



Registration of a Charge

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

Company number: **02091897**

Received for Electronic Filing: **17/10/2018**



X7GRL4M0

Details of Charge

Date of creation: **11/10/2018**

Charge code: **0209 1897 0023**

Persons entitled: **CBRE LOAN SERVICES LIMITED AS SECURITY TRUSTEE FOR THE SECURED PARTIES**

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:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2091897

Charge code: 0209 1897 0023

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th October 2018 and created by LEGAL & GENERAL PROPERTY LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th October 2018 .

Given at Companies House, Cardiff on 19th October 2018

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**

Execution Version

DATED: 11 October 2018

EACH PARTY LISTED IN SCHEDULE 1

as a Grantor

and

CBRE LOAN SERVICES LIMITED

as Security Agent and secured party

SUPPLEMENTAL SECURITY INTEREST AGREEMENT

in relation to units in Newhall Square Property Unit Trust and contract rights in or pursuant to certain specified agreements

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THIS AGREEMENT is made the 11 day of October 2018

BETWEEN:

- (1) EACH PARTY LISTED IN SCHEDULE 1 including the successors of each such party (each a "Grantor" and together the "Grantors"); and
- (2) CBRE LOAN SERVICES LIMITED as security trustee for the Secured Parties (as defined below) (the "Security Agent").

WHEREAS:

- (A) Each Grantor has entered into the Existing SIA.
- (B) Each Grantor enters into this Agreement to provide supplemental security in addition to the Existing Security.
- (C) The Agreement is entered into pursuant to the provisions of Clause 4 (*Further Assurance and Power of Attorney*) of the Existing SIA.
- (D) Each Grantor and the Security Agent intend this Agreement to be a security agreement for the purposes of the Law (as defined below).

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Capitalised words and expressions not otherwise defined in this Agreement shall have the meaning given to them in the Facility Agreement.

1.2 In this Agreement:

"Access Development"	has the meaning given to that term in Schedule 1 (<i>The Grantors</i>);
"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;
"BTR"	has the meaning given to that term in Schedule 1 (<i>The Grantors</i>);
the "Collateral"	means in respect of each Grantor: (a) the Specified Securities; (b) any other units in the Unit Trust that may from time to time be legally and/or beneficially owned by that Grantor; (c) all Derivative Assets; (d) (where the context allows) any proceeds (that are not Derivative Assets) of all such Securities and the Derivative Assets; (e) all that Grantor's right, title and interest from time to time to and in all such Securities and the Derivative Assets and proceeds; (f) the Contract Rights; and (g) the proceeds of such Contract Rights, including any after-acquired property falling within any of the above paragraphs of this definition;
"Competing Rights"	means any security or other right of a Grantor (whether by way of set-off, counterclaim, subrogation, indemnity, contract, proof in liquidation, contribution or otherwise) exercisable against any person with a view to: (a) a Grantor reducing any of that Grantor's liabilities

	under or in connection with this Agreement;
	(b) a Grantor obtaining reimbursement in respect of any of that Grantor's liabilities under or in connection with this Agreement; or
	(c) a Grantor having the benefit of, sharing in or enforcing any security for the reduction or reimbursement of any such liabilities;
the "Confirmation"	means the confirmation to be given to the Security Agent by the Trustees substantially in the form set out in Schedule 2;
"Contract Rights"	means all present and future rights, title and interest in and to any obligations (whether actual or contingent) owed by the Trustees to any Grantor under any Specified Agreement;
"Control"	means "control" as that word is defined in Article 3(5) of the Law;
"Data Protection Laws"	means any privacy and/or data protection law applicable from time to time to any party to this Agreement which may include, without limitation, the Data Protection (Jersey) Law 2018, the Data Protection Authority (Jersey) Law 2018 and the EU General Data Protection Regulation (Regulation EU 2016/679);
"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, sub-division, 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;
"Enforcement Event"	means: (a) an Event of Default which is continuing; or (b) a request from any Grantor or its directors to the Security Agent that it exercise any of its powers under this Agreement;
"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"	has the meaning given to that term in the Facility Agreement;
the "Exchange Rate"	means a rate of exchange between one currency and another which is determined by the Security Agent to be a reasonable market rate as at the time that the exchange is effected;
"Existing Security"	means the security interest created by or pursuant to the Existing SIA;
"Existing SIA"	means the security interest agreement between the Grantors and the Security Agent dated 3 August 2018 in relation to, amongst other things, the Collateral;
the "Facility Agreement"	means the facility agreement dated 30 July 2018 and made between, amongst others, the Trustees, HSBC Bank Plc as arranger and original lender, CBRE Loan Services Limited as agent of the other Finance Parties, and the Security Agent;
"Finance Document"	has the meaning given to such term in the Facility Agreement and "Finance Documents" shall be construed accordingly;
"Finance Party"	has the meaning given to that term in the Facility Agreement;
"Further Advance"	means "further advance" as that expression is defined in Article 33(4) of the Law, for the avoidance of doubt being of any amount or value, made for any purpose and whether or not contemplated by any party to this Agreement when this Agreement is executed;
a "Grantor"	includes the successors or (as the case may be) heirs of each person named as a Grantor above;
"Interest"	means interest at the default rate specified in clause 8.5 of the Facility Agreement;
the "Law"	means the Security Interests (Jersey) Law 2012;
"LGP"	has the meaning given to that term in Schedule 1 (<i>The Grantors</i>);

