Imperial College Union (ICU)
Board of Trustees / 27 May 2026

Debenture Documentation

Author(s): Clem Jones (Governance & Executive Manager)
Purpose: To brief Trustee Board on debenture governance requirements for IUT Ltd
Decision(s): To **approve** the proposed documents and s333 resolutions; to **note** the briefing

1. Background Information & Context

The Union (the charity) provided a loan to Imperial Union Trading Ltd (the Union's trading subsidiary company, wholly owned by the Union), and it did so under a loan agreement and debenture agreement (a mechanism for the Union to secure the repayment of the company's loan). A MR01 filing was filed with Companies House within the required 28-day deadline to register the charge created by the debenture. We asked our legal consultants Bates Wells about any *ongoing* filing obligations regarding the debenture, given that the charity is currently an unincorporated association and therefore it is the trustees from time to time who enter into any contracts.

Because the Union is unincorporated, its rights and liabilities are entered into by specific trustees on its behalf. As some of the trustees move away and others join the board, in all of its arrangements / agreements, there is a risk of a discrepancy arising between those who are parties to the relevant agreements / arrangements and those who are the trustees of the charity. This is one disadvantage of an unincorporated structure.

It is therefore necessary to transfer agreements into the name of the new trustees from time to time as the trustees change.

Bates Wells have suggested the following steps are taken before further turnover on the board:

i. The *company* gives a general consent to allow the trustees of the charity to assign the benefit of the loan agreement to *any properly appointed new trustee of the charity*.

ii. The current trustees enter into a deed of covenant, agreeing to enforce the terms of the debenture if required by the new trustees.

This would mean the debenture does not need to change at Companies House.

2. Suggested Documentation

i. Document 1. A deed of assignment of loan agreement to be entered into by the original trustees (being the trustees who are party to the loan agreement and debenture on the date of their completion) ("Original Trustees") and the first set of incoming trustees on the *first trustee change* following completion of the loan agreement and debenture;
ii. Document 2. A deed of assignment of loan agreement to be entered by the outgoing trustees and the incoming trustees on each subsequent trustee change;

iii. Document 3. A unilateral deed of covenant to be provided by the Original Trustees in favour of future trustees from time to time on the first trustee change following completion of the loan agreement and the deed of covenant;
iv. Document 4. A unilateral deed of covenant to be provided by each set of incoming trustees in favour of the Original Trustees on every trustee change; and
v. A letter of consent to an assignment of the loan agreement to be signed on behalf of IUT Ltd.

3. Actions Required

Rather than each and every trustee having to sign each deed in the presence of a witness, the drafted execution clauses provide for two trustees to sign on behalf of all of the trustees pursuant to a Section 333 resolution. **Board is therefore asked to pass the following s333 resolution**:

Resolution: In exercise of the power conferred by section 333 of the Charities Act 2011 we resolve that, for the period of three months after the passing of this resolution, any two of the charity trustees of the Charity from time to time be authorised to execute any document to which the charity trustees of the Charity from time to time are a party with the intention that any document executed under this authority will have the same effect as if executed by all of the charity trustees of the Charity.

As is standard, we would also suggest that authority is delegated to any two trustees to agree any final revisions to the documents following today's meeting, as per the proposed resolution below:

Resolution: The Trustees approve the Documents listed in section 2 of paper TB/25-26/54 and authorise their execution by any two trustees pursuant to the s333 resolution, subject to any final amendments to aforementioned documents as may be approved by those trustees, such approval to be evidenced by their execution of aforementioned Documents as amended.

A note on timings
A Section 333 resolution can only be relied on whilst the trustees are in office, i.e. before they resign, so the timing of the completion steps needs to be considered:

i. Documents 1. and 2. (the deeds of assignment) need to be signed and completed after the *incoming trustees are appointed* but immediately before the *outgoing trustees resign*.
ii. Document 3. - the *Original Trustees* will need to sign this covenant immediately before *they resign*.
iii. Document 4. - the *incoming trustees* will need to sign this covenant after *they have been appointed as trustees*.

We have asked Bates Wells to assist us with obtaining electronic signatures from relevant individuals for ease/due to risk of absentees. (i) and (ii) will need to be completed by 31 July 2026.

4. Recommendation

Trustee Board is asked to

- **Pass** the Resolutions under Section 3 above
- **Approve** the Documents under Section 2 and the proposal to execute the suggested documentation (included in full in the exhibition book) under a s333 resolution.
- **Note** that this will also be discussed at the next IUT Board of Directors meeting (10 June 2026)

Appendices (available in the exhibition book)

vi. Appendix 1. A deed of assignment of loan agreement to be entered into by the original trustees (being the trustees who are party to the loan agreement and debenture on the date of their completion) ("Original Trustees") and the first set of incoming trustees on the first trustee change following completion of the loan agreement and debenture;
vii. Appendix 2. A deed of assignment of loan agreement to be entered by the outgoing trustees and the incoming trustees on each subsequent trustee change;
viii. Appendix 3. A unilateral deed of covenant to be provided by the Original Trustees in favour of future trustees from time to time on the first trustee change following completion of the loan agreement and the deed of covenant;
ix. Appendix 4. A unilateral deed of covenant to be provided by each set of incoming trustees in favour of the Original Trustees on every trustee change; and
x. Appendix 5. A letter of consent to an assignment of the loan agreement to be signed on behalf of IUT Ltd.

Notes

- Bulbul is not listed on the original list of trustees, as ratification of her trusteeship had not been fully completed (ratified by Union Council) at the time of approval of the documents
- Sai and Lilia's trusteeships for 2026-2027 are listed as pending ratification, as they are due to be ratified at the 26 May Union Council meeting. A verbal update/confirmation of this can be provided at the Trustee Board meeting.