



Registration of a Charge

Company name: **LEGAL & GENERAL PROPERTY LIMITED**

Company number: **02091897**

Received for Electronic Filing: **23/12/2014**



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Details of Charge

Date of creation: **22/12/2014**

Charge code: **0209 1897 0011**

Persons entitled: **LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED (AS THE LENDER)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

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:

PINSENT MASONS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2091897

Charge code: 0209 1897 0011

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd December 2014 and created by LEGAL & GENERAL PROPERTY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd December 2014 .

Given at Companies House, Cardiff on 24th December 2014

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: 22 December 2014

We certify that, save for material redacted pursuant to s.859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Present Murray LLP
27/12/14

LEGAL & GENERAL PROPERTY LIMITED

as Trustee Grantor

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

as Beneficiary Grantor

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

as Majority Owner Grantor

and

LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED

as Lender

SECURITY INTEREST AGREEMENT

In relation to units in the Bishopsgate Long Term Property Fund Unit Trust



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THIS AGREEMENT is made the 22nd day of December 2014

BETWEEN:

- (1) **LEGAL & GENERAL PROPERTY LIMITED** a company incorporated in England and Wales with registered number 02091897 and having its registered office at One Coleman Street, London EC2R 5AA acting in its capacity as bare trustee for the Beneficiary Grantor (the "Trustee Grantor");
- (2) **BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP** acting by its general partner **BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED** a company incorporated in Jersey with registered number 117302 and having its registered office at 12 Castle Street, St Helier, Jersey JE2 3RT (the "Beneficiary Grantor");
- (3) **BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP** acting by its general partner **BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED** (the "Majority Owner Grantor", and together with the Trustee Grantor and the Beneficiary Grantor, the "Grantors" and each a "Grantor"); and
- (4) **LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED** (the "Lender").

WHEREAS:

- (A) The Grantors enter into this Agreement as a condition precedent to the making of an advance to the Majority Owner Grantor as borrower under the Facility Agreement (as defined below).
- (B) The Grantors and the Lender intend this Agreement to be a security agreement for the purposes of the Law (as defined below).
- (C) The Trustee Grantor holds certain of the Collateral (as defined below) as bare trustee for the Beneficiary Grantor.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:

"advance"	has the meaning given to that word in Article 33(4) of the Law;
"Affected Securities"	means the Securities which from time to time comprise or are included in the Collateral;
"after-acquired property"	has the meaning given to that expression in the Law and includes future collateral as referred to in Article 18(2)(c) and

	(d) of the Law;
"this Agreement"	extends to every separate and independent stipulation contained herein and includes the Recitals and Schedules and any amendment, variation, supplement, replacement, restatement or novation which is for the time being in effect;
"Bankrupt" and "Bankruptcy"	include the meanings given to those words by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other state of bankruptcy, insolvent winding up, administration, receivership, administrative receivership or similar status under the laws of any relevant jurisdiction;
the "Collateral"	means: <ul style="list-style-type: none"> (a) in relation to the Trustee Grantor and the Beneficiary Grantor 3,486.855 units in the Unit Trust; (b) in relation to the Majority Owner Grantor 345,198.681 units in the Unit Trust; (c) any other units in the Unit Trust that may from time to time be beneficially owned by any of the Grantors (whether as bare trustee, beneficiary or otherwise) (being after-acquired property); (d) all Derivative Assets; (e) (where the context allows) any proceeds (that are not Derivative Assets) of all such Securities and the Derivative Assets; and (f) all the Grantors' rights, title and interest from time to time to and in all such Securities and the Derivative Assets and proceeds, including any after-acquired property falling within any of the above paragraphs of this definition;
the "Confirmation"	means the confirmation to be given to the Lender by the Trustee substantially in the form set out in the Schedule;
"Control"	means "control" as that word is defined in Article 3(5) of the Law;

"Derivative Assets"	means all Securities, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time (including after-acquired property) by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, subdivision, preference, option or otherwise that are attributable to any Affected Securities or any Derivative Assets previously described and all rights from time to time thereto;
"Encumbrance"	Includes any security interest, mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest;
"Event of Default"	means any of the events listed or referred to in Clause 8;
the "Exchange Rate"	means a rate of exchange between one currency and another which is determined by the Lender to be a reasonable market rate as at the time that the exchange is effected;
the "Facility Agreement"	means the £142,588,773 facility agreement dated 12 December 2014 and made between (1) Bishopsgate Long Term Property Fund Limited Partnership acting by its general partner Bishopsgate Long Term Property Fund General Partner Limited as borrower and (2) Legal and General Assurance Society Limited as lender;
"Further Advance"	means "further advance" as that expression is defined in Article 33(4) of the Law;
"Interest"	means interest at the default rate specified in clause 10.3 of the Facility Agreement;
the "Law"	means the Security Interests (Jersey) Law 2012;
"Obligor"	shall have the meaning given to that term in the Facility Agreement;
"proceeds"	has in relation to the (other) Collateral the meaning given to that word in the Law;
"Required Currency"	means the currency or currencies in which the Secured