"Number of Post-Redemption Units"	has the meaning given to that term in Clause 11.2;
"Permitted Payment"	has 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;
"Receivables"	means all such Contract Rights as consist in the right, title and interest to and in any amount payable to a Grantor under any Specified Agreement;
"Required Currency"	means the currency or currencies in which the Secured Liabilities are for the time being expressed;
the "Secured Liabilities"	means all present and future obligations and liabilities (whether actual or contingent) of each Grantor and each other Transaction Obligor to any Secured Party under each Finance Document and including for the avoidance of doubt any obligations and liabilities in respect of any Further Advances;
"Secured Party"	has the meaning given to that term in the Facility Agreement;
the "Security Agent"	includes its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents and any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents;
"Securities"	include without limitation any property within the definition of "investment security" under Article 1 (<i>Definitions</i>) 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 all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no Finance Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to any Grantor or any other

	person under any of the Finance Documents;
"Specified Agreement"	means any present or future loan agreement or arrangement (whether in writing or not and whether governed by the laws of Jersey or not) between any Grantor, the Trustees and (if applicable) any other person(s), evidencing or creating a debt obligation owed by the Trustees (as borrower or, in the case of a loan note or similar, as issuer) to such Grantor (as lender, or, in the case of a loan note or similar, as holder);
"Specified Securities"	means the Securities identified in Schedule 3 (<i>Specified Securities</i>);
"Subordination Agreement"	has the meaning given to that term in the Facility Agreement;
"Trustees"	means together Cetza Trustees V3 Limited (a private limited company incorporated in Jersey with registered number 118521) and Cetza Trustees V4 Limited, a private limited company incorporated in Jersey with registered number 118522, each in its capacity as joint trustee of the Unit Trust, and "Trustee" means any one of them;
"Trust Instrument"	means the trust instrument dated 5 September 2017 made by Cetza Trustees V3 Limited and Cetza Trustees V4 Limited in respect of the Unit Trust and amended, varied and/or supplemented by a supplemental trust instrument dated 30 July 2018 (as such trust instrument may be further amended, varied, restated or supplemented from time to time);
"Unit"	means a unit (or fraction of a unit) in the Unit Trust;
"Unit Redemption Notice"	has the meaning given to that term in Clause 11.1;
"Unit Trust"	means the Newhall Square Property Unit Trust as established and constituted by and pursuant to the Trust Instrument.

1.3 In this Agreement, unless the context otherwise requires:

- 1.3.1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*;
- 1.3.2 references to a "Recital", "Clause" or "Schedule" are to a recital, clause or schedule of or to this Agreement;

- 1.3.3 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 (however fundamentally) from time to time in accordance with its terms or, as the case may be, with the agreement of the relevant parties and including any (however fundamental) variation, increase, extension or addition of or to: (a) any such agreement, instrument or document (including any Finance Document); and/or (b) any facility or amount or value made available thereunder; and/or (c) any purpose thereof, and whether or not contemplated by any party to this Agreement when this Agreement is executed;
- 1.3.4 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;
- 1.3.5 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);
- 1.3.6 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;
- 1.3.7 the Security Agent is "the secured party", each Grantor is "the grantor", the Collateral is the "collateral" and this Agreement is a "security agreement", for the purposes of the Law;
- 1.3.8 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;
- 1.3.9 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property;
- 1.3.10 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; and
- 1.3.11 an "Event of Default" is continuing if it has not been waived or, provided no action has been taken by the Agent pursuant to clause 24.21 (*Acceleration*) of the Facility Agreement remedied to the satisfaction of the Agent (acting reasonably).
- 1.4 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement.

2. CONFIRMATION OF EXISTING SECURITY

For the avoidance of doubt:

- 2.1.1 Access Development confirms for the benefit of the Secured Parties that with effect from the date hereof, the Existing Security shall (a) remain in full force and effect and (b) continue to secure the Secured Liabilities; and
 - 2.1.2 each Grantor confirms for the benefit of the Secured Parties that, under Jersey law, the provisions of the Existing Security shall, save as amended by this Agreement, continue in full force and effect.
- 2.2 Notwithstanding section 859(H) of the Companies Act 2006, each Grantor and the Security Agent hereby agree that the monies secured by the Existing Security have not become immediately payable, but are payable in accordance with the respective terms of the Finance Documents.
- 2.3 It is agreed that the failure to register the Existing SIA against Legal & General Property Limited and Legal & General UK Build to Rent Fund LP acting by its manager LGIM Real Assets (Operator) Limited at Companies House within the prescribed timeframe shall not be regarded as a breach of Clause 18.8(a) of the Facility Agreement

3. LIMITED RECOURSE

Notwithstanding any other provision of this Agreement, it is expressly agreed that:

- 3.1 the recourse of the Security Agent under this Agreement is to each Grantor's interest in the Collateral; and
- 3.2 the liability of each Grantor to the Security Agent pursuant to or otherwise in connection with this Agreement shall be satisfied from the proceeds of sale or other disposal or realisation of the Collateral pursuant to this Agreement or the Law.

4. CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

- 4.1 Each Grantor and the Security Agent hereby agree that the Security Agent shall have, subject only to the terms of the Existing SIA, continuing first priority security interests in the Collateral as security for the Secured Liabilities in accordance with the Law and that such security is hereby created.
- 4.2 To the intent that the Security Interests shall attach to the Collateral, each Grantor and the Security Agent hereby agree that:
 - 4.2.1 subject to Clause 4.11, in the case of Affected Securities represented by a certificate or certificates the Security Agent 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

Security Agent) registered in the register of unitholders of the Unit Trust as the holder of the Affected Securities; and

