



**Registration of a Charge**

Company name: **LONDON AND REGIONAL PROPERTIES LIMITED**

Company number: **02909660**



X8ZBAS3C

Received for Electronic Filing: **21/02/2020**

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**Details of Charge**

Date of creation: **12/02/2020**

Charge code: **0290 9660 0019**

Persons entitled: **CITIBANK N.A., LONDON BRANCH AS SECURITY AGENT AND SECURITY TRUSTEE FOR THE SECURED PARTIES**

Brief description: **NOT APPLICABLE**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **SIMMONS & SIMMONS LLP**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 2909660

Charge code: 0290 9660 0019

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th February 2020 and created by LONDON AND REGIONAL PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st February 2020 .

Given at Companies House, Cardiff on 24th February 2020

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

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# Subordinated Creditor's Security Agreement

between

London and Regional Properties Limited  
as Chargor

and

Citibank N.A., London Branch  
as Security Agent

relating to

a facility agreement dated 12 February 2020 for the  
refinance of 32 Jamestown Wharf, 213-219 Camden  
High Street and 4-12 Parkway, each located in  
Camden, NW1, London

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**THIS DEED** is dated 12 February

and made

**BETWEEN:**

- (1) **LONDON AND REGIONAL PROPERTIES LIMITED** (incorporated in England and Wales with registered no. 02909660) (the "Chargor"); and
- (2) **CITIBANK N.A., LONDON BRANCH** (the "Security Agent" which expression includes its successors and assigns as security agent and security trustee for the Secured Parties).

**BACKGROUND:**

- (A) The Chargor is entering into this Deed in connection with the Finance Documents.
- (B) It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

**IT IS AGREED** as follows:

**1. Interpretation**

**1.1 Definitions**

In this Deed, terms defined in the Facility Agreement have the same meaning in this Deed unless given a different meaning and:

"Authorisation" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"Charged Property" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to this Deed.

"Delegate" means any delegate or sub delegate appointed under Clause 14 (*Delegation*).

"Enforcement Event" means an Event of Default which is continuing.

"Facility Agreement" means the facility agreement dated on or about the date of this Deed and made between, among others, LR (Jamestown) Limited and Rubtrade Limited as borrowers and Citibank N.A., London Branch as original lender, agent and security agent.

"LPA" means the Law of Property Act 1925.

"Party" means a party to this Deed.

"Receiver" means a receiver, receiver or manager or administrative receiver of the whole or any part of the Charged Property.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Borrower and each other Transaction Obligor to any Secured Party under each Finance Document.

"Secured Party" means a Finance Party, a Receiver or any Delegate.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Agent is satisfied that all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

"Transaction Security" means the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed.

## 1.2 Construction

- (A) Any reference in this Deed to a "Finance Document" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerous) or replaced and includes any change in the purpose of, any extension of or any increase in any facility under that Finance Document or other agreement or instrument.
- (B) The other provisions of Clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as if set out in full in this Deed with all necessary changes.
- (C) A reference in this Deed to the singular includes the plural and vice versa.
- (D) Unless a contrary indication appears, a reference in this Deed to "Charged Property" includes any part of that Charged Property and the proceeds of that Charged Property.
- (E) Each of the undertakings given by the Chargor in this Deed remain in force from the date of this Deed until the end of the Security Period.
- (F) Each representation and warranty expressed to be made by the Chargor in this Deed is made by the Chargor on the date of this Deed and is deemed to be repeated on each day during the Security Period by reference to the facts and circumstances then existing.

## 1.3 Third party rights

- (A) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.
- (B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (C) Any Receiver or Delegate may, subject to this Clause 1.3 and the Third Parties Act, rely on any Clause of this Deed which expressly confers rights on it.

## 2. Limited Recourse

Notwithstanding any other term of this Deed, the Security Agent agrees that its right of enforcement under this Deed against the Chargor shall be limited in recourse to the Security Agent's rights of enforcement or recovery against the Charged Property under this Deed. The Chargor's liability under this Deed will only be satisfied by the proceeds of the appropriation, sale, disposal or realisation of the Charged Property.

