



**Registration of a Charge**

Company Name: **KNIGHTSPUR HOMES LIMITED**

Company Number: **04342540**



XAZSFUTL

Received for filing in Electronic Format on the: **14/03/2022**

**Details of Charge**

Date of creation: **11/03/2022**

Charge code: **0434 2540 0037**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description: **DIRECTOR GENERALS HOUSE, 15 ROCKSTONE PLACE, SOUTHAMPTON (SO15 2EP) REGISTERED AT H.M. LAND REGISTRY WITH TITLE NUMBER HP314256**

**Contains fixed charge(s).**

**Contains floating charge(s) .**

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

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

Certified by: **STEPHENSON HARWOOD**



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

Company number: 4342540

Charge code: 0434 2540 0037

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th March 2022 and created by KNIGHTSPUR HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 14th March 2022 .

Given at Companies House, Cardiff on 16th March 2022

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**

## **Security Agreement**

**Dated 11 March 2022**

**(1) Knightspur Homes Limited**

**and**

**(2) National Westminster Bank Plc**

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## **THIS DEED**

**Dated 11 March 2022**

### **BETWEEN:**

- (1) **Knightspur Homes Limited** registered in England (registered number 04342540) (the "**Chargor**"); and
- (2) **National Westminster Bank Plc** (the "**Security Agent**") as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

### **BACKGROUND:**

- (A) The Chargor enters into this Deed in connection with the Facility Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

**IT IS AGREED** as follows:

## **1 DEFINITIONS AND INTERPRETATION**

### **1.1 Definitions**

In this Deed:

**"Act"** means the Law of Property Act 1925.

**"Agreement for Lease"** means an agreement to grant an Occupational Lease for all or part of the Mortgaged Property.

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

**"Borrower"** means Finchley Developments C&G Limited registered in England (registered number 06812039) as borrower under the Facility Agreement.

**"Collateral Warranties"** means any collateral warranty in favour of the Chargor which relates to a Mortgaged Property.

**"Facility Agreement"** means the £39,000,000 Facility Agreement dated on or around the date of this Deed between (among others) the Chargor and the Security Agent.

**"General Account"** is defined in the Facility Agreement.

**"Hedging Agreement"** means a master agreement, schedule, confirmation, novation or other instrument in the agreed form entered into by or novated to the Chargor and a Hedge Counterparty in connection with managing the interest rate liabilities under the Finance Documents.

**"Insurance"** means each contract or policy of insurance to which the Chargor is a party or in which it has an interest and which relates to a Mortgaged Property.

**"Lease Document"** means:

- (a) an Agreement for Lease;
- (b) an Occupational Lease; or
- (c) any other document designated as such by the Agent and the Borrower.

**"Mortgaged Property"** means all freehold or leasehold property included in the definition of Security Asset.

**"Occupational Lease"** means any leases or licence or other right of occupation or right to receive rent to which the Mortgaged Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.

**"Party"** means a party to this Deed.

**"Receiver"** means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

**"Relevant Contract"** means:

- (a) an appointment of a Managing Agent; and
- (b) an appointment of an Asset Manager.

**"Rental Income"** means the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Mortgaged Property, as more particularly defined in the Facility Agreement.

**"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 Transaction Obligor to any Secured Party under each Finance Document.

**"Security"** means a mortgage, charge, pledge, lien, assignment by way of security, retention of the provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

**"Security Asset"** means any asset of the Chargor which is, or is expressed to be, subject to any Security created by this Deed.

**"Security Period"** means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make any advance or to make available any other financial accommodation to any Obligor pursuant to the Finance Documents.

## 1.2 Construction

- (a) Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- (c) Unless a contrary indication appears, a reference in this Deed to:
  - (i) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (ii) the words **include(s)**, **including** and **in particular** shall be construed as being by way of illustration or emphasis only and shall not be construed as, nor shall they take effect as limiting the generality of any preceding words;
  - (iii) **liabilities** means any obligation, whether incurred as principal or as surety, whether or not in respect of indebtedness, whether present or future, actual or contingent and whether owed jointly or severally or in any other capacity;
  - (iv) any **rights** in respect of an asset includes:
    - (A) all amounts and proceeds paid or payable;
    - (B) all rights to make any demand or claim; and
    - (C) all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
  - (v) the term **this Security** means any Security created by this Deed.
- (d) Any covenant of the Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (e) The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set



aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
- (h) Each of the mortgages, fixed charges and assignments contained in Clause 2.2 (*Land*) to 2.8 (*Miscellaneous*) over each category of assets, and each asset specified in those Clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned (as applicable) independently and separately of each other.

