b) tax liabilities (including any tax liability arising as a result of the receipt by the Issuer of any Revenues) where such liabilities fall due for payment in that Cash Return Period (but excluding where such liabilities have been incurred by the Company but are not due for payment during that Cash Return Period);
- c) fees and expenses payable to Abundance or any other third party incurred by the Issuer in the establishment of the Debentures;
- d) maintenance costs and expenses incurred in respect of the Project;
- e) insurance premium incurred relating to the Project; plus
- f) any contribution into the contingency reserve referred to in paragraphs 6.1 and 6.2 of Schedule 5 (Positive Undertakings).

## Schedule 2

### Holder Restrictions

1.1 The Debentures may only be acquired or held by Members who are eligible to invest in accordance with the Abundance Terms and Conditions, which, as at the date of this Deed, includes:

1.1.1 individuals aged 18 years or over who have their permanent residence in an Eligible EEA Country (but excluding any Restricted Person);

1.1.2 those who are not individuals, being persons who have a permanent place of business in an Eligible EEA Country and are duly incorporated, authorised, established or formed in accordance with the relevant European laws and regulations; or

1.1.2 other Members who fulfil all the applicable criteria of eligibility to acquire and to hold Debentures in accordance with the Abundance Terms and Conditions from time to time.

1.2 The Debentures may not be acquired or held by any Restricted Person.

1.3 The Debentures have not been and will not be registered under the United States Securities Act of 1933 or qualified for sale under the laws of the US or under the laws of any country, jurisdiction, state or territory outside the UK.

1.4 The Issuer, or Abundance on its behalf, may require reasonable evidence that a proposed transfer is exempt from or not subject to a registration or similar requirement in the US or any other jurisdiction outside the United Kingdom and is not to, or for the benefit of, a Restricted Person.

1.5 The Issuer may require redemption of any Debenture that reasonably appears to it to be held by, or for the benefit of, a Restricted Person.

## Schedule 3

### Representations and Warranties

Words and expressions defined in the Deed shall bear the same meanings when used in this Schedule.

The Issuer represents and warrants to the Holders that:

1 Status: it is a public limited company, duly incorporated and validly existing under the laws of England and Wales and it has full power and authority to carry on its business and activities as presently conducted or as contemplated under the Transaction Documents.

2 Power and Authority: it has the power and authority to enter into, exercise its rights under and perform its obligations under the Transaction Documents to which it is a party and it has taken all necessary action to authorise the entry into and performance of the Transaction Documents to which it is a party.

3 Authorisation: All Authorisations required to enable it to lawfully issue the Debentures and perform the terms of the Transaction Documents and ensure the obligations expressed to be assumed by it in the Debentures and Transaction Documents are legal, valid, binding and enforceable against it have been obtained or effected and are in full force and effect (subject to any necessary registrations being completed).

4 Non-conflict with other obligations: The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with any law or regulation applicable to it, its constitutional or any agreement or instrument binding upon it or any of its assets.

5 No default: No Event of Default in relation to it is subsisting and no Event of Default is reasonably likely to occur as a result of the issue of the Debentures.

6 Project Documents: It has complied with the material terms of the Project Documents and no person has disputed, repudiated or disclaimed liability under any Project Document or evidenced an intention to do so.

7 Arm's Length: The Transaction Documents to which it is expressed to be a party have been, are being or will be entered into in good faith for the benefit of the Issuer and on arm's length terms.

8. Information:

8.1 All information that it has given in connection with the Offering Document and the Transaction Documents was true and accurate as at the date it was provided or as at any date at which it was stated to be given.

8.2 Any financial projections contained in the information referred to in paragraph 8.1 have been prepared as at the date they were provided or stated to be given on the basis of both recent historical information and reasonable assumptions or, where there was no recent historical information available, on the basis of reasonable assumptions and, in each case, having been arrived at after careful consideration by the Issuer.

9 No litigation: No litigation, arbitration or administrative proceedings or investigations (whether or not in relation to any Environmental Law or any other matter) of, or before, any court, arbitral body or agency have been started or threatened against it which have or, if adversely determined, would materially adversely affect the Issuer's ability to perform its obligations under the Transaction Documents to which it is expressed to be a party or result in a liability against the Issuer in an amount which exceeds £25,000.

10 Trustee: It is not entering into any Finance Document as a trustee.

11 Centre of main interests and establishments: For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings, its "centre of main interest" is situated in England and Wales.

12 Business purpose: The Issuer is a single purpose vehicle whose sole business is managing and operating the Project as contemplated by the Transaction Documents and has no debt other than Permitted Indebtedness.

#### **Schedule 4**

##### **Positive Undertakings**

1 Authorisations: The Issuer must promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under any law or regulation of England and Wales that enable it to perform its obligations under the Transaction Documents and to ensure the legality, validity, enforceability or admissibility in evidence of any Transaction Document or that enable it to own its assets and carry on its business as it is being conducted.

2 Compliance with laws: The Issuer must comply with any law or regulation (including any Environmental Law) where such breach would materially adversely affect the Issuer's ability to perform its obligations under the Transaction Documents to which it is expressed to be a party or result in a liability against the Issuer in an amount of which exceeds £25,000.

3 Taxes: The Issuer must pay all Taxes due and payable by it prior to the accrual of any fine or penalty for late payment and must promptly pay to HM Revenue & Customs all VAT and related interest and penalties payable by it in respect of the Project.

