



Registration of a Charge

Company name: **GEOTHERMAL INTERNATIONAL LIMITED**

Company number: **05397984**

Received for Electronic Filing: **23/06/2015**



X4A5Q5H7

Details of Charge

Date of creation: **18/06/2015**

Charge code: **0539 7984 0003**

Persons entitled: **ESB NOVUSMODUS LP**

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: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

SQUIRE PATTON BOGGS (UK) LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5397984

Charge code: 0539 7984 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th June 2015 and created by GEOTHERMAL INTERNATIONAL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd June 2015 .

Given at Companies House, Cardiff on 24th June 2015

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

DATED 18 June 2015

GEO THERMAL INTERNATIONAL LIMITED (1)

And

ESB NOVUSMODUS LP (2)

DEBENTURE

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DATE OF DEBENTURE

18 June

2015

PARTIES

- (1) **GEOHERMAL INTERNATIONAL LIMITED** (Company Number 05397984) whose registered office is at Shillingwood House, Westwood Way, Westwood Business Park, Coventry, CV4 8JZ (the "**Company**"); and
- (2) **ESB NOVUSMODUS LP** an Irish limited partnership whose principal place of Business is at 27 Lower Fitzwilliam Street, Dublin 2, Dublin, Ireland ("**Chargee**").

THIS DEED WITNESSES THAT:

1 INTERPRETATION

1.1 Definitions

In this deed, unless the context otherwise requires:

"Account" means each account from time to time opened or maintained by the Company at any bank or financial institution and all rights, benefits and proceeds in respect of such account.

"Account Bank" means any bank with which the Company maintains an Account.

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

"Assigned Asset" means the assets assigned pursuant to clause 2.2 (*Assignments*) of this deed.

"Charged Assets" means all assets of the Company described in clauses 2.1 (*Fixed Charges*), 2.2 (*Assignments*) and 2.3 (*Floating Charges*).

"Collateral Instruments" means notes, bills of exchange, certificates of deposit and other negotiable and non-negotiable instruments, guarantees and any other documents or instruments which contain or evidence an obligation (with or without security) to pay, discharge or be responsible directly or indirectly for, any liabilities of any person and includes any document or instrument creating or evidencing an Encumbrance.

"Debts" means book and other debts, revenues and claims, whether actual or contingent, whether arising under contracts or in any other manner whatsoever and all things in action which may give rise to any debt, revenue or claim, together with the full benefit of any Encumbrances, Collateral Instruments and any other rights relating thereto including, without limitation, reservations of proprietary rights, rights of tracing and unpaid vendor's liens and associated rights.

"Disposal" includes any sale, lease, sub-lease, assignment or transfer, the grant of an option or similar right, the grant of any easement, right or privilege, the grant of a licence or permission to assign or sublet, the creation of a trust or other equitable interest or any other proprietary right in favour of a third party, a sharing or parting with possession or occupation whether by way of licence or otherwise and the

granting of access to any other person over any Intellectual Property, and any agreement or attempt to do any of the foregoing and "**dispose**" and "**disposition**" shall be construed accordingly).

"Enforcement Date" means any time the Chargee makes demand under the Loan Agreement.

"Existing Charge" means the charge dated 10 October 2013 granted by the Company to Silicon Valley Bank over the Company's bank account(s) at Silicon Valley Bank.

"Fixed Charge Assets" means the assets of the Company described in clause 2.1 (*Fixed Charges*).

"Fixtures" means, in relation to a Property, all fixtures and fittings (including trade fixtures and fittings), fixed plant and machinery and other items attached to that property, whether or not constituting a fixture at law.

"GAAP" means accounting principles which are for the time being generally acceptable in the United Kingdom.

"Incapacity" means, in relation to the Company, the insolvency, liquidation, dissolution, winding-up, administration, receivership, amalgamation, reconstruction, the service of any notice to convene a meeting of the Company's creditors, the passing of any resolution of the Company's creditors, any compromise in respect of the Company's debts, any moratorium coming into effect in relation to its affairs, any statutory demand that is not satisfied within eighteen days, any petition for winding up that is not dismissed within fourteen days from the date of presentation or any equivalent event in any jurisdiction (and, in the case of a partnership, includes the termination or change in the composition of the partnership).

"Indebtedness" means any obligation for the payment or repayment of money, whether as principal or surety and whether present or future, actual or contingent.

"Insurances" means all present and future contracts or policies of insurance (including life assurance policies) taken out by the Company or in which the Company from time to time has an interest.

"Intellectual Property" means all patents (including applications for and rights to apply for patents), trademarks and service marks (whether registered or not) and applications for the same, trade names, registered designs, design rights, semiconductor topography rights, database rights, copyrights, computer programs, know-how and trade secrets and all other intellectual or intangible property or rights and all licences, agreements and ancillary and connected rights relating to intellectual and intangible property including any renewals, revivals or extensions thereof and wherever in the world subsisting.

"Loan Agreement" means the loan agreement dated on or about the date of this deed made between the Company and the Chargee and/or any further loan facility made available to the Company by the Chargee.

"Permitted Encumbrance" means:

- (a) a lien or right of set-off arising in the ordinary course of business;
- (b) Encumbrances in favour of the Chargee under this Debenture;
- (c) any Encumbrance arising as the result of the Existing Charge; and
- (d) an Encumbrance which the Chargee has at any time in writing agreed shall be a Permitted Encumbrance.

"Project Documents" means any project documents to which the Company is a party (including any such documents which are listed in the Company's contracts register) and any other document from time to time designated in writing as a Project Document by the Chargee.