### **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 Third Parties Act to enforce or to 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, vary, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed at any time.
- (c) Any Receiver, any Secured Party or any other person described in Clause 10.4 (*Protection of third parties*) may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

## **2 CREATION OF SECURITY**

### **2.1 General**

- (a) The Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the Security created under this Deed:
  - (i) is created in favour of the Security Agent;
  - (ii) is created over present and future assets of the Chargor;
  - (iii) is security for the payment and discharge of all the Secured Liabilities; and
  - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

## 2.2 Land

- (a) The Chargor charges:
  - (i) by way of a first legal mortgage the real property specified in Schedule 1 (*Real Property*); and
  - (ii) (to the extent that they are not either the subject of a mortgage under paragraph (i) above) by way of a first fixed charge the real property specified in Schedule 1 (*Real Property*).
- (b) A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:
  - (i) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
  - (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

## 2.3 Plant and machinery

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Land*), the Chargor charges by way of a first fixed charge all plant and machinery owned by the Chargor and its interest in any plant or machinery in its possession, together with the benefit of all related Authorisations, agreements and warranties, but in each case only to the extent that the same relates to the Mortgaged Property

## 2.4 Insurances

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under any Insurance (together, the "**Insurance Rights**").
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its Insurance Rights.

## 2.5 Hedging

- (a) The Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, its right to receive all moneys payable under any Hedging Agreements.
- (b) To the extent that they have not been effectively assigned under paragraph (a) above, the Chargor charges by way of a first fixed charge all of its right to receive all moneys payable under any Hedging Agreements.

## 2.6 Collateral Warranties

The Chargor charges by way of fixed charge all its rights under any Collateral Warranties.

## **2.7 Other contracts**

- (a) The Chargor:
  - (i) assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
    - (A) under each Lease Document to which it is a party;
    - (B) in respect of all Rental Income;
    - (C) under any guarantee of Rental Income contained in or relating to any Lease Document to which it is a party; and
    - (D) under each Relevant Contract to which it is a party.
  - (ii) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument which relates to a Security Asset and to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.
- (b) To the extent that they have not been effectively assigned under paragraph (a)(i) above, the Chargor charges by way of a first fixed charge all of its rights listed under paragraph (a)(i) above.

## **2.8 Miscellaneous**

The Chargor charges by way of first fixed charge:

- (a) the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- (b) the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in paragraph (a) above; and
- (c) the benefit of all rights in relation to any item under paragraphs (a) to (c) above.

## **2.9 Floating charge**

- (a) The Chargor charges by way of a first floating charge all its rights in respect of its General Account.
- (b) Except as provided below, the Security Agent may by notice to the Chargor convert the floating charge created by this Clause 2.9 into a fixed charge as regards any of the Chargor's assets specified in that notice if:
  - (i) an Event of Default is continuing; or
  - (ii) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

- (c) Subject to paragraph (d) below, the floating charge created by this Clause 2.9 may not be converted into a fixed charge solely by reason of:
  - (i) the obtaining of a moratorium; or
  - (ii) anything done with a view to obtaining a moratorium, under Part A1 of the Insolvency Act 1986.
- (d) Paragraph (c) above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- (e) The floating charge created by this Clause 2.9 will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of the Chargor's assets:
  - (i) if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator;
  - (ii) if any steps are taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of the Chargor over all or any part of its assets, or if such a person is appointed;
  - (iii) if the Chargor creates, or attempts to create, Security or a trust in favour of another person over all or any part of the Security Assets, other than Permitted Security;
  - (iv) on the crystallisation of any other floating charge over the Security Assets; or
  - (v) if any person levies (or attempts to levy) any distress, attachment, sequestration, execution or other process against all or any part of the Security Assets.

## **2.10 Trust**

If or to the extent that the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, then the Chargor holds it on trust for the Security Agent.

## **3 RESTRICTIONS ON DEALINGS**

### **3.1 Security**

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must not create or permit to subsist any Security on any Security Asset.

### **3.2 Disposals**

Except as expressly allowed under the Facility Agreement or this Deed, the Chargor must not enter into a single transaction or a series of transactions (whether related

or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset, or enter into any agreement to make any such disposal.