Obligations are for the time being expressed;

the "Secured Obligations"

means any liability expressed to be due, owing or payable by any Obligor and/or Grantor under or in connection with any of the Finance Documents, including for the avoidance of doubt any obligations and liabilities in respect of any Further Advances;

"Securities"

include without limitation any property within the definition of "investment security" under Article 1 (*Definitions*) of the Law;

"Security Interests"

means the security interest(s) created by or for which provision is made in this Agreement;

"Security Period"

means the period beginning on the date of this Agreement and ending on the date on which the Lender is satisfied that the Secured Obligations have been irrevocably and unconditionally paid and discharged in full and no further Secured Obligations are capable of being outstanding;

"Trustee"

means Capita Trust Company (Jersey) Limited, a company incorporated in Jersey with registered number 702 in its capacity as trustee of the Unit Trust and each successor as trustee of the Unit Trust;

"Trust Instrument"

means the amended and restated trust instrument in respect of the Unit Trust made on 21 January 2014 by and between the Trustee and Capita Financial Administrators (Jersey) Limited; and

"Unit Trust"

means the Bishopsgate Long Term Property Fund Unit Trust as established and constituted by and pursuant to the Trust Instrument.

1.2 In this Agreement, unless the context otherwise requires:

- 1.2.1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*;
- 1.2.2 references to a "Recital", "Clause" or "Schedule" are to a recital, clause or schedule of or to this Agreement;
- 1.2.3 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being

and as amended, varied, supplemented, replaced, restated or novated from time to time in accordance with its terms or, as the case may be, with the agreement of the relevant parties;

- 1.2.4 references to any "Grantor", the "Lender", the "Trustee" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
 - 1.2.5 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law;
 - 1.2.6 references to a "person" include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
 - 1.2.7 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Facility Agreement and words and expressions not otherwise defined in this Agreement or in the Facility Agreement shall, if defined in the Law, be construed in accordance with the Law;
 - 1.2.8 the Lender is "the secured party", each of the Grantors is "the grantor", the Collateral is the "collateral" and this Agreement is a "security agreement", for the purposes of the Law;
 - 1.2.9 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement;
 - 1.2.10 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property;
 - 1.2.11 a reference to an "Event of Default continuing" means it has not been waived;
 - 1.2.12 to the extent that there is a conflict or inconsistency between the provisions of the Facility Agreement and this Agreement, the provisions of the Facility Agreement shall prevail, unless this would prejudice the security interests constituted or intended to be constituted by this Agreement, or be contrary to the requirements of the Law.
- 1.3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement.

2. CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

- 2.1 Each of the Grantors and the Lender hereby agree that the Lender shall have continuing first priority security interests in the Collateral as security for the Secured Obligations in accordance with the Law and that such security is hereby created.
- 2.2 Clause 1.4 of the Facility Agreement will apply to this Agreement mutatis mutandis as if set out in full herein.
- 2.3 To the intent that the Security Interests shall attach to the Collateral, each of the Grantors and the Lender hereby agree that:
- 2.3.1 In the case of Affected Securities represented by a certificate or certificates the Lender shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being (at the option of the Lender) registered in the register of unitholders of the Unit Trust as the holder of the Affected Securities; and
- 2.3.2 to the extent that the Lender shall not have Control of some or any of the Affected Securities represented by a certificate or certificates pursuant to Clause 2.3.1, the Lender shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being in possession of all certificates representing all such Affected Securities; and
- 2.3.3 In the case of Collateral that is not Affected Securities to which Security Interests have attached pursuant to Clauses 2.3.1 or 2.3.2, the Security Interests shall hereby attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law.
- 2.4 In accordance with Clause 2.3, and in order to facilitate the exercise of the Lender's rights under this Agreement, each Grantor has delivered together with this Agreement and shall ensure that in the future there shall promptly be delivered to the Lender or to its order:
- 2.4.1 the certificates representing all Affected Securities which are represented by a certificate or certificates in which it has an interest;
- 2.4.2 Instruments of transfer in respect of all Affected Securities which are represented by a certificate or certificates and in respect of which Security Interests are attached under Clause 2.3.2, duly executed by the holder but otherwise completed or partially completed in such manner as the Lender directs;
- 2.4.3 a copy (certified true and correct by a director or the secretary of a Trustee) of the register of unitholders of the Unit Trust showing:
- (a) In the case of Affected Securities in respect of which Security Interests are attached under Clause 2.3.1, the Lender; and