"Property" means freehold and leasehold property wherever situated (other than any heritable property in Scotland), and includes all liens, charges, options, agreements, rights and interests in or over such property or the proceeds of sale of such property and all buildings and Fixtures thereon and all rights, easements and privileges appurtenant to, or benefiting, the same and **"Properties"** means all or any of the same, as the context requires.

"Receiver" means, in relation to the Company, any receiver and/or manager not being an administrative receiver (within the meaning of section 29(2) Insolvency Act 1986) appointed by the Chargee pursuant to clause 8.1 (*Appointment*).

"Receivership Assets" has the meaning given to it in clause 8.1 (*Appointment*).

"Secured Obligations" means all obligations from time to time incurred by the Company under or in connection with the Loan Agreement when they become due for payment or discharge and all costs and expenses of the Chargee in enforcing this Deed.

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

"Shares" means all of the shares in the Company.

"Specified Person" means each or all, as the context requires, of the Company, its Subsidiaries, the occupier of any property from time to time and at any time owned, leased, occupied or otherwise used by the Company or any of its Subsidiaries or any of their respective officers.

"Subsidiary" shall have the meaning given to it in section 1159 Companies Act 2006.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

1.2 Successors and assigns

The expressions "**Company**" and "**Chargee**" include, where the context admits, their respective successors, and, in the case of the Chargee, their respective transferees and assignees, whether immediate or derivative.

1.3 **Headings**

Clause headings and the contents page are inserted for convenience of reference only and shall be ignored in the interpretation of this deed.

1.4 **Construction of certain terms**

In this deed, unless the context otherwise requires:

- (a) references to clauses and Schedules are to be construed as references to the clauses of, and the schedules to, this deed and references to this deed include its schedules;
- (b) references to (or to any specified provision of) this deed or any other document shall be construed as references to this deed, that provision or that document as in force for the time being and as amended, supplemented, replaced or novated in accordance with the terms thereof or, as the case may be, with the agreement of the relevant parties and (where such consent is, by the terms of this deed or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior written consent of the Chargee;
- (c) words importing the plural shall include the singular and vice versa;
- (d) references to a time of day are to London time;
- (e) references to "**assets**" include all or part of any business, undertaking, real property, personal property, uncalled capital and any rights (whether actual or contingent, present or future) to receive, or require delivery of, or otherwise in respect of, any of the foregoing;
- (f) references to a "**person**" shall be construed as including references to an individual, firm, company, corporation, unincorporated body of persons or any State or any of its agencies; and
- (g) references to any enactment shall be deemed to include references to such enactment as re-enacted, amended or extended.

1.5 **Effect as a deed**

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

2 **CHARGES**

2.1 **Fixed Charges**

The Company, with full title guarantee, hereby charges to the Chargee as a continuing security for the discharge of the Secured Obligations:

- (a) by way of first legal mortgage, all Properties (if any) now owned by the Company or in which the Company has an interest;
- (b) by way of first fixed charge (to the extent not the subject of a legal mortgage by virtue of clause 2.1(a)) all present and future Properties now or from time to time hereafter owned by the Company or in which the Company may have an interest;
- (c) by way of first fixed charge, the goodwill and uncalled capital of the Company; and
- (d) by way of first fixed charge, all Intellectual Property now or from time to time hereafter owned by the Company or in which the Company may have an interest.

There shall be excluded from the charge created by this clause 2.1 any Charged Asset which is absolutely precluded or prohibited from being charged.

2.2 Assignments

The Company assigns and agrees to assign absolutely (subject to the proviso for reassignment or redemption) all of its present and future right, title and interest in and to:

- (a) the Insurances and all claims under the Insurances and all proceeds of the Insurances;
- (b) all other Debts; and
- (c) the Project Documents.

To the extent that any Assigned Asset is not assignable, the assignment which this clause purports to effect shall operate as an assignment of all present and future rights and claims of the Company to any proceeds of such Insurances or Debts.

2.3 Floating Charges

The Company, with full title guarantee, hereby charges to the Chargee by way of first floating charge as a continuing security for discharge of the Secured Obligations its undertaking and all its property, assets and rights whatsoever and wheresoever both present and future, other than any property or assets from time to time effectively charged by way of legal mortgage or fixed charge or assignment pursuant to clause 2.1 (*Fixed Charges*), clause 2.2 (*Assignments*) or otherwise pursuant to this deed.

2.4 Continuing Security

The Company confirms and acknowledges that the Charged Assets shall act as a continuing security for the discharge of all the Secured Obligations.

2.5 Qualifying Floating Charge

The provisions of paragraph 14 of Schedule B1 Insolvency Act 1986 apply to the floating charges in clause 2.3 (*Floating Charges*), which shall be enforceable on or after the Enforcement Date.

2.6 Restrictions on dealing with Charged Assets

The Company hereby covenants that it will not:

- (a) dispose of all or any of its Properties (if any);
- (b) dispose of all or any of the other Fixed Charge Assets without the prior written consent of the Chargee such consent not to be unreasonably withheld or delayed; or
- (c) create or attempt to create or permit to subsist in favour of any person other than the Chargee any Encumbrance on or affecting the Charged Assets or any part thereof except a Permitted Encumbrance.