- 4.2.2 to the extent that the Security Agent shall not have Control of some or any of the Affected Securities represented by a certificate or certificates pursuant to Clause 4.2.1, the Security Agent 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
 - 4.2.3 in the case of Collateral that is not Affected Securities to which Security Interests have attached pursuant to Clauses 4.2.1 or 4.2.2, the Security Interests shall hereby attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law.
- 4.3 In accordance with Clause 4.2, and in order to facilitate the exercise of the Security Agent's rights under this Agreement, the Grantors have delivered together with this Agreement (in the case of Clauses 4.3.1 and 4.3.2, to the extent not previously delivered pursuant to the Existing SIA) and shall ensure that in the future there shall promptly be delivered to the Security Agent or to its order:
- 4.3.1 the certificates representing all Affected Securities which are represented by a certificate or certificates;
 - 4.3.2 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 4.2.2, duly executed by the holder but otherwise completed or partially completed in such manner as the Security Agent directs;
 - 4.3.3 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 4.2.1, the Security Agent; and
 - (b) in the case of Affected Securities in respect of which Security Interests are attached under Clause 4.2.2, the relevant Grantor,as the registered holder of such Affected Securities which are represented by a certificate or certificates and in either case noting the interest of the Security Agent pursuant to this Agreement; and
 - 4.3.4 the Confirmation, signed by a director or other duly authorised signatory of each of the Trustees.
- 4.4 In accordance with Articles 18 (*Attachment: general rule*) and 19 (*After-acquired property*) of the Law, the Security Agent and each Grantor hereby agree that the Security Interests shall attach:

- 4.4.1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon execution of this Agreement; and
 - 4.4.2 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 the relevant Grantor.
- 4.5 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and each Grantor hereby agree that:
 - 4.5.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Collateral pursuant to Clause 4.2.1 or 4.2.2 and/or (at the option of the Security Agent) by registration of a financing statement in accordance with Article 22(4) of the Law;
 - 4.5.2 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;
 - 4.5.3 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
 - 4.5.4 the Security Interests in proceeds shall, without prejudice to 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.
- 4.6 Subject to Clause 4.11, the Security Agent 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 a Grantor to become the registered holder of any part of the Collateral and/or to have possession of the certificates representing the Affected Securities.
- 4.7 Subject to Clause 4.11, the Security Agent may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Security Agent for the purpose of becoming registered under Clause 4.2.1 or otherwise facilitating the exercise of any of its rights under this Agreement and on the request of the Security Agent, the Grantors shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust.
- 4.8 Each Grantor hereby agrees that the Security Agent may at any time and from time to time without the consent of any Grantor take any such further action as the Security Agent may deem necessary or desirable in order to give the Security Agent, subject only to the terms of the

Existing SIA, 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.

- 4.9 Each Grantor covenants with and undertakes to the Security Agent for itself and on behalf of the other Secured Parties to pay, discharge and satisfy the Secured Liabilities in accordance with the respective terms of the Finance Documents.
- 4.10 Each Grantor and the Security Agent acknowledge that, for the purposes of Article 18(1)(a) of the Law, value has been given.
- 4.11 The Security Agent hereby agrees that notwithstanding Clauses 4.2.1, 4.6 and 4.7, 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 Enforcement Event has occurred.

5. FURTHER ASSURANCE AND POWER OF ATTORNEY

- 5.1 Each Grantor must promptly, at its own expense, take all such action and execute all such documents as the Security Agent may require to create, perfect, protect and/or maintain the Security Interests created or intended to be created in respect of the Collateral in accordance with the rights vested in it under this Agreement or for the exercise of any of the rights, powers and remedies of the Security Agent provided by or pursuant to this Agreement or by law in each case in such form as the Security Agent may require (acting reasonably if no Event of Default is continuing).
- 5.2 The action that may be required under Clause 4.1 above includes:
 - 5.2.1 taking all such steps and action to effect registrations;
 - 5.2.2 the giving of any notice, instruction, order or direction and the making of any filing or registration,which, in any such case, the Security Agent may consider necessary.
- 5.3 For the purpose of facilitating the exercise of the powers of the Security Agent under the Law and pursuant to this Agreement, each Grantor, by way of security, irrevocably and severally appoints the Security Agent and any Delegate to be its attorney with the full power and authority of that Grantor and in its name, on its behalf and as its act and deed, to:
 - 5.3.1 after the occurrence of an Event of Default, execute, deliver and perfect all assignments or other Security and any transfers of the Collateral and perfecting and/or releasing any Security created or intended to be created in respect of the Collateral in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary or desirable for carrying out any obligation of

that Grantor under or pursuant to this Agreement or any other agreement binding on that Grantor to which the Security Agent is party; or

5.3.2 after the occurrence of an Event of Default, generally enable the Security Agent to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Agreement or by law (including, after the Security Interests have become enforceable), the exercise of any right of a legal or beneficial owner of the Collateral.

5.4 Each Grantor covenants with and undertakes to the Security Agent to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 5.3.

6. REPRESENTATIONS AND WARRANTIES

6.1 Each Grantor represents and warrants to the Security Agent on the date of this Agreement and represents on each day that such representations and warranties are repeated under the Facility Agreement:

6.1.1 that for the purposes of Article 18(1)(b) of the Law, each Grantor has rights in all of the Collateral and the power to grant rights in the Collateral to the Security Agent;

6.1.2 that, subject only to the Security Interests, the Existing Security and in the case of LGP the beneficial interest of Access Development in the relevant Collateral, the relevant Collateral is that Grantor's sole and absolute property free from any Encumbrance and that that Grantor's title to the relevant Collateral is not liable to be challenged on any grounds;

6.1.3 that all Affected Securities have been duly issued and are fully paid (including any premium thereon) and that none is or will be subject to any options to purchase or sell or any similar rights or obligations;

6.1.4 that, except as may be set out in the Trust Instrument or created by this Agreement or the terms of the Existing SIA, 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;

6.1.5 that it is duly established and/or incorporated (as the case may be) and validly existing and in good standing under the laws of its place of establishment and/or incorporation (as the case may be);

6.1.6 that it has the power to enter into, perform and deliver and has taken all necessary action to authorise its entry into, performance and delivery of this Agreement and the transactions contemplated by this Agreement;