- (b) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.3.2, the relevant Grantor,
- as the registered holder of all such Affected Securities which are represented by a certificate or certificates and in either case noting the interest of the Lender pursuant to this Agreement; and
- 2.4.4 the Confirmation, signed by a director or other duly authorised signatory of each of the Trustee.
- 2.5 In accordance with Articles 18 (*Attachment: general rule*) and 19 (*After-acquired property*) of the Law, the Lender and the Grantors hereby agree that the Security Interests shall attach:
- 2.5.1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon execution of this Agreement; and
- 2.5.2 to the extent that the Collateral constitutes after-acquired property, to such Collateral immediately on the acquisition of rights in such Collateral by the relevant Grantor without the need for any specific appropriation of the property by that Grantor.
- 2.6 To the Intent that the Security Interests shall be perfected in accordance with the Law the Lender and the Grantors hereby agree that:
- 2.6.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Lender having Control of such Collateral pursuant to Clause 2.3.1 or 2.3.2 and/or (at the option of the Lender) by registration of a financing statement in accordance with Article 22(4) of the Law;
- 2.6.2 the Security Interests in any Affected Securities not represented by a certificate or certificates shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law;
- 2.6.3 the Security Interests in Derivative Assets that are not Affected Securities represented by a certificate or certificates shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law; and
- 2.6.4 the Security Interests in proceeds shall, without prejudice to the operation of Article 26 (*Temporary perfection of security interests in proceeds*) of the Law, be perfected by registration of a financing statement in accordance with Article 25 (*Continuous perfection of security interests in proceeds*) of the Law.
- 2.7 The Lender may, subject only to the Law, at any time (without exercising the power of enforcement) cause or require any person on its behalf other than the Grantors to become the

registered holder of any part of the Collateral and/or to have possession of the certificates representing the Affected Securities.

- 2.8 The Lender may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Lender for the purpose of becoming registered under Clause 2.3.1 or otherwise facilitating the exercise of any of its rights under this Agreement and on the request of the Lender, the relevant Grantor shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust.
- 2.9 The Grantors hereby agree that the Lender may at any time and from time to time without the consent of the Grantors take any such further action as the Lender may reasonably require in order to give the Lender a continuing first priority security interest or interests in the Collateral under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.10 Each of the Grantors covenants with and undertakes to the Lender to pay and discharge the Secured Obligations when due in accordance with the Finance Documents.
- 2.11 The Grantors acknowledge that for the purposes of Article 18(1)(a) (*Attachment: general rule*) of the Law, value has been given in respect of this Agreement.
- 2.12 The Lender hereby agrees that notwithstanding Clauses 2.3.1, 2.7, 2.8, 3 or any other provision of this Agreement, it (or its nominee) shall not become registered as holder of the Affected Securities in the register of unitholders of the Unit Trust unless and until an Event of Default has occurred and is continuing.

3. FURTHER ASSURANCE AND POWER OF ATTORNEY

- 3.1 Subject to clause 2.12, each Grantor hereby agrees that from time to time forthwith upon the written request of the Lender that Grantor shall, at that Grantor's expense, do all acts and promptly execute and deliver to the Lender all further instruments and documents and do any act or thing which the Lender may reasonably require for the purpose of obtaining the full benefit or intended benefit of this Agreement.
- 3.2 Subject to clause 2.12, for the purpose of facilitating the exercise of the powers of the Lender under the Law and pursuant to this Agreement, each Grantor hereby irrevocably appoints the Lender as that Grantor's attorney (with full power of substitution) for that Grantor and in the name of and on behalf of that Grantor to sign, execute, seal, deliver, acknowledge, file, register and perfect any and all assurances, documents, instruments, agreements, transfers, certificates and consents whatsoever and to do any and all such acts and things whatever which that Grantor has capacity to do in relation to any matters dealt with in or the subject of this Agreement and which the Lender reasonably deems necessary or advisable in order to give full effect to the purposes of this Agreement, including, without limitation, anything referred to in Clause 9.

- 3.3 Each Grantor covenants with and undertakes to the Lender to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 3.2.