#### **4 LAND**

##### **4.1 Notices to tenants**

The Chargor must:

- (a) serve a notice of assignment, substantially in the form of Part 1 of Schedule 2 (*Forms of Letter for Occupational Tenants*), on each tenant of the Mortgaged Property, such notice to be served:
  - (i) at any time if requested by the Security Agent, and provided that service of such notice is not prohibited by section A22 of the Corporate Insolvency and Governance Act 2020, for all tenants in place on that date; and
  - (ii) for any new tenant, at any time if requested by the Security Agent, and provided that service of such notice is not prohibited by section A22 of the Corporate Insolvency and Governance Act 2020; anddeliver a certified copy of each notice to the Security Agent; and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (*Forms of Letter for Occupational Tenants*).

##### **4.2 Registration at Companies House**

The Chargor consents to the registration of this Deed at Companies House pursuant to Part 25 of the Companies Act 2006.

##### **4.3 HM Land Registry**

- (a) The Chargor consents to a restriction in the following terms being entered into on the register of title relating to any Mortgaged Property registered at HM Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ ] in favour of National Westminster Bank Plc referred to in the charges register or their conveyancer. (Standard Form P)".

##### **4.4 Deposit of title deeds**

The Chargor must immediately:

- (a) deposit with the Security Agent all deeds and documents necessary to show good and marketable title to any Mortgaged Property (the "**Title Documents**"); or

- (b) procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

## **5 ACCOUNTS**

### **5.1 General**

In this Clause 5 "**Account Bank**" means a person with whom the Chargor's General Account is maintained under the Facility Agreement.

### **5.2 Book debts and receipts**

- (a) The Chargor must get in and realise its:
  - (i) Rental Income and other amounts due from tenants or any other occupiers of the Mortgaged Property; and
  - (ii) book and other debts and other moneys due and owing to it,in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an Account if required in accordance with paragraph (b) below) on trust for the Security Agent.
- (b) The Chargor must, except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation into an Account in accordance with the Facility Agreement.

### **5.3 Notices of charge**

The Chargor must:

- (a) immediately serve a notice of charge, substantially in the form Part 1 of Schedule 3 (*Forms of Letter for Account Bank*), on each Account Bank and deliver to the Security Agent a copy of that notice; and
- (b) use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 3 (*Forms of Letter for Account Bank*).

## **6 HEDGING**

The Chargor must:

- (a) immediately after:
  - (i) execution of this Deed; or
  - (ii) (as the case may be) execution of any Hedging Agreement entered into by it after the date of this Deed,serve a notice of assignment, substantially in the form of Part 1 of Schedule 4 (*Forms of Letter for Hedge Counterparty*), on each counterparty to a Hedging Agreement and deliver to the Security Agreement a certified copy of each such notice; and

- (b) use reasonable endeavours to ensure that each counterparty served with a notice under paragraph (a) above acknowledges that notice, substantially in the form of Part 2 of Schedule 4 (*Forms of Letter for Hedge Counterparty*).

## **7 INSURANCES**

The Chargor must at any time if requested by the Security Agent, promptly:

- (a)
  - (i) after execution of this Deed; or
  - (ii) (as the case may be) after the execution of any Insurances entered into by it after the date of this Deed (to the extent the relevant counterparty has not already been notified of the assignment created under Clause 2.4 (*Insurances*)),

serve a notice of assignment, substantially in the form of Part 1 of Schedule 5 (*Forms of Letter for Insurers*) (or such other form approved by the Security Agent), on each counterparty to an Insurance and deliver to the Security Agent a certified copy of that notice; and
- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 5 (*Forms of Letter for Insurers*), or any other form approved by the Security Agent.

## **8 OTHER CONTRACTS**

The Chargor must, at the request of the Security Agent:

- (a) immediately serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 6 (*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.7 (*Other contracts*) and deliver to the Security Agent a certified copy of each notice; and
- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part 2 of Schedule 6 (*Forms of Letter for Other Contracts*).

## **9 WHEN SECURITY BECOMES ENFORCEABLE**

### **9.1 Event of Default**

This Security will become immediately enforceable if an Event of Default occurs and is continuing.

### **9.2 Discretion**

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facility Agreement.