2.7 Automatic conversion of floating charge

So far as permitted by law and notwithstanding anything expressed or implied in this deed:

- (a) if the Company creates or attempts to create any Encumbrance (other than a Permitted Encumbrance) over all or any of the Charged Assets without the prior written consent of the Chargee or if any person levies or attempts to levy any distress, execution, sequestration or other process or does or attempts to do any diligence in execution against any of the Charged Assets, the floating charge created by clause 2.3 (*Floating Charges*) over the Properties or asset concerned shall thereupon automatically without notice be converted into a fixed charge; and
- (b) each floating charge created by clause 2.3 (*Floating Charges*) shall automatically be converted into a fixed charge on the Enforcement Date.

2.8 Conversion of floating charge by notice

Notwithstanding anything expressed or implied in this deed but without prejudice to clause 2.7 (*Automatic conversion of floating charge*), the Chargee shall be entitled at any time after the Enforcement Date by giving notice in writing to that effect to the Company to convert the floating charge created by the Company over all or any part of the Charged Assets into a fixed charge as regards the assets specified in such notice if it considers it necessary in order to protect or preserve those assets.

2.9 Leasehold Property

- (a) This Clause 2.9 shall apply in any situation where the consent of the landlord in whom reversion of a lease is vested is required for the Company to execute a legal mortgage over it.
- (b) Subject to 2.9(c) below, if or to the extent that for any reason the charging of a Property is prohibited, the Company holds it on trust for the Chargee.

- (c) If the reason referred to in 2.9(b) above is that:
 - (i) a consent, waiver or amendment must be obtained; or
 - (ii) a condition must be satisfied,
 - (iii) then:
 - (A) subject to 2.9(d) below, the Company shall apply for the consent, waiver or amendment; and
 - (B) the Company shall use reasonable endeavours to satisfy the condition,
 - (C) in each case as soon as practicable.
 - (iv) Where the consent or waiver is not to be unreasonably withheld, the Company shall use its reasonable endeavours to obtain it as soon as possible.
- (d) On the waiver or consent being obtained, or the condition being satisfied, the Property shall be mortgaged or charged (as appropriate) under Clause 2.1 (*Fixed Charges*) and the trust referred to in this Clause 2.9 (*Leasehold Property*) shall terminate.

2.10 Notices

Immediately upon the Enforcement Date, the Company shall:

- (a) in respect of the Accounts, deliver a duly completed notice to the Account Bank and shall use its reasonable endeavours to procure that the Account Bank executes and delivers to the Chargee an acknowledgement, in each case substantially in the respective form set out in Schedule 1 (*Form of notice to and acknowledgement from Account Bank*); and
- (b) in respect of each of its Insurances deliver a duly completed notice of assignment to each other party to that Insurance and shall use its reasonable endeavours to procure that each such party executes and delivers to the Chargee an acknowledgement, in each case substantially in the form set out in Schedule 2 (*Form of notice to and acknowledgement by insurers*); and
- (c) in respect of each of its Project Documents deliver a duly completed notice of assignment to each other party to that Project Document and shall use its reasonable endeavours to procure that each such party executes and delivers to the Chargee an acknowledgement, in each case substantially in the form set out in Schedule 3 (*Form of notice to and acknowledgement by project document counterparties*).

3 ACCOUNTS

3.1 Dealings with and realisation of Accounts

- (a) The Company shall:

- (i) without prejudice to clause 2.6 (*Restrictions on dealing with charged assets*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Chargee, sell, assign, charge, factor or discount any Debt;
 - (ii) collect all Debts promptly in the ordinary course of trading as agent for the Chargee;
 - (iii) following the occurrence of the Enforcement Date, as soon as reasonably practicable upon receipt pay all monies which it receives in respect of the Debts into such account(s) with such bank as the Chargee may from time to time direct; and
 - (iv) pending such payment referred to in paragraph (iii) above, hold all monies so received upon trust for the Chargee.
- (b) The Company shall deliver to the Chargee such information as to the amount and nature of its Debts as the Chargee may from time to time reasonably require.

3.2 Operation of Accounts

With effect from the Enforcement Date, the Company shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in any Accounts unless expressly permitted to do so under the Loan Agreement or with the prior written consent of the Chargee and the Chargee shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.

3.3 Change of Account Bank

Prior to the Enforcement Date:

- (a) an Account Bank may only be changed to another bank or financial institution with the consent of the Chargee;
- (b) a change only becomes effective when the proposed new Account Bank agrees with the Chargee and the Company (in a manner satisfactory to the Chargee) to fulfil the role of the Account Bank under this deed;
- (c) if there is a change of Account Bank, the net amount (if any) standing to the credit of the relevant Charged Accounts maintained with the old Account Bank will be transferred to the corresponding Accounts maintained with the new Account Bank immediately upon the appointment taking effect. By this deed the Company irrevocably gives all authorisations and instructions necessary for any such transfer to be made;
- (d) the Company shall take any action which the Chargee reasonably requires to facilitate a change of Account Bank and any transfer of credit balances (including the execution of bank mandate forms) and irrevocably appoints the Chargee as its attorney to take any such action if the Company should fail to do so within 10 Business Days.

4 FURTHER ASSURANCE

4.1 Further assurance

The Company shall if and when at any time reasonably required by the Chargee execute such further Encumbrances and assurances in favour or for the benefit of the Chargee on terms no more onerous than the terms of this deed and do all such acts and things as the Chargee shall from time to time reasonably require over or in relation to all or any of the Charged Assets to secure the Secured Obligations or to perfect or protect the Chargee's security created (or purported to be created) in favour of the Chargee over the Charged Assets or any part thereof or to facilitate the realisation or enforcement of the same.