4. REPRESENTATIONS AND WARRANTIES

- 4.1 Each Grantor represents and warrants to the Lender on the date of this Agreement and represents on each day with reference to the facts and circumstances then existing, and continues to warrant, until the Lender's security interest in the Collateral is wholly discharged:
- 4.1.1 that for the purposes of Article 18(1)(b) of the Law, it has rights in all of the Collateral and the power to grant rights in the Collateral to the Lender;
 - 4.1.2 that all Affected Securities have been duly Issued;
 - 4.1.3 that, except as created by this Agreement, there are and will be no restrictions or prohibitions on the transferability of or on the exercise of voting rights attached to any of the Affected Securities;
 - 4.1.4 that it has not granted any power of attorney or similar right in respect of any rights or powers relating to the Collateral other than to the Lender under this Agreement or pursuant to the Transaction Documents;
 - 4.1.5 that no governmental or regulatory approval, filing or registration (other than any registration of a financing statement under the Law in accordance with Clause 2 required in order to perfect a security interest that has not been perfected by another means) is required in order to give the Lender the full benefit of a continuing first priority security interest in all of the Collateral pursuant to the terms of this Agreement;
 - 4.1.6 that it:
 - (a) has disclosed all of its previous names (if any) to the Lender; and
 - (b) is not in the process of changing its name; and
 - 4.1.7 that there has not been nor is there subsisting any breach of trust in relation to the Unit Trust.
- 4.2 Each Grantor acknowledges that the Lender has entered into this Agreement in reliance on the representations and warranties set out in this Clause 4.
- #### 5. COVENANTS AND UNDERTAKINGS
- 5.1 Each Grantor covenants with and undertakes to the during the Security Period:

- 5.1.1 that it shall promptly on request provide to the Lender all information that the Lender reasonably requires in order to register any financing statement or financing change statement in accordance with Clause 2.6 or any other provision of this Agreement and pay on demand the reasonable costs of registering such financing statement or financing change statement for such period or periods as the Lender shall in its discretion deem appropriate;
- 5.1.2 other than as expressly permitted in any Finance Document, not to (and not to attempt to) sell, create any Encumbrance over, withdraw, disburse, pay, assign, transfer or otherwise dispose of or deal with the Collateral or any interest in the Collateral;
- 5.1.3 promptly to pay all calls and other payments due in respect of the Collateral without cost to the Lender;
- 5.1.4 that it shall remain liable to observe and perform all of the other conditions and obligations assumed by it or by which a holder of units in the Unit Trust is bound in respect of any of the Collateral, notwithstanding the method by which the Security Interests may have attached or been perfected;
- 5.1.5 except to the extent permitted by the Finance Documents, to procure that without the prior written consent of the Lender:
- (a) no further units in the Unit Trust or other Securities are issued by the Trustee to any person;
 - (b) no change is made to the Trust Instrument or to the terms of issue of any Affected Securities or any rights attaching thereto; and
 - (c) the Trustee do not enter into any transaction other than on arm's length commercial terms;
- 5.1.6 that, except as set out in the terms of this Agreement, there are and will be no restrictions on the transferability of, or on the voting rights attached to, the Affected Securities that would prevent the Lender from exercising its rights under this Agreement;
- 5.1.7 that it shall not take any steps to terminate the Unit Trust or to commence any Bankruptcy or insolvency procedure or process of or relating to the Trustee, the Unit Trust or in respect of any of the assets of the Unit Trust;
- 5.1.8 that, other than as provided for in the Facility Agreement or in favour of the Lender, it shall not create, confer or enter into, or enforce or take the benefit of (or attempt

to enforce or take the benefit of), any contractual rights or obligations of set-off or netting with respect to the Collateral;

5.1.9 that it shall promptly notify the Lender if it changes its name;

5.1.10 that unless the Lender otherwise agrees in writing, it shall forthwith serve a demand on any person (other than the Lender) who registers a valid security interests in respect of any Collateral to require the discharge of such registration and the Grantor shall use all reasonable endeavours to procure the discharge of any such registration of any security interest that is registered against it in relation to any Collateral (other than registration in respect of any Security Interest); and

5.1.11 that, to the extent that it is within its power, the Grantors shall make such alterations to the Trust Instrument as the Lender may reasonably require to protect the Security Interests and the rights and powers of the Lender under this Agreement and the Law.

5.2 Each Grantor acknowledges that the Lender has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 5.

6. VOTING RIGHTS

6.1 Prior to the occurrence of an Event of Default which is continuing, the Grantors shall exercise all voting rights in relation to the Affected Securities for any purpose not inconsistent with the terms of the Finance Documents.

6.2 After the occurrence of an Event of Default which is continuing:

6.2.1 where the Lender (or its nominee) is not the registered holder of Affected Securities, the Grantors hereby agree to exercise or cause to be exercised all voting and other rights attaching thereto in such manner as the Lender directs at its discretion, and in the absence of such direction only in such manner as may be reasonably anticipated to preserve or enhance the value of the Affected Securities; and

6.2.2 where the Lender (or its nominee) is the registered holder of the Affected Securities, the Lender may (but without any obligation to do so or liability for failing to do so) exercise or cause to be exercised all voting and other rights attaching thereto in such manner as the Lender in its absolute discretion thinks fit.