- 6.1.7 that it is able to pay its debts as they fall due and that it will not be rendered unable to do so as a result of entering into and performing this Agreement;
- 6.1.8 that it has not been declared Bankrupt or suffered or instituted similar proceedings, nor has it committed any act indicative of insolvency under the laws of any jurisdiction or had any judgment taken against it in any court;
- 6.1.9 that, subject to the Legal Reservations and the Perfection Requirements, the obligations expressed to be assumed by it in this Agreement are its legal, valid, binding and enforceable obligations;
- 6.1.10 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 Security Agent under this Agreement and the Existing SIA;
- 6.1.11 that the entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not violate, cause a default under or in any other way conflict with:
- (a) any law or regulation applicable to it;
 - (b) any terms of its memorandum and articles of association or other constitutional documents;
 - (c) the Trust Instrument; or
 - (d) save for the Existing SIA, any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument in a manner which has or is reasonably likely to have a Material Adverse Effect;
- 6.1.12 subject to the terms of the Existing SIA, that no governmental or regulatory approval, filing or registration (other than any registration of a financing statement under the Law in accordance with Clause 4) is required in order to give the Security Agent the full benefit of a continuing first priority security interest in all of the Collateral pursuant to the terms of this Agreement, provided that the registration of such financing statement does not expire in accordance with its terms;
- 6.1.13 that, subject to the Legal Reservations, the Perfection Requirements and the terms of the Existing SIA, all Security Interests will be recognised as first priority security interests over the Collateral for the Secured Liabilities in any Bankruptcy of that Grantor, provided that the security interest is at the date hereof perfected and remains perfected throughout the Security Period, and the Collateral is not subject to

any prior or pari passu ranking Security except as permitted under the Finance Documents (including, for the avoidance of doubt, the Existing SIA);

6.1.14 that the Affected Securities insofar as comprising units in the Unit Trust comprise the whole of the issued units of the Unit Trust.

6.2 Each Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the representations and warranties set out in this Clause 6.

7. COVENANTS AND UNDERTAKINGS

7.1 Each Grantor covenants with and undertakes to the Security Agent to the intent that the same shall be continuing covenants and undertakings until the Security Agent's security interest in the Collateral is wholly discharged:

7.1.1 that it shall promptly on request provide to the Security Agent all information that the Security Agent requires in order to register any financing statement or financing change statement in accordance with Clause 4.5 or any other provision of this Agreement;

7.1.2 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 (other than by or pursuant to this Agreement or the Existing SIA);

7.1.3 promptly to give to the Security Agent copies of any notices or other communications or other documents (including, without limitation, any report, accounts, circular or resolution or proposed resolution) received by it with respect to, or which might affect, the Collateral together with a statement that any such notice, communication or other document relates to the subject matter of this Agreement;

7.1.4 promptly to pay all calls and other payments due in respect of the Collateral without cost to the Security Agent;

7.1.5 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;

7.1.6 to procure that without the prior written consent of the Security Agent:

(a) no further units in the Unit Trust or other Securities in relation to the Unit Trust are issued by the Trustees to any person unless such further units or other Securities are subject to Transaction Security;

- (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 Trustees do not enter into any transaction other than on arm's length commercial terms;
 - 7.1.7 to provide, or procure the provision of, such financial and other information relating to that Grantor or the Collateral as the Security Agent may from time to time require;
 - 7.1.8 that, except as set out in the Trust Instrument and 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;
 - 7.1.9 not to take or permit the taking of any action which may result in any rights, terms, conditions, agreements or arrangements in respect of or applicable to the Collateral being breached, amended or replaced in any respect;
 - 7.1.10 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 Trustees, the Unit Trust or itself or in respect of any assets of any Trustee, the Unit Trust or that Grantor;
 - 7.1.11 that, other than as provided for in the Facility Agreement or in favour of the Security Agent, that Grantor 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;
 - 7.1.12 that it shall not change its name without first notifying the Security Agent in writing of the proposed new name not less than ten business days before the change takes effect; and
 - 7.1.13 that unless the Security Agent otherwise agrees in writing, the relevant Grantor shall serve a demand on any person (other than the Security Agent) who registers any security interest against it in relation to any Collateral to require the discharge of such registration and shall use 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 or Existing Security).
- 7.2 Each Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 7.

8. VOTING RIGHTS

- 8.1 Before the occurrence of an Enforcement Event, each Grantor shall, for so long as it remains the registered owner of any of the Affected Securities, continue to be entitled to exercise the voting rights attaching to such Affected Securities.
- 8.2 At any time after the occurrence of an Enforcement Event, the Security Agent may exercise (in the name of each Grantor and without any further consent or authority on the part of such Grantor) or direct the exercise (or refrain from exercising or directing the exercise) of all the Grantors' voting and other rights and powers attaching to the Affected Securities as the Security Agent may in its absolute discretion think fit and each Grantor shall, and shall procure that its nominees shall, comply with any such directions from the Security Agent concerning the exercise of such rights and powers.

9. CONTRACT RIGHTS

- 9.1 Without prejudice to the other provisions of this Agreement, including but not limited to those of Clauses 3 and 6, until an Enforcement Event has occurred each Grantor is authorised to exercise rights constituting or included in the Contract Rights (other than the right to receive or retain the Receivables, which may be dealt with pursuant to Clause 10.2.2), provided that such exercise of rights may only be such as will not have a Material Adverse Effect on such Contract Rights or the Security Interests.
- 9.2 The authority in Clause 8.1 shall in no way constitute a Grantor the agent of the Security Agent.
- 9.3 Following the withdrawal of such authority referred to in Clause 9.1 and following the occurrence of an Enforcement Event, the Security Agent may (but without any obligation to do so or liability for failing to do so) exercise such Contract Rights as the Security Agent in its absolute discretion thinks fit in the name of and on behalf of each Grantor.