4.2 Implied Covenants

The provisions of clauses 4.1 (*Further assurance*) shall be in addition to and not in substitution for the covenants for further assurance deemed to be included in this deed by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

5 NEGATIVE PLEDGE AND DISPOSALS

The Company shall not do or agree to do any of the following without the prior written consent of the Chargee:

- 5.1 create or permit to subsist any Security other than as created by this deed; or
- 5.2 sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Charged Asset (except as permitted by the Loan Agreement).

6 ENFORCEMENT

6.1 Enforcement

At any time on an Enforcement Date the Chargee shall be entitled to make demand for performance of the Secured Obligations and, if such demand is not met in full, to enforce the Security (in whole or in part) created by this deed.

6.2 Powers of the Chargee on enforcement

At any time on an Enforcement Date the Chargee may, without further notice, without the restrictions contained in section 103 Law of Property Act 1925 and whether or not an Administrator or a Receiver shall have been appointed, exercise all the powers conferred upon mortgagees by the Law of Property Act 1925 as varied or extended by this deed and all the powers and discretions conferred by this deed on a Receiver either expressly or by reference.

6.3 Statutory power of leasing

The Chargee shall have the power to lease and make agreements for leases at a premium or otherwise, to accept surrenders of leases and to grant options on such terms as the Chargee shall consider expedient and without the need to observe any of the provisions of sections 99 and 100 Law of Property Act 1925.

6.4 Fixtures

At any time on or after the Enforcement Date or if requested by the Company the Chargee may sever, and sell separately, any Fixtures from any of the Company's Properties to which they are attached.

6.5 Appropriation of Financial Collateral

To the extent that the Charged Assets constitute "financial collateral" and this deed constitutes a "security financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003 No.3226)), the Chargee may appropriate all or any part of the Charged Assets in or towards satisfaction of the Secured Obligations, the value of the property so appropriated being such amount as the Chargee shall determine in a commercially reasonable manner provided that the Chargee may not make such appropriation until such time as the Security created by this Charge becomes enforceable.

7 APPOINTMENT OF ADMINISTRATOR

At any time on or after the Enforcement Date the Chargee may appoint an Administrator of the Company for the purposes and upon the terms contained in Schedule B1 Insolvency Act 1986.

8 APPOINTMENT AND POWERS OF RECEIVER

8.1 Appointment

At any time on or after the Enforcement Date, or if requested by the Company, the Chargee may, save as specified in this clause 8.1, by instrument in writing executed as a deed or under the hand of any partner, director or other duly authorised officer appoint any person to be a Receiver of such part of the Charged Assets of the Company, not being the whole or substantially the whole of the Company's property within the meaning of section 29 Insolvency Act 1986, as the Chargee may specify (the "**Receivership Assets**"). Any such appointment may be made subject to such qualifications, limitations and/or exceptions (either generally or in relation to specific assets or classes of asset) as may be specified in the instrument effecting the appointment. Where more than one Receiver is appointed, each joint Receiver shall have power to act severally, independently of any other joint Receivers, except to the extent that the Chargee may specify to the contrary in the appointment. The Chargee may remove any Receiver so appointed and appoint another in his place. The Chargee shall not, however, be entitled to appoint a Receiver solely as a result of the obtaining of a moratorium or of anything done with a view to obtaining a moratorium, under the Insolvency Act 2000 without the leave of the court.

8.2 Receiver as agent

A Receiver shall be the agent of the Company in respect of which he is appointed and the Company shall be solely responsible for his acts or defaults and for his remuneration save where such acts, defaults and/or remuneration arise as a result of the negligence of, or wilful default by, the Receiver.

8.3 Powers of Receiver

A Receiver shall have the power to do or omit to do on behalf of the Company in respect of which he is appointed anything which the Company itself could do or omit to do if the Receiver had not been appointed, notwithstanding the liquidation of the Company. In particular (but without limitation) a Receiver shall have power to:

- (a) take possession of, collect and get in the Receivership Assets and, for that purpose, to take such proceedings as may seem to him expedient;
- (b) sell or otherwise dispose of the Receivership Assets by public auction or private auction or private contract;
- (c) raise or borrow money and grant security therefor over the Receivership Assets;
- (d) appoint a solicitor or accountant or other professionally qualified person to assist him in the performance of his functions;
- (e) bring or defend any action or other legal proceedings in the name and on behalf of the Company;
- (f) refer to arbitration any question affecting the Company;
- (g) effect and maintain insurances in respect of the business and Properties of the Company;
- (h) use the Company's seal;
- (i) do all acts and to execute in the name and on behalf of the Company any deed, receipt or other document;
- (j) draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Company;
- (k) appoint any agent to do any business which he is unable to do himself or which can more conveniently be done by an agent and employ and dismiss employees;
- (l) do all such things (including the carrying out of works) as may be necessary for the realisation of the Receivership Assets;
- (m) make any payment which is necessary or incidental to the performance of his functions;
- (n) carry on the business of the Company;
- (o) establish Subsidiaries of the Company;
- (p) transfer to Subsidiaries of the Company the whole or any part of the business or Receivership Assets;
- (q) grant or accept a surrender of a lease or tenancy of any of the Receivership Assets and to take a lease or tenancy of any properties required or convenient for the business of the Company;

- (r) make any arrangement or compromise on behalf of the Company in respect of the Receivership Assets;
- (s) call up any uncalled capital of the Company;
- (t) rank and claim in the bankruptcy, insolvency, sequestration or liquidation of any person indebted to the Company and to receive dividends, and to accede to trust deeds for the creditors of any such person.