### **9.3 Statutory powers**

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

## **10 ENFORCEMENT OF SECURITY**

### **10.1 General**

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.
- (c) The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

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

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

### **10.3 Privileges**

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

### **10.4 Protection of third parties**

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- (c) whether any money remains due under the Finance Documents; or
- (d) how any money paid to the Security Agent or to that Receiver is to be applied.

### **10.5 Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable, the Security Agent may:



- (i) redeem any prior Security against any Security Asset; and/or
  - (ii) procure the transfer of that Security to itself; and/or
  - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargor.
- (b) The Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

## **10.6 Contingencies**

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

## **10.7 Preservation Of Security**

### **(a) Waiver of defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Agent or any other Secured Party) including:

- (i) any time, waiver or consent granted to, or composition with, any Transaction Obligor, the Chargor, or other person;
- (ii) the release of any Transaction Obligor, the Chargor, or any other person under the terms of any composition or arrangement with any person;
- (iii) the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Transaction Obligor, the Chargor, or 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;
- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Transaction Obligor, Chargor, or any other person;
- (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any document or Security, including without limitation any change in the purpose of, any extension of or any

increase in any facility or the addition of any new facility under any Finance Document or other document or Security;

- (vi) any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- (vii) any insolvency, liquidation, administration or similar proceedings.

(b) **Chargor intent**

Without prejudice to the generality of paragraph (a) above (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- (i) acquisitions of any nature;
- (ii) increasing working capital;
- (iii) enabling distributions to be made;
- (iv) carrying out restructurings;
- (v) refinancing existing facilities;
- (vi) refinancing any other indebtedness;
- (vii) making facilities available to new borrowers;
- (viii) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- (ix) any fees, costs and expenses associated with any of the foregoing.

(c) **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security, claim or 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.

(d) **Appropriations**

During the Security Period, each Secured Party may:

- (i) refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 13 (*Application Of Proceeds*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured

Liabilities or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

- (ii) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Secured Liabilities.

(e) **Deferral of Chargor's rights**

During the Security Period, unless the Security Agent directs otherwise, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under this Deed or the enforcement of the Security created by this Deed:

- (i) to receive or claim payment from, or be indemnified by a Transaction Obligor;
- (ii) to claim any contribution from any guarantor of, or party who has granted Security in respect of, any Transaction Obligor's obligations under the Finance Documents;
- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (iv) to exercise any right of set-off against any Transaction Obligor; or
- (v) to claim or prove as a creditor of any Transaction Obligor in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent as the Security Agent may direct for application in accordance with this Deed and the Facility Agreement.

(f) **Additional Security**

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Finance Party.

## **11 RECEIVER**

### **11.1 Appointment of Receiver**

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
  - (i) this Security has become enforceable; or
  - (ii) the Chargor so requests to the Security Agent at any time.

- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

## **11.2 Removal**

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

## **11.3 Remuneration**

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

## **11.4 Agent of the Chargor**

- (a) A Receiver will be deemed to be the agent of the Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

## **11.5 Relationship with Security Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

## **12 POWERS OF RECEIVER**

### **12.1 General**

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred on it by any law. This includes:
  - (i) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
  - (ii) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and 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/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **12.2 Possession**

A Receiver may take immediate possession of, get in and realise any Security Asset.

### **12.3 Carry on business**

A Receiver may carry on any business of the Chargor in any manner he/she thinks fit.

### **12.4 Employees**

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.
- (b) A Receiver may discharge any person appointed by the Chargor.

### **12.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

### **12.6 Sale of assets**

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.
- (c) Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Chargor.

## **12.7 Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

## **12.8 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 Security Asset.

## **12.9 Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

## **12.10 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 Security Asset.

## **12.11 Subsidiaries**

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Security Asset.

## **12.12 Delegation**

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

## **12.13 Lending**

A Receiver may lend money or advance credit to any person.

## **12.14 Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

### **12.15 Other powers**

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset 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 Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the Chargor for any of the above purposes.

## **13 APPLICATION OF PROCEEDS**

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facility Agreement. This Clause 13:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from the Chargor,

and section 109(8) of the Act shall not apply.

## **14 DELEGATION**

### **14.1 Power of Attorney**

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

### **14.2 Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

### **14.3 Liability**

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

## **15 FURTHER ASSURANCES**

- (a) The Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:

- (i) creating, perfecting or protecting any Security over any Security Asset; or
  - (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
  - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees;
  - (ii) the giving of any notice, order or direction and the making of any filing or registration; or
  - (iii) while any Event of Default is continuing, assigning any Collateral Warranty capable of assignment to any person nominated by the Security Agent or any Receiver,which, in any such case, the Security Agent may consider necessary or desirable.

## **16 POWER OF ATTORNEY**

The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective Delegates or sub-delegates to be its attorney with the full power and authority of the Chargor to execute, deliver and perfect all deeds, instruments and other documents 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 for carrying out any obligation of the Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 16.

## **17 MISCELLANEOUS**

### **17.1 Continuing Security**

This Security 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.

### **17.2 Tacking**

The Security Agent confirms on behalf of the Lenders (without personal liability) that each Lender will perform its obligations under the Facility Agreement (including any obligation to make available further advances).



### **17.3 New Accounts**

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Borrower.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to that Secured Party by a Borrower will be credited or be treated as having been credited to the new account of the Borrower and will not operate to reduce any Secured Liability.

### **17.4 Time deposits**

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

### **17.5 Payments without deduction**

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

### **17.6 Notice to Chargor**

This Deed constitutes notice in writing to the Chargor of any charge or assignment of a debt owed by the Chargor to any Transaction Obligor and contained in any other Security Document.

## **18 RELEASE**

At the end of the Security Period, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, the Finance Parties must, at the request and cost of the Chargor, take whatever action is necessary to release its Security Assets from this Security.

## **19 COSTS AND EXPENSES**

### **19.1 Transaction expenses**

The Chargor shall promptly on demand pay to the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing and execution of this Deed.

**19.2 Amendment costs**

If the Chargor requests an amendment, waiver, consent or release of or in relation to this Deed, the Chargor shall, within three Business Days of demand, reimburse the Security Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by it in responding to, evaluating, negotiating or complying with that request or requirement.

**19.3 Enforcement costs**

The Chargor shall, within three Business Days of demand, pay to the Security Agent or any Receiver or Delegate the amount of all costs and expenses (including legal fees) incurred by the Security Agent or any Receiver or Delegate:

- (a) in connection with the enforcement of, or the preservation of any rights under, this Deed or the investigation of any possible Default; or
- (b) arising from any actual or alleged breach by any person of any law or regulation.

**19.4 Indemnity for delay**

The Chargor must keep each Secured Party indemnified against any failure or delay in paying the costs and expenses described in this Clause 19.

**20 NOTICES****20.1 Communications in writing**

Any communication to be made under or in connection with this Deed and any Finance Documents pursuant to it shall be made in writing and, unless otherwise stated, may be made by fax or letter.

**20.2 Addresses**

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

- (a) in the case of the Chargor, that identified with its name below;
- (b) in the case of the Security Agent, that identified with its name below,

or any substitute address or fax number or department or officer as the Party may notify to the other Parties, if a change is made by not less than five Business Days' notice.

**20.3 Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
  - (i) if by way of fax, when received in legible form; or

- (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 20.2 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with Clause 20.2 (*Addresses*) or this Clause 20.3, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

#### **20.4 English language**

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
  - (i) in English; or
  - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

### **21 CALCULATIONS AND CERTIFICATES**

#### **21.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Agent are prima facie evidence of the matters to which they relate.

#### **21.2 Certificates and Determinations**

Any certification or determination by the Security Agent of a rate or amount under this Deed or any other Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

### **22 DAY COUNT CONVENTION**

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in accordance with market practice.

## **23 PARTIAL INVALIDITY**

If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

## **24 REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed or any Finance Document entered into pursuant to it, shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed or any Finance Document entered into pursuant to it. No election to affirm this Deed or any such Finance Document on the part of the Security Agent shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed and in each Finance Document entered into pursuant to it are cumulative and not exclusive of any rights or remedies provided by law.

## **25 AMENDMENTS AND WAIVERS**

Any term of this Deed may be amended or waived only with the written consent of the Chargor and the Security Agent.

## **26 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.

## **27 CONTRACTUAL RECOGNITION OF BAIL IN**

The Parties agree that clause 40 (*Contractual recognition of bail-in*) of the Facility Agreement shall be deemed to be set out in full in this Deed with all references to "any Finance Document" or "the Finance Documents" being replaced with a reference to "this Deed".

## **28 GOVERNING LAW**

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

## **29 ENFORCEMENT**

### **29.1 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 relating to the existence, validity and termination of this Deed or any non-contractual obligation 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) Notwithstanding paragraph (a) above, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in a 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**

### **REAL PROPERTY**

Leasehold land being Director Generals House, 15 Rockstone Place, Southampton (SO15 2EP) and registered at the Land Registry with title number HP314256.

## SCHEDULE 2

### FORMS OF LETTER FOR OCCUPATIONAL TENANTS

#### Part 1

##### Notice To Occupational Tenant

To: [Occupational Tenant]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

Re: [Property address]

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We refer to the lease dated [ ] and made between [ ] and [ ] (the "**Lease**").

This letter constitutes notice to you that under the Security Agreement we have assigned [absolutely]<sup>1</sup> (subject to a proviso for re-assignment on redemption) to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and
- (b) 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 Lease.

[We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Security Agent or as it directs.]<sup>2</sup>

We irrevocably instruct and authorise you to pay all rent and all other moneys payable by you under the Lease to our account [with the Security Agent] at [ ], Account No. [ ], Sort Code [ ] (the "**Rent Account**").

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

<sup>1</sup> The word "absolutely" should only be retained if the notice is being served in circumstances in which the occupational tenants should be dealing directly with the Security Agent (and not the Chargor). This would be the case if this notice is being served at the request of the Security Agent following an Event of Default, for example.

<sup>2</sup> This paragraph must not be included in any notice served at the request of the Security Agent following an Event of Default, or in any circumstances where the occupational tenants should be dealing directly with the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

[Chargor]



**Part 2**  
**Acknowledgement Of Occupational Tenant**

To: National Westminster Bank Plc (as Security Agent)

Attention: [ ]

[Date]

Dear Sirs,

Re: [Property address]

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We confirm receipt from Knightspur Homes Limited (the "**Chargor**") of a notice dated [ ] (the "**Notice**") in relation to the Lease (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received any notice of any prior security over the Lease or that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease;
- (c) must pay all rent and all other moneys payable by us under the Lease into the Rent Account (as defined in the Notice); and
- (d) must continue to pay those moneys into the Rent Account (as defined in the Notice) until we receive your written instructions to the contrary.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

For

[Occupational Tenant]

**SCHEDULE 3****FORMS OF LETTER FOR ACCOUNT BANK****Part 1****To: [Account Bank]**

Copy: National Westminster Bank Plc (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We refer to the [account name, number and sort code of the General Account] as it may from time to time be re-designated or re-numbered (the "**General Account**").

This letter constitutes notice to you that under the Security Agreement we have charged (by way of floating charge) in favour of [*Security Agent*] (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of the General Account, and any amount standing to the credit of the General Account.

In respect of the General Account:

- 1 We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the General Account requested from you by the Security Agent from time to time.
- 2 We are permitted to withdraw any amount from the General Account for any purpose unless and until you receive a notice from the Security Agent stating that we are no longer permitted to withdraw any amount from the General Account without its consent. If and from the date on which you receive such a notice:
  - (a) we will not be permitted to withdraw any amount from the General Account without the prior written consent of the Security Agent; and
  - (b) we irrevocably authorise and instruct you to:
    - (i) comply with the terms of any written notice or instruction relating to the General Account received by you from the Security Agent;
    - (ii) hold all sums standing to the credit of the General Account to the order of the Security Agent; and
    - (iii) pay or release any sum standing to the credit of the General Account in accordance with the instructions of the Security Agent.]

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

**Knightspur Homes Limited**

## Part 2

To: [Security Agent] (as Security Agent)

Copy: Knightspur Homes Limited

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We confirm receipt from Knightspur Homes Limited (the "**Chargor**") of a notice dated [ ] (the "**Notice**") of a charge upon the terms of the Security Agreement over all the rights of the Chargor to the General Account (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, the General Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any Security, set-off, counter-claim or other right in respect of the General Account; and
- (d) will comply with any notice we may receive from the Security Agent in respect of the General Account.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Account Bank]

## **SCHEDULE 4**

### **FORMS OF LETTER FOR HEDGE COUNTERPARTY**

#### **Part 1**

##### **Notice To Hedge Counterparty**

To: [Hedge Counterparty]

Copy: National Westminster Bank Plc (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and [Security Agent] (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we assigned absolutely, subject to a proviso for re-assignment on redemption, to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") our right to receive all moneys payable under any hedging agreements between you and us (the "**Hedging Agreements**").

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Hedging Agreements which the Security Agent may request from you; and
- (b) pay any sum payable by you under the Hedging Agreements to our account with [the Security Agent] at [ ], account number [ ], sort code [ ].

The instructions in this letter apply until you receive notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

**Knightspur Homes Limited**

## Part 2

### Acknowledgement Of Hedge Counterparty

To: National Westminster Bank Plc (as Security Agent)

Copy: Knightspur Homes Limited

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited and National Westminster Bank Plc (the "Security Agreement")**

We confirm receipt from Knightspur Homes Limited (the "**Chargor**") of a notice dated [ ] (the "**Notice**") of an assignment upon the terms of the Security Agreement of the Chargor's right to receive all moneys payable under the Hedging Agreements (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, the Hedging Agreements;
- (c) must pay any amount payable by us under the Hedging Agreements to the Chargor's account with you at [ ], Sort Code [ ], Account No. [ ]; and
- (d) must accept your instructions in relation to the Chargor's rights under the Hedging Agreements.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Hedge Counterparty]]

**SCHEDULE 5****FORMS OF LETTER FOR INSURERS****Part 1****Notice To Insurer**

To: [Insurer]

Copy: [Security Agent] (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have assigned absolutely (by way of security), subject to a proviso for re-assignment on redemption, to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of [insert details of contract of insurance]<sup>3</sup> and any other present or future contract or policy of insurance in relation to [insert relevant details] to which we are a party or in which we have an interest (the "**Insurance**").

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) 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 Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

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<sup>3</sup> Comment: check what rights in Insurance have been assigned or charged.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

Knightspur Homes Limited



## Part 2

### Acknowledgement Of Insurer

To: National Westminster Bank Plc (as Security Agent)

Copy: Knightspur Homes Limited

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We confirm receipt from Knightspur Homes Limited (the "**Chargor**") of a notice dated [ ] (the "**Notice**") of an assignment on the terms of the Security Agreement of all the Chargor's rights in respect of [*insert details of the contract of insurance*] (the "**Insurance**").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;  
and
- (b) will give notices and make payments under the Insurance as directed in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Insurer]

## SCHEDULE 6

### FORMS OF LETTER FOR OTHER CONTRACTS

#### Part 1

##### Notice To Counterparty

To: [Contract Counterparty]

Copy: **National Westminster Bank Plc** (as Security Agent as defined below)

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

This letter constitutes notice to you that under the Security Agreement we have [assigned by way of security, subject to a proviso for re-assignment on redemption,]/[charged by way of a first fixed charge]<sup>4</sup> to [Security Agent] (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of [insert details of contract] (the "**Contract**").

We confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
- (b) 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 Contract.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

---

<sup>4</sup> Delete as applicable.

.....

(Authorised signatory)

**Knightspur Homes Limited**

## Part 2

### Acknowledgement Of Counterparty

To: National Westminster Bank Plc (as Security Agent)

Copy: Knightspur Homes Limited

[Date]

Dear Sirs,

**Security Agreement dated [ ] between Knightspur Homes Limited  
and National Westminster Bank Plc (the "Security Agreement")**

We confirm receipt from Knightspur Homes Limited (the "**Chargor**") of a notice dated [ ] (the "**Notice**") of [an assignment]/[fixed charge]<sup>5</sup> on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of the contract] (the "**Contract**").

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;  
and
- (b) will give notices and make payments under the Contract as directed in the Notice.

This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully,

.....

(Authorised signatory)

[Contract counterparty]

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<sup>5</sup> Delete as applicable.

## Signatories

**Executed as a deed by**  
**Knightspur Homes Limited** acting by  
a director in the presence of:



signature

Director

Peter Laurence Murphy

print name

signature  
of witness



name

Megan Martin

print name of witness

Address



## Notices

Address: Winston House, 2 Dollis Park, London N3 1HF

Attn: Peter Murphy

Email: [peterm@candgprops.co.uk](mailto:peterm@candgprops.co.uk) and [juliep@candgprops.co.uk](mailto:juliep@candgprops.co.uk)

## Security Agent

**Signed by National Westminster Bank  
Plc**



## Notices

Address: 9th Floor, 250 Bishopsgate, London, EC2M 4AA

Fax: +44 (0)20 7672 1356

Attn: Timothy Yip