10. DISTRIBUTIONS AND OTHER DERIVATIVE ASSETS

- 10.1 The Security Agent shall not have (and nor shall any nominee of the Security Agent have) any duty to take up any Derivative Assets or to ensure that any such Derivative Assets or any Receivables 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.
- 10.2 Before the occurrence of an Enforcement Event:
- 10.2.1 all distributions, interest and other Derivative Assets of an Income nature in relation to any Affected Securities may be paid to the relevant Grantor provided such payments are Permitted Payments; and
 - 10.2.2 each Grantor may receive and retain all Receivables in accordance with the terms of the Subordination Agreement.

- 10.3 At any time after the occurrence of an Enforcement Event, if any Derivative Assets or Receivables are offered to, distributed to or received by a Grantor (or its nominee) in respect of the Collateral that Grantor shall immediately notify the Security Agent and such Derivative Assets or Receivables shall immediately be paid, delivered and transferred (as appropriate) to the Security Agent (or its nominee) and pending such payment, delivery or transfer such Derivative Assets or Receivables:
- 10.3.1 shall be held by that Grantor (or its nominee) in trust for the Security Agent; and
- 10.3.2 shall be segregated from other property and funds of that Grantor (or such nominee).
- 10.4 At any time after the occurrence of an Enforcement Event, the Security Agent may at its discretion apply all or any part of such Derivative Assets or Receivables in accordance with the terms of clause 28 (*Application of Proceeds*) of the Facility Agreement.
- 10.5 Until such application, Receivables, distributions, interest and other Derivative Assets of an income nature shall remain part of the Collateral.
- 10.6 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.
11. **PROCEDURE FOR REDEMPTION OF UNITS BY WAY OF PERMITTED PAYMENTS**
- 11.1 If the Trustees propose to redeem Units by way of a Permitted Payment in accordance with the terms of the Facility Agreement, the Trustees or the relevant Grantor(s) shall provide the Security Agent with notification in writing (the "**Unit Redemption Notice**") of such proposed redemption and subject to Clauses 11.2 and 11.3:
- 11.1.1 the Security Agent shall within 10 Business Days of receipt of the Unit Redemption Notice return the certificates representing the relevant Affected Securities in its possession to the Trustees (or provide an appropriate indemnity in respect of the same); and
- 11.1.2 immediately upon receipt of any certificates delivered to it pursuant to Clause 11.1.1, the Trustees shall, and each Grantor specified in the relevant Unit Redemption Notice shall procure that the Trustees shall, issue new certificates in the name of each Grantor that is specified in the relevant Unit Redemption Notice, with each such certificate representing Units in number equal to the Number of Post-Redemption Units (as defined in Clause 11.2) applicable to that Grantor, and immediately deliver the same to the Security Agent or to the Security Agent's order.
- 11.2 Each Unit Redemption Notice provided to the Security Agent pursuant to Clause 11.1 shall specify the name of each Grantor whose Units are to be redeemed, the number of Units which

are to be redeemed and the number of Units that each Grantor will hold following such redemption (the "Number of Post-Redemption Units").

- 11.3 No more than one Unit Redemption Notice may be delivered to the Security Agent in each consecutive period of three months, with the first such period commencing on the date of this Agreement.
- 11.4 Satisfaction of a party's corresponding obligations pursuant to clause 10 (*Procedure for Redemption of Units by way of Permitted Payments*) of the Existing SIA shall be sufficient to satisfy that party's obligations pursuant to this Clause 11.

12. ENFORCEMENT BY THE SECURITY AGENT

- 12.1 The Security Agent's power of enforcement over the Collateral of any particular Grantor shall become exercisable immediately upon the occurrence of an Enforcement Event, provided that the Security Agent has served on that Grantor written notice specifying the Enforcement Event.

- 12.2 Subject only to the Law, the Security Agent 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 Security Agent or some person on its behalf:

- 12.2.1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);

- 12.2.2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);

- 12.2.3 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 relevant Grantor 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 Security Agent (or to its order);

- 12.2.4 exercising or applying any remedy set out in this Clause 12.2.4 (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 any Grantor as to how it shall exercise or cause to be exercised all or any rights attaching to all or any of the Collateral of that Grantor,

provided that the relevant Grantor shall only be required to exercise or cause to be exercised such rights if it would be lawful to do so;

- (b) directing any Grantor 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 Security Agent shall in its absolute discretion determine, including by way of sale to a third party, to the Security Agent or to an associate or nominee of the Security Agent.

- 12.3 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 Security Agent for the Collateral against the Secured Liabilities.
- 12.4 Where the power of enforcement 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 Security Agent 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 relevant Grantor by the Security Agent.
- 12.5 The Security Agent may following an Enforcement Event which is continuing exercise one or more than one of the powers set out in Clause 12.2, in whatever order and combination as the Security Agent thinks fit and against one or more Grantors and not others, or in series or in parallel against different Grantors, or pursue different enforcement strategies or timings against different Grantors.
- 12.6 In accordance with Article 44(4) of the Law, the Security Agent and each Grantor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to any Grantor.
- 12.7 Subject only to the Law, the Security Agent may following an Enforcement Event which is continuing:
 - 12.7.1 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

- 12.7.2 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.
- 12.8 No person dealing with the Security Agent 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 Liabilities remain due, as to the necessity or expediency of any conditions to which a sale 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.
- 12.9 To the fullest extent permitted by law, the Security Agent shall be under no liability to any Grantor 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 Security Agent 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.
- 12.10 In accordance with Article 54(5)(a) of the Law, the Security Agent and each Grantor hereby agree that no Grantor shall have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise.
- 12.11 The Security Agent 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.
- 12.12 The Security Agent will be accountable (and the relevant Grantor is entitled to be credited) only for actual value or proceeds realised by the Security Agent arising from the appropriation or other realisation of any Collateral by the Security Agent.
- 12.13 If the value or proceeds of the appropriation or other realisation of any Collateral is insufficient to discharge the Secured Liabilities in full, each Grantor will remain liable to the Security Agent for any shortfall.
- 12.14 The exercise by the Security Agent of its power of enforcement or by some person on its behalf in respect of the Security Interests of one or more Grantors shall not affect, discharge or prejudice the Security Interests granted by any other Grantor or Grantors, and all rights and remedies against them shall remain available to the Security Agent to the end of the Security Period.