The Receiver shall also have all powers from time to time conferred on receivers by statute without, in the case of powers conferred by the Law of Property Act 1925, the restrictions contained in Section 103 of that Act.

8.4 Remuneration

The Chargee may from time to time determine the remuneration of any Receiver and section 109(6) Law of Property Act 1925 shall be varied accordingly. A Receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the Receiver in accordance with the current practice of his firm, which must be reasonable.

8.5 Insurance moneys

Any insurance moneys received by a Receiver shall be applied in accordance with clause 9.2 (*Insurance proceeds*) and accordingly section 109(8) Law of Property Act 1925 shall not apply.

9 APPLICATION OF PROCEEDS; PURCHASERS

9.1 Application of proceeds

All moneys received by the Chargee or by any Receiver shall, subject to clause 12.4 (*Suspense accounts*), be applied, after the discharge of the remuneration and expenses of the Receiver and all liabilities having priority to the Secured Obligations, in or towards satisfaction of the Secured Obligations in such manner as the Chargee may from time to time determine.

9.2 Insurance proceeds

All insurance moneys (including any received by a Receiver) deriving from any of the Insurances after the Enforcement Date shall be paid to the Chargee (or if not paid by the insurers directly to the Chargee shall be held on trust for the Chargee) and shall be applied in reduction of the Secured Obligations in such manner and order as the Chargee may determine except where the Company is required (as landlord or tenant) to apply such insurance moneys in accordance with any lease of any of the Charged Assets or to a third party in which event they shall be so applied.

9.3 Protection of purchasers

No purchaser or other person shall be bound or concerned to see or enquire whether the right of the Chargee or any Administrator or Receiver to exercise any of the powers conferred by this deed has arisen or be concerned with notice to the contrary or with the propriety of the exercise or purported exercise of such powers.

10 INDEMNITIES; EXCLUSION OF LIABILITY; COSTS AND EXPENSES

10.1 Enforcement costs

The Company hereby undertakes with the Chargee to pay within 5 Business Days of demand all costs, charges and expenses properly incurred by the Chargee or by any Administrator or Receiver in or about the enforcement or preservation or attempted enforcement or preservation of any of the security created by or pursuant to this deed or any of the Charged Assets on a full indemnity basis.

10.2 No liability as mortgagee in possession

Neither the Chargee nor any Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Assets or be liable for any loss upon realisation or for any neglect or default of any nature whatsoever for which a mortgagee may be liable as such.

10.3 Recovery of Debts

Neither the Chargee nor any Receiver shall in the absence of fraud or gross negligence have any liability or responsibility of any kind to the Company arising out of the exercise or non-exercise of the right to enforce recovery of the Debts or shall be obliged to make any enquiry as to the sufficiency of any sums received in respect of any Debts or to make any claims or take any other action to collect or enforce the same.

10.4 Indemnity

The Company hereby undertakes to indemnify and keep indemnified the Chargee and its general partner, ESB Novusmodus GP Limited and Greencoat Capital LLP (as investment adviser to the Chargee) and any Administrator or Receiver and any attorney, agent or other person appointed by the Chargee under this deed, any partner in the Chargee and the Chargee's officers and employees and the partners and employees of Greencoat Capital LLP (each an "**Indemnified Party**") in respect of all costs, losses, actions, claims, expenses, demands or liabilities whether in contract, tort or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against, any of the Indemnified Parties (or by or against any partner, manager, agent, officer or employee for whose liability, act or omission any of them may be answerable) at any time relating to or arising directly or indirectly out of or as a consequence of:

- (a) anything done or omitted in the exercise or purported exercise of the powers contained in this deed; or
- (b) any breach by the Company of any of its obligations under this deed,
- (c) which would not have arisen if this deed had not been executed and which was not caused by the gross negligence or wilful default of the relevant Indemnified Party.

10.5 Third Party Contract Rights

- (a) Each Indemnified Party referred to in clause 10.4 (*Indemnity*) shall have the benefit and may enforce the terms of this deed in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.
- (b) Subject to clause 10.5(a), a person who is not a party to this deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed.
- (c) Notwithstanding clause 10.5(a) or any other provision of this deed, the Chargee and the Company shall be entitled to agree variations to this deed without notifying the other Indemnified Parties or seeking the consent of such Indemnified Parties or any of them to the variation.

10.6 Value Added Tax

All fees, costs and expenses payable under or pursuant to this deed shall be paid together with an amount equal to any value added tax payable by the Chargee in respect of the same. Any value added tax chargeable in respect of any services supplied by the Chargee under this deed shall, on delivery of a value added tax invoice, be paid in addition to any sum agreed to be paid under this deed.

11 POWER OF ATTORNEY

11.1 The Company by way of security hereby irrevocably appoints the Chargee and any Receiver severally to be its attorney in its name and on its behalf:

- (a) to do all things which the Company may be required to do under this deed but which it has failed to do within 10 Business Days;
- (b) to execute and complete any documents or instruments which the Chargee or such Receiver may reasonably require for perfecting the title of the Chargee to the Charged Assets or for vesting the same in the Chargee, its nominees or any purchaser but which it has failed to do within 10 Business Days;
- (c) to sign, execute, seal and deliver and otherwise perfect any further security document referred to in clause 4 (*Further assurance*); and
- (d) 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 Chargee or a Receiver under this deed or which may be deemed necessary by the Chargee or a Receiver in connection with any disposition, realisation or getting in by the Chargee or such Receiver of the Receivership Assets or in connection with any other exercise of any power under this deed and including, but not limited to a power in favour of any Receiver to dispose for value of any of the assets of the Company over which such Receiver may not have been appointed and which are located at Property over which he has been appointed, without being liable for any losses suffered by the Company, or any part thereof.

11.2 The Company ratifies and confirms (and agrees to do so) whatever any such attorney shall do, or attempt to do, in the exercise of all or any of the powers, authorised and discretions pursuant to clause 11.1.

12 CONTINUING SECURITY AND OTHER MATTERS

12.1 Continuing security

This deed and the obligations of the Company under this deed shall extend to the ultimate balance from time to time owing in respect of the Secured Obligations and shall be a continuing security notwithstanding any intermediate payment, partial settlement or other matter whatsoever.

12.2 Liability unconditional

The liability of the Company shall not be affected by reason of:

- (a) the Incapacity or any change in the name, legal character or constitution of the Company or other person liable (if any); or
- (b) the Chargee granting any time, indulgence or concession to, or compounding with, discharging, releasing or varying the liability of the Company or any other person liable (if any); or
- (c) any amendment, variation or waiver (however material or fundamental) of any Transaction Document; or
- (d) any act or omission which would not have discharged or affected the liability of the Company had it been a principal debtor instead of a guarantor or anything done or omitted which but for this provision might operate to exonerate the Company.

12.3 Collateral Instruments

- (a) The security created by this deed is to be in addition to, and shall neither be merged nor in any way exclude or be affected by any other security or other right which the Chargee may have.
- (b) The Chargee shall not be obliged to make any claim or demand on the Company or any other person liable or to resort to any Collateral Instrument or other means of payment before enforcing this deed and no action taken or omitted in connection with any such Collateral Instrument or other means of payment shall discharge, reduce, prejudice or affect the liability of the Company. The Chargee shall not be obliged to account for any money or other property received or recovered in consequence of any enforcement or realisation of any such Collateral Instrument or other means of payment.

12.4 Suspense accounts

Any money received pursuant to the realisation of any security created pursuant to this deed (whether before or after any Incapacity of the Company or any other person liable) may be placed to the credit of an interest-bearing suspense account with a view to preserving the rights of the Chargee to prove for the whole of its claims against the Company or any other person liable (if any).

12.5 Settlements Conditional

Any release, discharge or settlement between the Company and the Chargee shall be conditional upon no security, disposition or payment to the Chargee by the Company or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition is not fulfilled the Chargee shall be entitled to enforce this deed as if such release, discharge or settlement had not occurred and any such payment had not been made.

12.6 Company to deliver up certain property

If, the Company takes or receives the benefit of any security or receives or recovers any money or other property, such security, money or other property shall be held on trust for the Chargee and shall be delivered to the Chargee as soon as reasonably practicable following demand.

13 MISCELLANEOUS

13.1 Liabilities survive deficiencies and releases

The Company agrees to be bound by this deed notwithstanding that any person intended to execute or to be bound by this deed may not do so or may not be effectually bound and notwithstanding that any charges contained in this deed may be terminated or released or may be or become invalid or unenforceable whether or not the deficiency is known to the Chargee.

13.2 Remedies Cumulative

No failure or delay on the part of the Chargee to exercise any power, right or remedy shall operate as a waiver thereof nor shall any single or any partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

13.3 Statutory power of leasing

During the continuance of this security the statutory and any other powers of leasing, letting, entering into agreements for leases or lettings and accepting or agreeing to accept surrenders of leases or tenancies shall not be exercisable by the Company in relation to the Charged Assets or any part thereof.

13.4 Successors and assigns

Any appointment or removal of a Receiver under clause 8 (*Appointment and Powers of Receiver*) and any consents under this deed may be made or given in writing signed or sealed by any successors or assigns of the Chargee and accordingly the Company hereby irrevocably appoints each successor and assign of the Chargee to be its attorney in the terms and for the purposes set out in clause 11 (*Power of Attorney*).

13.5 Consolidation

Section 93 Law of Property Act 1925 shall not apply to the security created by this deed or to any security given to the Chargee pursuant to this deed.

13.6 No Set-Off or Withholding

- (a) All payments to be made by the Company to the Chargee under this deed shall be made in full. They will be free and clear of any right of set-off and from any restriction, condition or deduction because of any counterclaim.
- (b) If the Company is required by law to make any deduction, payment or withholding in respect of any payment made or, due to be made, by it to the Chargee, then the sum payable by the Company shall be increased to the extent necessary to ensure that, after making the deduction, withholding or payment, the Chargee receives on the due date and retains (free from any liability in respect of the deduction, withholding or payment) a net sum equal to that which it would have received and retained had no deduction, withholding or payment been required or made.

13.7 Reorganisation

This deed shall remain binding on the Company notwithstanding any change in the constitution of the Chargee or its absorption in, or amalgamation with, or the acquisition of all or part of its undertaking by, any other person, or any reconstruction or reorganisation of any kind. The security granted by this deed shall remain valid and effective in all respects in favour of the Chargee and any assignee, transferee or other successor in title of the Chargee in the same manner as if such assignee, transferee or other successor in title had been named in this deed as a party instead of, or in addition to, the Chargee.

13.8 Unfettered discretion

Notwithstanding any other provision of this deed, any liability or power which may be exercised or any determination which may be made under this deed by the Chargee may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

13.9 Counterparts

This deed may be executed and delivered in any number of counterparts, each of which when executed will be an original, but together will constitute one and the same deed in relation to the subject matter of this deed.