7. DISTRIBUTIONS AND OTHER DERIVATIVE ASSETS

7.1 The Lender shall not have (and nor shall any nominee of the Lender have) any duty to take up any Derivative Assets or to ensure that any such Derivative Assets are duly and punctually paid, received or collected as and when due and payable or to ensure that the correct amounts are paid, received or collected.

- 7.2 Subject to Clause 7.3, after the occurrence of an Event of Default which is continuing, if any Derivative Assets are offered to, distributed to or received by a Grantor (or its nominee) in respect of the Collateral that Grantor shall immediately notify the Lender and such Derivative Assets shall immediately be paid, delivered and transferred (as appropriate) to the Lender (or its nominee) and pending such payment, delivery or transfer such Derivative Assets:
- 7.2.1 shall be held by that Grantor (or its nominee) in trust for the Lender; and
- 7.2.2 shall be segregated from other property and funds of that Grantor (or such nominee).
- 7.3 After the occurrence of an Event of Default which is continuing, In the case of distributions, Interest and other Derivative Assets of an income nature the Lender may at its discretion:
- 7.3.1 apply all or any part of such Derivative Assets in or towards the discharge of the Secured Obligations; and/or
- 7.3.2 agree with a Grantor that the Grantor may retain all or any part of such Derivative Assets free of the security interest created under this Agreement.
- 7.4 Until such application or agreement, distributions, interest and other Derivative Assets of an income nature shall remain part of the Collateral provided that, prior to an Event of Default which is continuing, the Grantors shall be entitled to all dividends, interest and other monies arising from the Collateral to the extent permitted by the Finance Documents and such dividends, interest and other monies shall on payment to the Grantor cease to form part of the Collateral.
- 7.5 For the avoidance of doubt, a security interest in Affected Securities shall itself encompass all Derivative Assets which are considered as a matter of law to be a composite part of such Affected Securities.
- 8. EVENTS OF DEFAULT**
- Any Event of Default as defined in the Facility Agreement shall be an Event of Default for the purposes of this Agreement.
- 9. ENFORCEMENT BY THE LENDER**
- 9.1 The Lender's power of enforcement over the Collateral shall become exercisable immediately upon the occurrence of an Event of Default which is continuing, provided that the Lender has served on the Grantors written notice specifying the relevant Event of Default.
- 9.2 Subject only to the Law, the Lender may exercise the power of enforcement in respect of the Security Interests in any manner permitted by or not in conflict with the Law, including, without limitation, by the Lender or some person on its behalf:

- 9.2.1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
- 9.2.2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
- 9.2.3 by taking any one or more of the following ancillary actions:
- (a) taking control or possession of all or any of the Collateral;
 - (b) exercising any rights of the Grantors in relation to all or any of the Collateral;
 - (c) instructing any person who has an obligation in relation to all or any of the Collateral to carry out that obligation for the benefit of the Lender (or to its order); and
- 9.2.4 exercising or applying any remedy set out in this Clause 9.2.4 (such remedies being exercisable pursuant to the power of enforcement) to the extent that such remedy is not in conflict with the Law:
- (a) directing from time to time the Grantors as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any Affected Securities;
 - (b) directing the Grantors as to the disposal of all or any of the Collateral in accordance with the provisions of the Law, including, where appropriate specifying the person(s) who are to acquire such Collateral, the terms upon and manner in which such disposal(s) shall take place, including the price or other *cause* or consideration (whether payable immediately, by instalments or otherwise deferred); and directing the mode of application of the proceeds of such disposal(s) in such manner as the Lender shall in its absolute discretion determine, including by way of sale to a third party, to the Lender or to an associate or nominee of the Lender.
- 9.3 (Subject only to the Law) for the purposes of this Agreement, references to the exercise of a "power of enforcement" shall include any method or process by which value is given, allowed or credited by the Lender for the Collateral against the Secured Obligations.
- 9.4 Where the power of appropriation or sale is exercised in relation to any non-monetary obligation, the "monetary value" (as referred to in Article 51 (*When does a surplus exist?*) of the Law) of such obligation shall be the loss or losses suffered by the Lender or by any other person by reason of non-performance of such obligation (including as such obligation is owed, or also owed, to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Grantors by the Lender.