### 3. **Creation of Security**

#### 3.1 **Security generally**

All this Deed:

- (A) is created in favour of the Security Agent;
- (B) is created over the present and future assets of the Chargor which relate to the Charged Property;
- (C) is security for the payment of all the Secured Liabilities; and
- (D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

#### 3.2 **Contracts**

- (A) The Chargor assigns absolutely to the Security Agent all of its rights and interests in in, to and under all the agreements or documents specified in Schedule 1 (*Assigned Contracts*) any other loan agreement or document entered into by the Chargor and the Borrowers (or either of them) at any time (the "Assigned Contracts").
- (B) To the extent that any such right described in Clause 3.2(A) is not capable of assignment, the assignment of that right purported to be effected by Clause 3.2(A) shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (C) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under Clauses 3.2(A) and 3.2(B), the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.
- (D) If the Chargor assigns an agreement or document under this Deed (or charges it by way of a first fixed charge) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained:
  - (1) the Chargor shall notify the Security Agent immediately;
  - (2) the assignment or charge will not take effect until that consent is obtained;
  - (3) unless the Security Agent otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable; and
  - (4) the Chargor shall promptly supply to the Security Agent a copy of the consent obtained by it.

#### 3.3 **Authorisations**

The Chargor charges by way of first fixed charge the benefit of all Authorisations held by it in relation to any Charged Property, together with the right to recover and receive compensation which may be payable to it in respect of any Authorisation.

#### **4. Continuing Security**

##### **4.1 Continuing Security**

This Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

##### **4.2 Additional Security**

This Deed:

- (A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party; and
- (B) may be enforced against the Chargor without having recourse to any other rights of any Finance Party.

#### **5. Further Assurance**

- (A) The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
  - (1) to perfect the Security created or intended to be created by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of Transaction Security) or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law;
  - (2) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security conferred or intended to be conferred by or pursuant to this Deed; and/or
  - (3) following the occurrence of an Enforcement Event, to facilitate the realisation of the assets which are, or are intended to be, the subject of this Deed.
- (B) The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to this Deed.

#### **6. Restrictions on Dealing**

##### **6.1 Negative pledge**

The Chargor shall not create or permit to subsist any Security over any Charged Property, nor do anything which is prohibited by Clause 22.3 (*Negative pledge*) of the Facility Agreement except as permitted by the Facility Agreement.



## 6.2 Disposals

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Charged Property except as permitted by the Facility Agreement.

## 7. Contracts

### 7.1 Representations

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that on the date of this Deed:

- (A) all payments to it by any other party to any of its Assigned Contracts are not subject to any right of set-off or similar right;
- (B) each of its Assigned Contracts is its legally binding, and enforceable obligation;
- (C) it is not in Default of any of its obligations under any of its Assigned Contracts;
- (D) there is no prohibition on assignment in any of its Assigned Contracts; and
- (E) its entry into and performance of this Deed will not conflict with any term of any of its Assigned Contracts.

### 7.2 Documents

The Chargor shall as soon as reasonably practicable, and in any event within 10 Business Days deliver to the Security Agent executed copies of all Assigned Contracts as now in effect and as requested by the Security Agent and shall promptly deliver such other documents relating to the Assigned Contracts as the Security Agent reasonably requires.

### 7.3 No variation etc

The Chargor shall not:

- (A) amend, vary or waive (or agree to amend, vary or waive) any provision of any Assigned Contract, exercise any right to rescind, cancel or terminate any Assigned Contract or release any counterparty from any obligations under any Assigned Contract;
- (B) waive any breach by any counterparty to an Assigned Contract or consent to any act or omission which would otherwise constitute such a breach of an Assigned Contract; or
- (C) novate, transfer or assign any of its rights under any Assigned Contract.

### 7.4 Breach

The Chargor shall notify the Security Agent of any breach of or default under an Assigned Contract by it or any other party and any right of it or any other party arising to terminate or rescind an Assigned Contract promptly on becoming aware of the same.