13. INDEMNITIES AND INTEREST

- 13.1 Each Grantor must:

- 13.1.1 promptly on demand pay to the Security Agent for and on behalf of each Secured Party the amount of all costs, fees and expenses (including legal fees) incurred by that Secured Party in connection with this Agreement including any arising from any actual or alleged breach by any person of any law or regulation; and
 - 13.1.2 keep each Secured Party indemnified against any failure or delay in paying those costs, fees or expenses.
- 13.2 Any sum due by any Grantor under any provision of this Agreement (including Clause 13.1) shall be payable on demand with Interest from the date on which it is demanded and a Grantor's liability to pay such sum and Interest shall form part of the Secured Liabilities. Interest shall be payable after as well as before judgment, shall accrue on a day-to-day basis, shall be calculated by the Security Agent on the basis of the actual number of days elapsed and a 365 day year and shall be compounded as set out in the Facility Agreement or, if not there set out, in accordance with the usual practice of the Security Agent.

14. ASSIGNMENT AND SUCCESSION

- 14.1 The Security Agent may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any Security Interest in accordance with the Facility Agreement and appoint such assignee and/or transferee as a new and successor security trustee of the trusts under this Agreement. For the purpose of any such participation, assignment, transfer or disposal the Security Agent may disclose information about the Grantors and the financial condition of the Grantors as shall have been made available to the Security Agent by or on behalf of the Grantors or which is otherwise publicly available.
- 14.2 The Security Interests and other rights of the Security Agent arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Security Agent and shall inure for the benefit of the Security Agent's successors.
- 14.3 No Grantor may assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

15. SET-OFF

The Security Agent may set off any matured obligation due from any Grantor under this Agreement against any matured obligation owed by any Secured Party to that Grantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

16. SUSPENSE ACCOUNT

16.1 The Security Agent may, in its discretion, place to the credit of a suspense account or impersonal account for so long as the Security Agent shall think fit, any monies received under or in connection with this Agreement in order to, amongst other things and as required by the Security Agent, preserve the rights of the Security Agent and the other Secured Parties to prove for the full amount of all claims against any Grantor or any other person.

16.2 The Security Agent may, at any time, apply any of the monies referred to in Clause 16.1 in or towards satisfaction of any of the Secured Liabilities as the Security Agent, in its absolute discretion, may from time to time conclusively determine.

17. EXTINGUISHMENT OF SECURITY INTEREST(S)

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

17.2 Where the Secured Liabilities include obligations as to any Further Advance the Security Interests shall not be extinguished by the repayment of any current advance.

17.3 Upon expiry of the Security Period, the Security Agent 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 Security Agent pursuant to Clause 4.

17.4 Prior to the expiry of the Security Period, the Grantors shall not serve a demand that the Security Agent register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Security Agent under or in connection with this Agreement.

18. MISCELLANEOUS

18.1 The Security Agent may exchange or convert to the Required Currency any currency held or received at the Exchange Rate.

18.2 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Secured Liabilities.

18.3 Each Security Interest is independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or other Encumbrance or guarantee for any of the Secured Liabilities now or subsequently held by the Security Agent or any person on its behalf or any other Secured Party.

18.4 The rights and remedies of the Security Agent under this Agreement may be exercised from time to time and as often as the Security Agent 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 Security Agent or any other Secured Party (whether at law or pursuant to this

Agreement, another agreement or the order of any court). The Security Agent executes this Agreement in its capacity as Security Agent in the exercise of the powers and authority conferred and vested in it under the Facility Agreement for and on behalf of the Secured Parties. The Security Agent will exercise its powers, rights, duties and authority in the manner provided for in the Facility Agreement and in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under the Facility Agreement as if they were set out in full in this Agreement.

- 18.5 Any settlement or discharge between the Security Agent and a Grantor in respect of the Secured Liabilities shall be conditional upon no security provided, or payment made, to the Security Agent or any other Secured Party by that Grantor 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 Security Agent shall be entitled to recover the value or amount thereof from that Grantor as if no such settlement or discharge had taken place.
- 18.6 No delay, omission, time or indulgence on the part of the Security Agent (or any other Secured Party) 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 Security Agent may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral.
- 18.7 Where the Grantor comprises more than one person 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.
- 18.8 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 Security Agent may be exercised or made in the absolute and unfettered discretion of the Security Agent which shall not be under any obligation to give reasons.
- 18.9 Each Grantor acknowledges that the Security Agent has no obligation to perform any of the obligations of the relevant Grantor, 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 that Grantor or to take any other action to collect or enforce payment of amounts the Security Agent is entitled to under or pursuant to this Agreement in respect of any Collateral.
- 18.10 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.

- 18.11 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of each Grantor and the Security Agent. Any waiver by the Security Agent of any Event of Default or other breach of terms of this Agreement, and any consent or approval given by the Security Agent 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.
- 18.12 No Grantor may direct the application by the Security Agent of any sums received by the Security Agent under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Liabilities.
- 18.13 The Security Agent 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.
- 18.14 Any certificate submitted by the Security Agent to the Grantors as to the amount of the Secured Liabilities or any other amount referred to in or arising under this Agreement shall, in the absence of manifest error, be conclusive and binding on each Grantor.
- 18.15 Time shall be of the essence in respect of the performance of any obligation of the Grantors under this Agreement.
- 18.16 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.
- 18.17 The Security Agent 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.
- 18.18 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, each Grantor hereby irrevocably waives 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.
- 18.19 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without prejudice to Clause 13 of this Agreement and any other relevant obligation under the Facility Agreement, the Grantors shall pay to the Security Agent on demand the Security Agent'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, 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.