- 9.5 The Lender may at any time and from time to time exercise one or more than one of the powers set out in Clause 9.2, in whatever order and combination as the Lender thinks fit.
- 9.6 In accordance with Article 44(4) of the Law, the Lender and the Grantors hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to the Grantors.
- 9.7 Subject only to the Law, the Lender may at its discretion:
- 9.7.1 exercise its power of enforcement in respect of the Security Interests over any part of the Collateral without reference to the time, manner, *cause*, consideration or Exchange Rate that may be/has been applicable to such exercise in respect of any other part of the Collateral; and
 - 9.7.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Collateral notwithstanding that it shall have exercised such power over any other part of the Collateral.
- 9.8 No person dealing with the Lender shall be concerned to enquire as to the propriety of exercise of any power of enforcement in respect of the Security Interests (including, without limitation, whether any Security Interest has become enforceable, whether any of the Secured Obligations remain due, as to the necessity or expediency of any conditions to which a sale or other disposition is made subject or generally as to the application of any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.
- 9.9 To the fullest extent permitted by law, the Lender shall be under no liability to the Grantors for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral in accordance with the Law if the Lender applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution.
- 9.10 In accordance with Article 54(5)(a) of the Law, the Lender and the Grantors hereby agree that the Grantors shall not have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise.
- 9.11 The Lender is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held by it, or any moneys or property that it holds or is entitled to receive, before the power of enforcement is exercised.
- 9.12 The Lender will be accountable (and the Grantors are entitled to be credited) only for actual value or proceeds realised by the Lender arising from the appropriation, sale or other realisation of any Collateral by the Lender.

9.13 If the value or proceeds of the appropriation, sale or other realisation of any Collateral is insufficient to discharge the Secured Obligations in full, the Grantors will, subject to Clause 2.2, remain liable to the Lender for any shortfall.

10. ASSIGNMENT AND SUCCESSION

10.1 No Grantor may assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

11. SET-OFF

11.1 The Lender may at any time after an Event of Default has occurred which is continuing, without notice to the Grantors and both before and after demand, apply any credit balance which is at any time held by any office or branch of the Lender for the account of the Grantors in or towards satisfaction of any sum then due and payable from the Grantors to the Lender.

11.2 For the purposes of exercising any rights under this Clause 11, or any rights under the general law, the Lender may convert or translate all or any part of such credit balance into another currency by applying the Exchange Rate.

11.3 The Lender is not obliged to exercise any of its rights under this Clause 11 and such rights are without prejudice and in addition to any rights under the general law.

11.4 In this Clause 11 the expression "rights under the general law" means any rights of set-off, combination or consolidation of accounts, lien or similar rights to which the Lender is entitled under any applicable law.

12. SUSPENSE ACCOUNT

12.1 The Lender may, in its discretion, place to the credit of a suspense account or impersonal account for so long as the Lender shall think fit, any monies received under or in connection with this Agreement in order to, amongst other things and as required by the Lender, preserve the rights of the Lender to prove for the full amount of all claims against the Grantors or any other person. Unless prejudicial to the Lender's rights under this Agreement, the Lender shall apply any monies credited to any suspense account or impersonal account to the discharge of the Secured Obligations if to do so would result in the total discharge of the Secured Obligations in one tranche.

12.2 Subject to Clause 12.1, the Lender may, at any time, apply any of the monies referred to in Clause 12.1 in or towards satisfaction of any of the Secured Obligations as the Lender, in its absolute discretion, may from time to time conclusively determine.

13. EXTINGUISHMENT OF SECURITY INTEREST(S)

13.1 The Security Interests shall not be extinguished prior to the expiry of the Security Period.

- 13.2 Where the Secured Obligations include obligations as to any Further Advance the Security Interests shall not be extinguished by the repayment of any current advance.
- 13.3 Upon expiry of the Security Period, the Lender shall, at the request and cost of the Grantors, take such steps as may be reasonably required to release the Security Interests and return any documentation delivered to the Lender pursuant to Clause 2.
- 13.4 Prior to the expiry of the Security Period, the Grantors shall not serve a demand that the Lender register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Lender under or in connection with this Agreement.

14. MISCELLANEOUS

- 14.1 The Lender may exchange or convert to the Required Currency any currency held or received at the Exchange Rate.
- 14.2 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Secured Obligations.
- 14.3 The security created by this Agreement is Independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or guarantee for any of the Secured Obligations now or subsequently held by the Lender or any person on its behalf.
- 14.4 The rights and remedies of the Lender under this Agreement may be exercised from time to time and as often as the Lender deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available to the Lender (whether at law or pursuant to this Agreement, another agreement or the order of any court).
- 14.5 Any settlement or discharge between the Lender and the Grantors in respect of the Secured Obligations shall be conditional upon no security provided, or payment made, to the Lender by the Grantors or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or voidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Lender shall be entitled to recover the value or amount thereof from the Grantors as if no such settlement or discharge had taken place.
- 14.6 No delay, omission, time or indulgence on the part of the Lender in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it; nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Lender

may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral.