## 7.5 Information

The Chargor shall promptly provide the Security Agent with any information it reasonably requires in relation to any Assigned Contract.

## 7.6 Rights

- (A) Subject to the rights of the Security Agent under Clause 7.6(B), the Chargor shall diligently pursue its rights under each of its Assigned Contracts, but only if and to the extent that the exercise of those rights in the manner proposed would not result in a Default.
- (B) Following the occurrence of an Enforcement Event, the Security Agent may exercise (without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor) any of the Chargor's rights under its Assigned Contracts.

## 7.7 Notices of charge or assignment

- (A) The Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in Schedule 2 (*Notice to Counterparty to Assigned Contract*) on each counterparty to an Assigned Contract.
- (B) The Chargor shall use reasonable endeavours to ensure that each person referred to in Clause 7.7(A) acknowledges receipt of that notice, substantially in the applicable form as set out in Schedule 2 (*Notice to Counterparty to Assigned Contract*).

## 8. Representations

The Chargor represents and warrants to the Security Agent for the benefit of each Finance Party that:

- (A) Subject to the Legal Reservations and registration requirements, this Deed:
  - (1) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create, fully perfected and with the ranking and priority it is expressed to have;
  - (2) is not subject to any prior or pari passu ranking Security; and
  - (3) is not liable to be avoided or set aside on its liquidation, administration or otherwise; and
- (B) it is the absolute legal and beneficial owner of all the assets over which it purports to create any Security pursuant to this Deed.

## 9. Enforcement

### 9.1 When enforceable

This Deed shall be immediately enforceable if an Enforcement Event occurs.

## **9.2 Power of sale**

The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA (*Powers incident to estate or interest of mortgagee*) as varied and extended by this Deed shall arise on the date of this Deed.

## **9.3 Section 103 of the LPA**

Section 103 of the LPA (*Regulation of exercise of power of sale*) shall not apply to this Deed.

## **9.4 Section 93 of the LPA**

Section 93 of the LPA (*Restriction on consolidation of mortgages*) shall not apply to this Deed.

## **9.5 No liability as mortgagee in possession**

Neither the Security Agent nor any Receiver or Delegate shall be liable, by reason of entering into possession of any Charged Property, to account as mortgagee in possession for any loss on realisation of or for any default or omission for which a mortgagee in possession might be liable.

## **9.6 Privileges**

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA except that Section 103 of the LPA (*Regulation of exercise of power of sale*) shall not apply to this Deed.

## **9.7 No duty to enquire**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:

- (A) whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (D) as to the application of any money borrowed or raised.

## **9.8 Protection to purchasers**

All the protection to purchasers contained in Sections 104 (*Conveyance on sale*) and 107 (*Mortgagee's receipts, discharges etc.*) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

## **9.9 Financial collateral arrangements**

- (A) To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "Regulations") apply to any Charged Property, the Security Agent shall have the right to appropriate any Charged Property which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities.
- (B) The value of any Charged Property appropriated in accordance with this Clause 9.9 shall be in the case of cash, the amount of cash appropriated.
- (C) The Chargor agrees that the method of valuation provided for in this Clause 9.9 is commercially reasonable for the purposes of the Regulations.

## **10. Receiver**

### **10.1 Appointment of receiver**

- (A) The Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Charged Property if:
  - (1) an Enforcement Event occurs; or
  - (2) requested to do so by the Chargor.
- (B) Any appointment under Clause 10.1(A) may be by deed, under seal or in writing under hand.

### **10.2 Removal**

The Security Agent may by writing under hand remove any Receiver appointed by it and may appoint a new Receiver in place of any Receiver whose appointment it may have terminated.

### **10.3 Remuneration**

The Security Agent may determine the remuneration of any Receiver appointed by it and direct payment of that remuneration out of moneys received by it as Receiver. The maximum rate specified in section 109(6) of the LPA shall not apply to this Deed.

### **10.4 Agent of Chargor**

- (A) Any Receiver will be deemed to be the agent of the Chargor for all purposes. The Chargor alone is responsible for all contracts, engagements, acts, omissions, defaults, remuneration and all other costs, losses and expenses of a Receiver and for liabilities incurred by a Receiver.
- (B) No Finance Party will incur any liability (either to the Chargor or any other person) by reason of its appointment of a Receiver or for any other reasons.