4 Insurances: The Issuer must ensure that at all times from the date hereof insurances are maintained in full force and effect, which are in accordance with sound commercial practice normally maintained by companies carrying on similar businesses to the Issuer and are in an amount, and in a form, and with a reputable insurance company and underwriters.

5 Project Document: The Issuer must exercise its rights under and comply with its material obligations under each Project Document in a proper and timely manner.

6 Reserve: The Issuer will, at all times any amount is outstanding under this Deed and until the Final Repayment Date, maintain an amount in free cash (the "**Reserve**") consisting of an amount equal to one twelfth (1/12<sup>th</sup>) of the total amount of the Issue Amount (to be used solely for repayment of Principal and payment of Interest, Additional Interest or Deferred Amounts) provided that, if the Issuer makes any payment out of the Reserve in accordance with clause 11.3, the amount of Reserve shall temporarily reduce and the Issuer shall fund the resulting shortfall out of any Relevant Surplus.

7. Shareholder Loan Agreement: The Issuer agrees that it will comply with the terms of the Shareholder Loan Agreement and the Subordination Agreement and that any Financial Indebtedness created under the Shareholder Loan Agreement is and continues to be subordinated to the Debentures under the terms of the Subordination Agreement.

8. Information: The Issuer must promptly supply to the Agent or a Holder Representative any other information in relation to the costs of the Project, the progress of the Project or any other matters in relation to the Project which the Agent or Holder Representative may reasonably request.

9 Access: The Issuer shall allow the Agent or any person or persons appointed on the Agent's or Holders' behalf in accordance with clauses 15.3.2 or 15.3.3 (respectively) or paragraph 16 of the Provisions (each a "holder appointee") and any of their officers, employees and agents to attend, all meetings concerning relevant milestones in the Project (other than site meetings) and ensure that the Agent and/or the holder appointee (as applicable) are given access to the records of the Project on reasonable notice.

## Schedule 5

### Negative Undertakings

Subject to the terms of this Deed, the Issuer shall not:

1 Financial Indebtedness: incur or permit to subsist or be outstanding any Financial Indebtedness other than Permitted Indebtedness;

2 Lending and guarantees: make any loan or enter into, increase or extend any liability, form of credit or any guarantee or indemnity (other than under a Transaction Document) or an indemnity under a contract for goods or services entered into in the ordinary course of carrying on the business of the Project;

3 Negative Pledge: create or permit to subsist any encumbrance over any of its assets other than Permitted Security;

4 Acquisition: make any acquisition or investment other than as permitted under the Transaction Documents;

5 Disposal: transfer, sell, lend, part with or otherwise dispose of any (or any part of) any asset or undertakings other than a Permitted Disposal;

6 Dividend: whilst an Event of Default has occurred and is continuing, apply, pay, make or declare any dividend, return on capital, repayment of capital contributions or other distribution or make any distribution of assets or other payment whatsoever in respect of share capital whether directly or indirectly;

7 Joint Venture: form, enter into, invest in or transfer any asset to any partnership, consortium or joint venture entity or any other incorporated or unincorporated association for the purposes of any business or form or acquire any subsidiary undertaking (as defined in section 1162 of the Companies Act 2006);

8 Merger: enter into any amalgamation, demerger or merger or corporate reconstruction;

9 Change in business: undertake any business or activity which is not incidental to the Project or any of the activities contemplated by the Transaction Documents;

10 Other agreements: enter into any material agreement other than the Transaction Documents or as expressly permitted by a Transaction Document or otherwise if such agreement is entered into on arm's length terms and in the ordinary course of carrying on the Project;

11 Scheme: establish any pension or life insurance scheme, or any bonus, profit sharing, share option or other incentive scheme for its directors or employees; or

12 Directors' payments: make any payment, whether by way of emoluments for services or otherwise (but not including reimbursement of expenses reasonably and properly incurred) to, or on behalf of, any director of the Issuer.

13 Conversion: convert the Debentures or any principal or interest payments in relation to the same into shares or any other securities of the Issuer without the sanction of a Special Resolution in accordance with the terms of the Agency Agreement.

## Our service providers

### Issuer, we or us

#### **Anesco South West Renewables plc**

Company registration number: 9351832

Registered address:

Unit 9, Easter Park

Benyon Road

Silchester

Reading

RG7 2PQ

### Legal counsel to Issuer

#### **Shoosmiths LLP**

Apex Plaza

Forbury Road

Reading

RG1 1SH

### Independent technical expert

#### **BVBA Challoch Energy**

Dennenboslaan 2600

3090 Overijse

Belgium

### Arranger and distributor

#### **Abundance Investment Limited**

Threshold House

65-69 Shepherds Bush Green

London

W12 8TX

### Legal advisors to Abundance

#### **Keystone Law Limited**

Second Floor, Audley House

13 Palace Street

London

SW1E 5HX

The following documents are available on request at our registered address:

- Agency Agreement
- Asset Purchase and Maintenance Agreements
- Lease Agreements
- Power Purchase Agreements
- Energy Savings Performance Agreements
- Operations and Maintenance Contracts
- Management Services Agreement

Terms and conditions for the use of the Abundance service available at [www.abundanceinvestment.com](http://www.abundanceinvestment.com).

We would like to thank you for taking the time to read our offer document. We the Directors accept responsibility for the information it contains, which is true to the best of our knowledge and belief (having taken all reasonable care to ensure this is so) and reflects the facts without omitting anything which could affect its importance.



Edwin Hamilton, Delvin Lane

**Anesco South West Renewables plc**