- 14.7 Without prejudice to Clause 2.2, where any Grantor comprises more than one person and in relation to the Grantors the liability of each of them shall be joint and several and every agreement, covenant and undertaking contained in this Agreement shall be construed accordingly.
- 14.8 Save as otherwise expressly provided in this Agreement and subject always to the Law, any liberty or power which may be exercised or any determination which may be made by the Lender may be exercised or made in the absolute and unfettered discretion of the Lender which shall not be under any obligation to give reasons.
- 14.9 The Grantors acknowledge that the Lender has no obligation to perform any of the obligations of the Grantors, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of the Grantors or to take any other action to collect or enforce payment of amounts the Lender is entitled to under or pursuant to this Agreement in respect of any Collateral.
- 14.10 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way. In particular, without prejudice to the generality of the foregoing, no defect in respect of a Security Interest created or intended to be created over any part of the Collateral shall affect the Security Interest created over any other part.
- 14.11 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of the Grantors and the Lender. Any waiver by the Lender of any Event of Default or other breach of terms of this Agreement, and any consent or approval given by the Lender for the purposes of this Agreement, shall also be effective only if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is granted.
- 14.12 The Grantors may not direct the application by the Lender of any sums received by the Lender under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Obligations.
- 14.13 The Lender shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the Security Interests.
- 14.14 Any certificate submitted by the Lender to the Grantors as to the amount of the Secured Obligations or any other amount referred to in or arising under this Agreement shall, in the absence of manifest error, be conclusive and binding on the Grantors.

- 14.15 Time shall be of the essence in respect of the performance of any obligation of the Grantors under this Agreement.
- 14.16 This Agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument.
- 14.17 Other than as expressly permitted by the terms of this Agreement or by any other Finance Document, the Lender shall at no time be deemed to authorise Impliedly or otherwise any dealing in the Collateral for the purposes of Article 24 (*Continuation of security interests in proceeds*) of the Law.
- 14.18 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, the Grantors hereby irrevocably waive the right to receive a copy of any verification statement relating to any financing statement or financing change statement registered in respect of any Security Interest.
- 14.19 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without prejudice to any other obligation under the Facility Agreement, the Grantors shall pay to the Lender on demand the reasonable Lender's fees (calculated in accordance with its standard scale of fees and charges from time to time), costs and expenses including, but not limited to, reasonable legal fees and expenses on solicitor and own client basis, in connection with any demand for registration of a financing change statement relating to a Security Interest served or purported to be served by any person at any time under or pursuant to Article 75 (*Demand for registration of financing change statement*) of the Law.
- 14.20 Each Grantor waives any right it may have (whether by virtue of the *droit de discussion*, *droit de division* or otherwise) to require that:
- 14.20.1 the Lender, before enforcing this Agreement, takes any action, exercises any recourse or seeks a declaration of Bankruptcy against any other Obligor or any other person, makes any claim in a Bankruptcy, liquidation, administration or insolvency of any person or enforces or seeks to enforce any other right, claim, remedy or recourse against any other Obligor or any other person;
 - 14.20.2 the Lender, in order to preserve any of its rights against that Grantor, joins that Grantor as a party to any proceedings against any other Obligor or any other person or any other Obligor or any other person as a party to any proceedings against that Grantor or takes any other procedural steps; or
 - 14.20.3 the Lender divides the liability of that Grantor under this Agreement with any other Obligor or any other person.
- 14.21 The Grantors hereby agree to procure the Irrevocable consent and agreement of any individual named in a financing statement as the contact for the Grantors in respect of the processing by

the Lender or any person on their behalf of any personal data (as defined in the Data Protection (Jersey) Law 2005) and inclusion of such information in any financing statement or financing change statement registered pursuant to the Law in connection with the Security Interests and/or this Agreement.

14.22 None of the provisions of this Agreement, nor any notice or other document given in connection with this Agreement shall constitute an appointment of the Lender (or any person on its behalf) as (or its agreement to be) a trustee or protector of the Unit Trust.

14.23 Notwithstanding any other provision of this Agreement, the Lender agrees that, on and following the Novation Date:

14.23.1 its recourse to the Majority Owner Grantor and/or the Beneficiary Grantor under this Agreement shall be limited to the proceeds of enforcement of the security granted by it pursuant to this Agreement (the "Proceeds");

14.23.2 the liability of the Majority Owner Grantor and the Beneficiary Grantor to the Lender pursuant to or otherwise in connection with this Agreement shall be deemed to be limited to an amount equal to the Proceeds;

14.23.3 each of the Majority Owner Grantor's and the Beneficiary Grantor's obligations and liabilities under this Agreement shall be deemed wholly satisfied and discharged by receipt by the Lender of the Proceeds; and

14.23.4 the Lender shall not have recourse to either of the Majority Owner Grantor's or the Beneficiary Grantor's assets other than the Collateral.

14.24 Notwithstanding any other provision of this Agreement, the Lender agrees that:

14.24.1 its recourse to the Trustee Grantor under this Agreement shall be limited to the proceeds of enforcement of the security granted by it pursuant to this Agreement (the "Proceeds");

14.24.2 the liability of the Trustee Grantor to the Lender pursuant to or otherwise in connection with this Agreement shall be deemed to be limited to an amount equal to the Proceeds;

14.24.3 the Trustee Grantor's obligations and liabilities under this Agreement shall be deemed wholly satisfied and discharged by receipt by the Lender of the Proceeds; and

14.24.4 the Lender shall not have recourse to the Trustee Grantor's assets other than the Collateral owned by it.

15. **COMMUNICATIONS**

- 15.1 Any notice, demand, consent, agreement or other communication to be served by one party on another party hereto shall be served in accordance with and to the addresses and facsimile numbers referred to in clause 29 (Notices) of the Facility Agreement and in the case of the Trustee Grantor to the following address only: 1 Coleman Street, London EC2R 5AA.

16. **GOVERNING LAW AND JURISDICTION**

- 16.1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Lender that the courts of the Island of Jersey are to have jurisdiction to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("Proceedings") may be brought in such court.
- 16.2 Nothing contained in this Agreement shall limit the right of the Lender to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against the Grantors in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.
- 16.3 The Grantors irrevocably waive (and hereby irrevocably agree not to raise) any objection which they may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process.
- 16.4 The Grantors further hereby irrevocably agree that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon the Grantors and may be enforced in the court of any other jurisdiction.

17. **AGENT FOR SERVICE**

The Trustee Grantor irrevocably appoints ^{MOUEANT OZANNES} ^{CORPORATE SERVICES} ^{22 GREENWICH STREET} ^{(JERSEY) LIMITED} of ST HELENE, JERSEY JE4 8PX Jersey to act as its agent to receive and accept on its behalf any process or other document relating to Proceedings brought in the courts of the Island of Jersey.

THE SCHEDULE

CONFIRMATION

To: **LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED**

For the attention of Phil Bayliss

Dear Sirs

In this Confirmation:

"Derivative Assets"

means all securities, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Securities or to assets previously described and all rights from time to time thereto and including any after-acquired property falling within any of the foregoing;

"Grantor"

means any of:

(1) **LEGAL & GENERAL PROPERTY LIMITED** a company incorporated in England and Wales with registered number 02091897 and having its registered office at One Coleman Street, London EC2R 5AA acting in its capacity as bare trustee for the Beneficiary Grantor (the **"Trustee Grantor"**);

(2) **BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP** acting by its general partner **BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED** a company incorporated in Jersey with registered number 117302 and having its registered office at 12 Castle Street, St Heller, Jersey JE2 3RT (the **"Beneficiary Grantor"**);

(3) **BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP** acting by its general partner **BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED** (the **"Majority Owner Grantor"**, and together with the Trustee Grantor and the Beneficiary Grantor, the **"Grantors"**);

"Securities"

means the securities specified below; and

"Security Agreement"

means the security interest agreement between the Grantors and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Derivative Assets.

We confirm that:

1. as at the date of this Confirmation we have not had notice of any security interest (other than under the Security Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Securities or the Derivative Assets;
2. we shall promptly notify you if we receive notice of any such matter in the future;
3. to the extent that it may prejudice or compete with the priority of any security granted to you by the Grantors we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Securities, the Derivative Assets or any proceeds (that are not Derivative Assets) of the Securities and Derivative Assets; and
4. if you wish your own name, or the name of such other person as you shall nominate, to be entered in the register of unitholders of the Unit Trust as holder of any Securities, we shall promptly effect this.

This confirmation is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....

duly authorised

CAPITA TRUST COMPANY (JERSEY) LIMITED in its
own capacity and as trustee of the **BISHOPSGATE
LONG TERM PROPERTY FUND UNIT TRUST**

Date: 2014

THE SECURITIES

348,685.536 units in The Bishopsgate Long Term Property Fund Unit Trust (the "Unit Trust") and any other units in the Unit Trust that may from time to time be beneficially owned by any of the Grantors, all such securities being subject to the Security Agreement.

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

SIGNED

for and on behalf of

LEGAL & GENERAL PROPERTY LIMITED

By:

A black rectangular redaction box covering the signature of the first party.

for and on behalf of

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

By:and

for and on behalf of

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

By:and

for and on behalf of

LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED

By:

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

SIGNED

for and on behalf of

LEGAL & GENERAL PROPERTY LIMITED

By:

for and on behalf of

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

By:and

for and on behalf of

BISHOPSGATE LONG TERM PROPERTY FUND LIMITED PARTNERSHIP

acting by its general partner

BISHOPSGATE LONG TERM PROPERTY FUND GENERAL PARTNER LIMITED

By:and

for and on behalf of

LEGAL AND GENERAL ASSURANCE SOCIETY LIMITED

By:

A large, irregular black ink blot or redaction mark covering the signature area.