### **10.5 Security Agent's rights**

Any rights conferred by any Finance Document upon a Receiver may be exercised by the Security Agent, whether or not the Security Agent shall have taken possession or appointed a Receiver of the Charged Property.

## **11. Powers of Receiver**

### **11.1 General**

- (A) A Receiver has all of the rights, powers and discretions set out below in this Clause 11 in addition to those conferred on it by any law, including all the rights, powers and discretions conferred on a receiver under the LPA and a receiver or an administrative receiver under the Insolvency Act 1986.
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **11.2 Possession**

A Receiver may take immediate possession of, get in and collect any Charged Property.

### **11.3 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Charged Property either in priority to the Security created by this Deed or otherwise and generally on any terms and for whatever purpose which he thinks fit.

### **11.4 Sale of assets**

- (A) A Receiver may sell, exchange, convert into money and realise any Charged Property by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (B) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

### **11.5 Compromise**

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Charged Property.

### **11.6 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Charged Property which he thinks fit.

### **11.7 Receipts**

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Property.

### **11.8 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Charged Property.

### **11.9 Delegation**

A Receiver may delegate his powers in accordance with this Deed.

### **11.10 Protection of assets**

A Receiver may:

- (A) effect any insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect any Charged Property; and
- (B) apply for and maintain any approval or any other authorisation,

in each case as he thinks fit.

### **11.11 Other powers**

A Receiver may:

- (A) do all other acts and things which he may consider desirable or necessary for realising any Charged Property or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (B) exercise in relation to any Charged Property all the powers, authorities and things which he would be capable of exercising if he were the absolute beneficial owner of that Charged Property; and
- (C) use the name of the Chargor for any of the above purposes.

## **12. Power of Attorney**

### **12.1 Appointment**

The Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit:

- (A) to do anything which the Chargor is obliged to do under any Finance Document, where the Security Agent has requested that the Chargor carry out such steps and the Chargor has failed to comply with such request within any applicable grace period under the Facility Agreement; and
- (B) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Charged Property or under any Finance Document, the LPA or the Insolvency Act 1986.

### **12.2 Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this Clause 12.

13. **Tacking**

Each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

14. **Delegation**

14.1 **Delegate and sub-delegates**

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

14.2 **Terms**

Any such delegation may be made upon any terms (including power to sub-delegate) as the Security Agent or any Receiver thinks fit.

14.3 **Liability**

Neither the Security Agent nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

15. **Preservation of Security**

15.1 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made by the Security Agent in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

15.2 **Waiver of defences**

The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Deed (and whether or not known to it or any Finance Party) including without limitation:

- (A) any time, waiver or consent granted to, or composition with, any other person;
- (B) the release of any other person under the terms of any composition or arrangement with any creditor of any other person;
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any other person;

- (E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Finance Document or any other document or security;
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (G) any insolvency or similar proceedings.

### **15.3 Immediate recourse**

The Chargor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

### **15.4 Appropriations**

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may:

- (A) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- (B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

### **15.5 Deferral of Chargor's rights**

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (A) to be indemnified by any other person;
- (B) to claim any contribution from any other guarantor of the Chargor's obligations under the Finance Documents;
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (D) to bring legal or other proceedings for an order requiring any Chargor to make any payment, or perform any obligation, in respect of which the Chargor has given a guarantee, undertaking or indemnity under any other Finance Document;
- (E) to exercise any right of set-off against any other person; and/or



- (F) to claim or prove as a creditor of any other person in competition with any Finance Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargor under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 32 (*Payment mechanics*) of the Facility Agreement.

**16. Enforcement Expenses**

**16.1 Enforcement expenses**

The Chargor shall, within three Business Days of demand, pay to the Security Agent the amount of all costs, losses, liabilities and expenses (including legal fees) incurred by the Security Agent, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed and any proceedings instituted by or against the Security Agent as a consequence of taking or holding this Deed or enforcing those rights.

**16.2 VAT**

Clause 12.7 (VAT) of the Facility Agreement shall also apply to any amount payable under a Finance Document to any Receiver or Delegate with all necessary changes.

**17. Changes to the Parties**

**17.1 Assignments and transfer by the Chargor**

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

**17.2 Assignment and transfer by the Finance Parties**

Any Finance Party may assign any of its rights or transfer any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement.

**18. Payments**

**18.1 Payments**

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the currency in which the relevant amount is denominated, or if different, is payable and to such account, with such person and such other manner as the Security Agent may direct.

**18.2 Continuation of accounts**

- (A) At any time if any subsequent Security affects any Charged Property or a petition is presented or resolution passed in relation to the winding-up of the Chargor, any Finance Party may open a new account in the name of the Chargor (whether or not it permits any existing account to continue).

- (B) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred.
- (C) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce any Secured Liabilities.

### 18.3 Order of distributions

All amounts received or recovered by the Security Agent or any Receiver or Delegate in the exercise of their rights under this Deed shall be applied in the following order:

- (A) first, in or towards payment of all costs, losses, liabilities and expenses of and incidental to the appointment of any Receiver or Delegate and the exercise of any of its rights, including any remuneration and outgoings paid to it;
- (B) second, in or towards payment of the Secured Liabilities in accordance with Clause 29 (*Application of Proceeds*) of the Facility Agreement; and
- (C) third, in payment of any surplus to the Chargor or other person entitled to it.

### 18.4 No set-off by Chargor

All payments to be made by the Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

## 19. Release of Security

### 19.1 Release

At the end of the Security Period the Security Agent shall at the request and cost of the Chargor, take whatever action is necessary to release the Charged Property from the Security created by or expressed to be created by this Deed.

### 19.2 Retention

If the Security Agent considers, acting reasonably, that any amount paid or credited to it under a Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have been irrevocably paid.

## 20. Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## 21. Governing Law

This Deed and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

## 22. **Enforcement**

### 22.1 **Jurisdiction**

- (A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any non contractual obligations arising out of or in connection with this Deed) (a "Dispute").
- (B) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (C) This Clause 22.1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

**THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.**

## **SCHEDULE 1 : ASSIGNED CONTRACTS**

None as at the date of this Deed.

## SCHEDULE 2 : NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To: [Counterparty]

Address: [•]

[Date]

Dear Sirs,

This letter constitutes notice to you that under a security agreement dated [•] between [[•] as chargor][each of the companies listed at the end of this notice and [•] as Security Agent (the "Security Agent") we have assigned to the Security Agent (as agent and trustee for the Secured Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to [describe agreement] (the "Agreement").

We will remain liable under the Agreement to perform all the obligations assumed by us under the Agreement. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement.

We will be entitled to exercise all of its rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Security Agent to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Agent or as it directs.

Please note that we have agreed not to amend, waive or vary any provision of or terminate the Agreement without the prior consent of the Security Agent.

We confirm that you may comply with the instructions in this letter without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law.

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Agreement as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•].

For and on behalf of

[•]

as Chargor

[On duplicate]

We acknowledge receipt of the Notice of Assignment of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Agreement.

.....  
For and on behalf of  
[Counterparty]

Date: .....

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a DEED by  
London and Regional Properties  
Limited  
acting by

LEONARD SEBASTIAN

Director:

in the presence of a witness

Signature of witness:

Name:

Address

Wing Tang  
Associate  
Fladgate LLP  
16 Great Queen Street  
London  
WC2B 5DG

The Security Agent

Citibank N.A., London Branch

By:

EXECUTION PAGE TO SECURITY AGREEMENT

**The Chargor**

EXECUTED as a DEED by )  
London and Regional Properties )  
Limited )  
acting by )  
and )

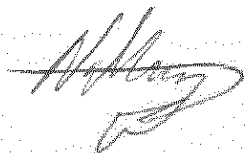
Director:

Director/Secretary:

**The Security Agent**

**Citibank N.A., London Branch**

By:



NATHAN SAGE