18.20 The Security Agent and/or any or all of the other Secured Parties may at any time without prejudicing its/their rights under this Agreement:

18.20.1 determine, reduce, increase or otherwise vary any credit to any person;

18.20.2 give time for payment or grant any other indulgence to any person;

18.20.3 renew, hold over or give up any bills of exchange, promissory notes or other negotiable instruments;

18.20.4 deal with, exchange, release, modify or abstain from perfecting or enforcing any security, guarantee or other right which the Security Agent or any other Secured Party may now or at any time have from or against any person;

18.20.5 compound with any guarantor or other person;

18.20.6 do or omit to do any other act or thing the doing or omission of which, apart from this provision, would or might afford any defence to a surety.

18.21 Each Grantor waives any right it may have (whether by virtue of the *droit de discussion*, *droit de division* or otherwise) to require that:

18.21.1 the Security Agent and/or any or all of the other Secured Parties, before enforcing this Agreement, takes any action, exercises any recourse or seeks a declaration of Bankruptcy against 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 person;

18.21.2 the Security Agent and/or any or all of the other Secured Parties, in order to preserve any of its/their rights against a Grantor, joins that Grantor as a party to any proceedings against any other person or any other person as a party to any proceedings against that Grantor or takes any other procedural steps; or

18.21.3 the Security Agent and/or any or all of the other Secured Parties divides the liability of a Grantor under this Agreement with any other person.

18.22 Each Grantor warrants that, as at the date of this Agreement, it has not taken, received or exercised any Competing Rights and agrees that it will not in the future take, receive or exercise any Competing Rights until the Security Agent has confirmed in writing to the Grantors that the Secured Liabilities have been wholly discharged or until that Grantor is otherwise released by the Security Agent from its obligations under this Agreement.

- 18.23 If, notwithstanding Clause 18.22, any Competing Rights are taken, exercised or received by a Grantor, such Competing Rights and all monies or other property or assets received or held in respect thereof shall be held by that Grantor on trust for the Security Agent to be applied in or towards the discharge of that Grantor's liabilities under this Agreement and shall be transferred, assigned or, as the case may be, paid to the Security Agent promptly following the Security Agent's demand.
- 18.24 The Security Agent's (and any other Secured Party's) rights under Clauses 18.20 to 18.23 are in addition to and shall not in any way derogate from or be prejudiced by any security held by the Security Agent (or any other Secured Party) from any person (including the Security Interests).
- 18.25 Each party to this Agreement shall comply in all respects with the Data Protection Laws as far as they may apply from time to time and each such party shall assist the other in bringing such fair processing and other notices as may be required by the other party and in the form required by the other party to the attention of data subjects.
- 18.26 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 Security Agent (or any person on its behalf) as (or its agreement to be) a trustee or protector of the Unit Trust.
- 18.27 The Security Agent shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, representations and warranties and undertakings and covenants given by each Grantor in and pursuant to this Agreement upon trust for the Secured Parties on the terms and conditions of the Facility Agreement.
- 18.28 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 27 of the Facility Agreement. All and any other duties and liabilities of a trustee that would otherwise attach to the Security Agent as a trustee under or by reason of this Agreement are hereby excluded to the maximum extent permitted by law.
- 18.29 Failure by any Grantor to validly enter into and sign this Agreement or to perform its obligations under this Agreement does not affect the obligations or liability of any other Grantor under this Agreement.

19. CONTRACTUAL RECOGNITION OF BAIL-IN

19.1 In this Clause 19:

"Bail-In Action" means the exercise of any Write-down and Conversion Powers;

"Bail-In Legislation" means:

- (a) In relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms, the relevant

implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and

- (b) in relation to any other state, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation;

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway;

"EU Bail-In Legislation Schedule" means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers; and

"Write-down and Conversion Powers" means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- (b) in relation to any other applicable Bail-In Legislation:
 - (i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and
 - (ii) any similar or analogous powers under that Bail-In Legislation.

19.2 Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the parties, each party acknowledges and accepts that any liability of any party to any other party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

19.2.1 any Bail-In Action in relation to any such liability, including (without limitation):

- (a) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
- (b) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
- (c) a cancellation of any such liability; and

19.2.2 a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

20. COMMUNICATIONS

20.1 The provisions of clause 33 (*Notices*) of the Facility Agreement shall apply (subject to any necessary modification) to this Agreement as though they were set out in full in this Agreement and as if references in such clause to "this Agreement" were references to this Agreement and references to a "Party" or the "Borrower" included the Grantors.

20.2 The address (and the department or officer, if any, for whose attention the communication is to be made) of each Grantor for any communication or document to be made or delivered under or in connection with this Agreement is:

20.2.1 Name: Access Development
 Address: Aztec Group House, 11-15 Seaton Place, St Helier, Jersey JE4 0QH
 Email: Legal&GeneralJSY@aztecgroup.co.uk
 Attention: Real Assets Department

20.2.2 Name: BTR
 Address: One Coleman Street, London, EC2R 5AA
 Email: Katherine.laurenson@lgim.com
 Attention: Katherine Laurenson

20.2.3 Name: LGP
 Address: One Coleman Street, London, EC2R 5AA
 Email: Katherine.laurenson@lgim.com
 Attention: Katherine Laurenson

or any substitute address or department or officer which a Grantor may notify to the Security Agent by not less than five Business Days' notice.

21. GOVERNING LAW AND JURISDICTION

- 21.1 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 Security Agent that the courts of the Island of Jersey are to have exclusive jurisdiction (without prejudice to Clauses 21.2 to 21.4) 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") shall be brought in such court.
- 21.2 Nothing contained in this Agreement shall limit the right of the Security Agent to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against a Grantor 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.
- 21.3 Each Grantor irrevocably waives (and hereby irrevocably agrees not to raise) any objection which it 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.
- 21.4 Each Grantor further hereby irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon that Grantor and may be enforced in the court of any other jurisdiction.