13.10 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of the Law of Property (Miscellaneous Provisions) Act 1989 any provisions of the Transaction Documents relating to any disposition of an interest in land shall be deemed to be incorporated in this deed.

14 NOTICES

- 14.1 Any notice given under this deed shall be in writing and signed by or on behalf of the party giving it and shall be served by delivering it by hand or sending it by pre-paid recorded delivery or registered post or by email to the party due to receive it, at its address or email address set out in clause 14.2 (or to such other address or email address as are last notified in writing to the other party).

14.2 Address and email address for service of notices:

(a) Chargee:

Address: 27 Lower Fitzwilliam Street, Dublin 2, Dublin, Ireland

FAO: Mary Collins and John Healy

Email address: mary.collins@greencoat-capital.com and john.healy@esb.ie

With a copy to Greencoat Capital:

Address: Burdett House, 15-16 Buckingham Street, London WC2N 6DU

FAO: Bertrand Gautier

Email address: Bertrand.Gautier@greencoat-capital.com and Nils.Bennemann@greencoat-capital.com

(b) Company:

Address: Shillingwood House, Westwood Way, Coventry, CV4 8JZ

FAO: Neil Simpson

Email address: neil.simpson@qienergy.net

14.3 In the absence of evidence of earlier receipt, any notice or other communication given pursuant to this clause shall be deemed to have been received:

- (a) if delivered by hand, at the time of actual delivery to the address referred to in clause 14.2;
- (b) in the case of pre-paid recorded delivery or registered post, two Business Days after the date of posting; and
- (c) if sent by email, at the time it was sent provided that a notification that the message has failed to reach the intended recipient is not received.

14.4 If deemed receipt under clause 14.1 occurs before 9.00 am on a Business Day, the notice shall be deemed to have been received at 9.00 am on that day. If deemed receipt occurs on any day which is not a Business Day or after 5.00 pm on a Business Day the notice shall be deemed to have been received at 9.00 am on the next Business Day.

14.5 For the avoidance of doubt, notice given under this agreement shall not be validly served if sent by fax.

15 LAW

15.1 This deed shall be governed and construed in accordance with English law.

15.2 The parties hereto irrevocably submit to this jurisdiction of the Courts of England in respect of any dispute arising under or in connection with this deed.

IN WITNESS of which this deed has been executed and delivered by or on behalf of the parties on the date stated at the beginning of this deed.

SCHEDULE 1

Form of notice to and acknowledgement from Account Bank

To: Silicon Valley Bank

Date: 2015

Dear Sirs

Account Holder: GEOTHERMAL INTERNATIONAL LIMITED ("Company")

- 1 We give notice that, by a debenture dated 2015 (the "**Debenture**"), we have charged to ESB Novusmodus LP (the "**Chargee**") all our present and future right, title and interest in and to:
 - (a) ***In respect of the Accounts*** - the Accounts (as defined in the schedule to this letter), all monies standing to the credit of the Accounts and all additions to or renewals or replacements thereof (in whatever currency); and
 - (b) all other accounts from time to time maintained with you by the Company and all monies at any time standing to the credit of such accounts,(together the "**Charged Accounts**") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.
- 2 The Chargee, by its countersignature of this notice, agrees that you may debit to any Account amounts due to you from the Company, until you receive notice from the Chargee that it or you may no longer do so. The Chargee may by notice to you at any time amend or withdraw this consent.
- 3 We irrevocably authorise and instruct you from time to time:
 - (a) unless the Chargee so authorises you in writing, not to permit withdrawals from the Accounts, or any other Charged Account except to the extent that any withdrawal is expressly permitted by this notice and such permissions have not been withdrawn;
 - (b) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Chargee;
 - (c) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Chargee (or as it may direct) promptly following receipt of written instructions from the Chargee to that effect; and
 - (d) to disclose to the Chargee such information relating to the Company and the Charged Accounts as the Chargee may from time to time request you to provide.
- 4 We agree that you are not bound to enquire whether the right of the Chargee to withdraw any monies from any Charged Account has arisen or be concerned with (a)

the propriety or regularity of the exercise of that right or (b) notice to the contrary or (c) to be responsible for the application of any monies received by the Chargee.

- 5 This notice may only be revoked or amended with the prior written consent of the Chargee.
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Chargee (with a copy to the Company) that you agree to the above and that:
 - (e) you accept the authorisations and instructions contained in this notice and you undertake to comply with this notice;
 - (f) you have not, at the date this notice is returned to the Chargee, received notice of any assignment or charge of or claim to the monies standing to the credit of any Charged Account or the grant of any security or other interest over those monies or any Charged Account in favour of any third party and you will notify the Chargee promptly if you should do so in the future; and
 - (g) you do not at the date of this notice and will not in the future exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts.
- 7 This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of

GEOTHERMAL INTERNATIONAL LIMITED

Name: Neil Simpson

Title: Finance Director

Countersigned by

for and on behalf of

ESB NOVUSMODUS GP LIMITED

in its capacity of general partner of

ESB NOVUSMODUS LP

Schedule

Accounts (each an "Account")			
Account holder		Account number	Account Bank branch address and sort code
Geothermal Limited	International	{ : }	41 Lothbury, London, EC2R 7HF ()
Geothermal Limited	International	{ : }	41 Lothbury, London, EC2R 7HF ()
Geothermal Limited	International	{ : }	41 Lothbury, London, EC2R 7HF ()
Geothermal Limited	International	{ : }	41 Lothbury, London, EC2R 7HF (

[On copy]

To: [•]

Copy to: GEOTHERMAL INTERNATIONAL LIMITED

Date: 2015

We acknowledge receipt of the above notice. We confirm and agree:

- (h) that the matters referred to in it do not conflict with the terms which apply to any Charged Account; and
- (i) the matters set out in the above notice.

Yours faithfully

for and on behalf of

Silicon Valley Bank

SCHEDULE 2

Form of notice to and acknowledgement by insurers

To: [Insert name and address of insurer]

Date: []

Dear Sirs

[Describe insurance policies] dated [] between (1) you and (2) [Geothermal International Limited] (the "Company")

- 1 We give notice that, by a debenture dated [] 2014 (the "**Debenture**"), we have assigned to ESB Novusmodus LP (the "**Chargee**") all our present and future right, title and interest in and to the Policies (together with any other agreement supplementing or amending the same, the "**Policies**") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
- 2 We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Chargee at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Chargee may from time to time request;
 - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Chargee;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Chargee from time to time;
 - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Debenture, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Chargee (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
 - (e) to send copies of all notices and other information given or received under the Policies to the Chargee.
- 3 We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Chargee's interest as loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above.

- 4 We are not permitted to receive from you, otherwise than through the Chargee, any amount in respect of or on account of the sums payable to us from time to time under the Policies or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Chargee.
- 5 This notice may only be revoked or amended with the prior written consent of the Chargee.
- 6 Please confirm by completing the enclosed copy of this notice and returning it to the Chargee (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Chargee, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Chargee promptly if you should do so in future;
 - (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Chargee; and
 - (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without the prior written consent of the Chargee.

This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
GEOTHERMAL INTERNATIONAL LIMITED

[On copy]

To: [•]

Copy to: GEOTHERMAL INTERNATIONAL LIMITED

Date: [□]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in clause 6 in the above notice.

for and on behalf of
[NAME OF INSURER]

SCHEDULE 3

Form of notice to and acknowledgement by project document counterparties

To: [Contract counterparty]

Dear Sirs

We hereby give you notice that pursuant to a debenture dated [•] 2015 we have charged and assigned to ESB Novusmodus LP ("**ESB**") all our rights, title, interests and benefits in, to or in respect of [details of contract] (the "**Contract**") including all monies which may be payable in respect of the Contract.

With effect from your receipt of this notice we hereby give you notice that we have agreed that:

- (a) [all payments to be made to us under or arising from the Contract should be made [to ESB or to its order as it may specify in writing from time to time/to [specify bank account]]];
- (b) all remedies provided for in the Contract or available at law or in equity shall be exercisable by ESB;
- (c) all rights to compel performance of the Contract shall be exercisable by ESB (although you and we shall remain liable to perform all the obligations assumed by yourselves and ourselves (respectively) under the Contract); and
- (d) all rights, title, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to ESB and no changes may be made to the terms of the Contract nor may the Contract be terminated without ESB's consent.

You are hereby authorised and instructed, without requiring further approval from us, to provide ESB with such information relating to the Contract as it may from time to time request and to send copies of all notices issued by you under the Contract to ESB as well as to us.

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

Please acknowledge receipt of this notice by signing and dating the acknowledgement set out on the enclosed copy and returning it to ESB.

Yours faithfully

.....

for and on behalf of
GEOTHERMAL INTERNATIONAL LIMITED

Form of Acknowledgement of Assignment

[To be printed only on copy of the relevant Notice of Assignment given]

To: ESB NOVUSMODUS LP

CC: GEOTHERMAL INTERNATIONAL LIMITED (the "**Company**")

Attention:

Dear Sirs

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

We further agree and confirm that:

- (a) no amendment, waiver or release of any provision of the Contract shall be effective without the prior written consent of ESB; and
- (b) we will not terminate the Contract or take any action in relation to any breach thereof by the Company unless we have given ESB 30 days' prior written notice of our intention to do so specifying the action necessary by the Company or ESB to avoid such termination or action.

Yours faithfully

.....

For and on behalf of [•]

By:

Date:

EXECUTED and DELIVERED as a deed on the date first above written.

EXECUTED AND DELIVERED AS

A DEED by **GEOTHERMAL INTERNATIONAL LIMITED**

.....
in the presence of

SIGNING UNDER
POWER OF ATTORNEY

.....	Witness
..... DANIEL ANDERTON	Full Name
C/O SHILLINGWOOD HOUSE,	Address
WESTWOOD BUSINESS PARK,	
WESTWOOD WAY	
COVENTRY CV4 8JZ	Occupation ACCOUNTANT

EXECUTED AND DELIVERED AS A DEED

under the common seal of

ESB NOVUSMODUS GP LIMITED

acting as the general partner of **ESB
NOVUSMODUS LIMITED PARTNERSHIP:**

Director

Director/Secretary

EXECUTED and DELIVERED as a deed on the date first above written.

EXECUTED AND DELIVERED AS

A DEED by **GEOTHERMAL INTERNATIONAL LIMITED**

.....

in the presence of

..... Witness
..... Full Name
..... Address
.....
..... Occupation

EXECUTED AND DELIVERED AS A DEED

under the common seal of

ESB NOVUSMODUS GP LIMITED

acting as the general partner of **ESB
NOVUSMODUS LIMITED PARTNERSHIP:**

.....
Director

.....
~~Director~~/Secretary