22. AGENT FOR SERVICE

Each Grantor that is not incorporated or established under Jersey law irrevocably appoints Access Development of 11-15 Seaton Place, St Helier, Jersey JE4 0QH 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 and Access Development hereby irrevocably accepts such appointment.

SCHEDULE 1

THE GRANTORS

Access Development Limited Partnership, a limited partnership established in Jersey with registered number 2170 and having its registered office at 11-15 Seaton Place, St Helier, Jersey JE4 0QH acting by its general partner Access Development General Partner Limited, a company incorporated in Jersey with registered number 120347 and having its registered office at 11-15 Seaton Place, St Helier, Jersey JE4 0QH ("Access Development").

Legal & General UK Build To Rent Fund LP, a limited partnership registered in England and Wales with registered number LP017657 acting by its manager LGIM Real Assets (Operator) Limited, a limited liability company registered in England and Wales with registered number 05522016 ("BTR").

Legal & General Property Limited, a company incorporated in England with registered number 02091897, acting in its capacity as bare trustee of Access Development ("LGP").

SCHEDULE 2

CONFIRMATION

To: CBRE LOAN SERVICES LIMITED
as security agent for the Secured Parties (as defined below) (the "Security Agent")

For the attention of [NAME]

Dear Sirs

Unless the context otherwise requires, capitalised words and expressions not otherwise defined in this Confirmation shall have the meaning given to them in the Security Agreement and in addition:

"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;
"Grantors"	means Access Development Limited Partnership acting by its general partner Access Development General Partner Limited ("Access Development"); (ii) Legal & General UK Build To Rent Fund LP acting by its manager LGIM Real Assets (Operator) Limited; and (iii) Legal and General Property Limited acting in its capacity as bare trustee of Access Development;
"Secured Parties"	means the Secured Parties as defined in the Facility Agreement (as defined in the Security Agreement);
"Securities"	means the securities specified below; and
"Security Agreement"	means the supplemental security interest agreement between the Grantors and the Security Agent 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 and the Existing SIA), 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 the Security Agent 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 the Security Agent 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;
4. if you wish the Security Agent's name, or the name of such other person as the Security Agent shall nominate, to be entered in the register of unitholders of the Unit Trust as holder of any Securities, we shall immediately effect this;
5. we acknowledge and agree to be bound by the terms of Clause 11 (*Procedure for Redemption of Units by way of Permitted Payments*) of the Security Agreement and, in particular, we agree that:
 - (a) if we propose to redeem Units by way of a Permitted Payment in accordance with the terms of the Facility Agreement, we shall provide the Security Agent with a Unit Redemption Notice; and
 - (b) immediately upon receipt of any certificates delivered to us pursuant to Clause 11.1.1 of the Security Agreement, we shall issue new certificates in the name of each Grantor that is specified in the relevant Unit Redemption Notice, with each such certificate representing Units in number equal to the Number of Post-Redemption Units applicable to that Grantor, and immediately deliver the same to the Security Agent or to the Security Agent's order.

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

Yours faithfully

.....

duly authorised

CETZA TRUSTEES V3 LIMITED in its capacity as
trustee of Newhall Square Property Unit Trust

Date: [DATE] 2018

.....

duly authorised

CETZA TRUSTEES V4 LIMITED in its capacity as
trustee of Newhall Square Property Unit Trust

Date: [DATE] 2018

THE SECURITIES

[*NUMBER OF UNITS*] units in Newhall Square Property Unit Trust (the "Unit Trust") numbered [*NUMBERS, IF ANY*] inclusive and any other units in the Unit Trust that may from time to time be beneficially owned by the Grantors, all such securities being subject to the Security Agreement.

SCHEDULE 3

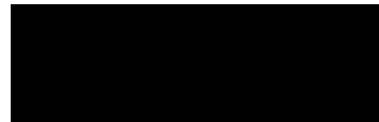
SPECIFIED SECURITIES

Name of Unit Trust	Number of Securities	Name of Grantor
Newhall Square Property Unit Trust	7,210,566	Access Development Limited Partnership, a limited partnership established in Jersey with registered number 2170, acting by its general partner Access Development General Partner Limited, a company incorporated in Jersey with registered number 120347 ("Access Development")
Newhall Square Property Unit Trust	3,659,634	Legal & General UK Build To Rent Fund LP, a limited partnership registered in England and Wales with registered number LP017657 acting by its manager LGIM Real Assets (Operator) Limited, a company incorporated in England and Wales with registered number 05522016
Newhall Square Property Unit Trust	109,800	Legal & General Property Limited, a company incorporated in England with registered number 02091897, acting in its capacity as bare trustee of Access Development

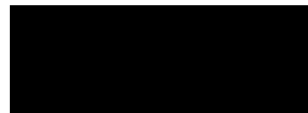
IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written.

SIGNED for and on behalf of
ACCESS DEVELOPMENT LIMITED PARTNERSHIP
acting by its general partner
ACCESS DEVELOPMENT GENERAL PARTNER LIMITED
by:

SIGNED for and on behalf of
LEGAL & GENERAL UK BUILD TO RENT FUND LP
acting by its manager
LGIM REAL ASSETS (OPERATOR) LIMITED
by: *Andrew Banks*



SIGNED for and on behalf of
LEGAL & GENERAL PROPERTY LIMITED
acting in its capacity as bare trustee of
ACCESS DEVELOPMENT LIMITED PARTNERSHIP
in turn acting by its general partner
ACCESS DEVELOPMENT GENERAL PARTNER LIMITED
by: *Robin Martin*



CBRE LOAN SERVICES LIMITED
in its capacity as security trustee
for and on behalf of the Secured Parties
by:

and by: