



Registration of a Charge

Company name: **HILLINGTON LTD**

Company number: **05878157**



X7FA65D7

Received for Electronic Filing: **26/09/2018**

Details of Charge

Date of creation: **21/09/2018**

Charge code: **0587 8157 0003**

Persons entitled: **SANNE FIDUCIARY SERVICES LIMITED**

Brief description: **FREEHOLD LAND KNOWN AS 80 TO 96 (EVEN NUMBERS) MANNINGHAM LANE (TITLE NUMBER WYK96153) LEASEHOLD LAND KNOWN AS 80 TO 96 (EVEN NUMBERS) MANNINGHAM LANE (TITLE NUMBER YK18257) FREEHOLD LAND KNOWN AS 60 AND 61 LONDON ROAD, BRIGHTON (TITLE NUMBER ESX128196) FOR FURTHER DETAILS PLEASE SEE THE SECURITY AGREEMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **BURGES SALMON LLP (GG06)**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5878157

Charge code: 0587 8157 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st September 2018 and created by HILLINGTON LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th September 2018 .

Given at Companies House, Cardiff on 28th September 2018

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

SECURITY AGREEMENT

Hillington Ltd

(1)

and

Sanne Fiduciary Services Limited as security agent for the
Finance Parties

(2)

CONTENTS

Clause	Heading	Page
1	DEFINITIONS AND INTERPRETATION	1
2	CREATION OF SECURITY.....	4
3	RESTRICTIONS ON DEALINGS.....	9
4	LAND	10
5	INVESTMENTS.....	11
6	ACCOUNTS	13
7	INSURANCES.....	13
8	OTHER CONTRACTS	14
9	WHEN SECURITY BECOMES ENFORCEABLE	14
10	ENFORCEMENT OF SECURITY	14
11	RECEIVER	16
12	POWERS OF RECEIVER	18
13	APPLICATION OF PROCEEDS	20
14	EXPENSES AND INDEMNITY.....	20
15	DELEGATION	21
16	FURTHER ASSURANCES	21
17	POWER OF ATTORNEY	22
18	MISCELLANEOUS.....	22
19	RELEASE	23
20	GOVERNING LAW AND ENFORCEMENT	23
	SCHEDULE 1 - Security Assets.....	25
	PART A - Real Property	25
	PART B - Accounts	26

SCHEDULE 2 - Forms of Letter for Occupational Tenants.....	27
PART A - Notice to Occupational Tenant.....	27
PART B - Acknowledgement of Occupational Tenant	29
SCHEDULE 3 - Forms of Letter for Account Bank.....	30
PART A - Notice to Account Bank.....	30
PART B - Acknowledgement of Account Bank	32
SCHEDULE 4 - Forms of Letter for Insurers.....	34
PART A - Notice to Insurer.....	34
PART B - Acknowledgement of Insurer	36
SCHEDULE 5 - Forms of Letter for Other Contracts	37
PART A - Notice to Counterparty	37
PART B - Acknowledgement of Counterparty.....	39

THIS DEED is dated 21 September 2018 and is made

BETWEEN:

- (1) **HILLINGTON LTD** a company registered in England and Wales with company number 05878157 and having its registered address at 30 Market Place, London, W1W 8AP (the "**Chargor**"); and
- (2) **SANNE FIDUCIARY SERVICES LIMITED** (the "**Security Agent**") as security agent for the Finance Parties.

BACKGROUND:

- (A) The Chargor enters into this Deed in connection with the Facility Agreement.
- (B) Under this Deed, the Chargor provides security to the Security Agent for the loan facility made or to be made available under the Facility Agreement.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Account means the bank accounts of the Chargor including, without limitation, the accounts detailed in Part B of Schedule 1 (*Security Assets*);

Act means the Law of Property Act 1925.

Facility Agreement means the £15,500,000 facility agreement dated 7 September 2018 between (among others) the Chargor and the Security Agent.

General Account means the "General Account" as defined in the Facility Agreement being, on the date of this Deed, the account described as such in Part B of Schedule 1 (*Security Assets*).

Investments means all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Chargor, including (but not limited to):

- (a) any dividend, interest or other distribution paid or payable in relation to any of the Investments; and
- (b) any right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise.

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

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) any Subordinated Loan Agreement;
- (b) an appointment of a Managing Agent;
- (c) an appointment of an Asset Manager;
- (d) an agreement relating to the purchase of a Property by the Chargor; or
- (e) any other document so designated by the Security Agent and the Chargor.

Rent Account means the "Rent Account" as defined in the Facility Agreement being, on the date of this Deed, the account described as such in Part B of Schedule 1 (*Security Assets*).

Sales Proceeds Account means the "Sales Proceeds Account" as defined in the Facility Agreement being, on the date of this Deed, the account described as such in Part B of Schedule 1 (*Security Assets*).

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 Obligor to any Finance Party under each Finance Document.

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 all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

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 any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (ii) 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;
 - (iii) any share, stock, debenture, bond or other security or investment includes:
 - (A) any dividend, interest or other distribution paid or payable;
 - (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

in each case in respect of that share, stock, debenture, bond or other security or investment; and
 - (iv) 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 Finance 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.

1.3 Effect as a deed

This Deed is intended to take effect as a deed notwithstanding that the Security Agent may have executed it under hand only.

1.4 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 or vary this Deed at any time.
- (c) Any Receiver 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 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) If the granting of any Security in respect of any Security Asset is prohibited:
 - (i) the Chargor must notify the Security Agent promptly;
 - (ii) (A) if the Security Asset constitutes a right under any contract, this Security will constitute security over all proceeds and other amounts which the Chargor may receive, or has received,

- under the relevant contract but will exclude the Chargor's other rights under that contract; and
- (B) otherwise, the Chargor shall hold that Security Asset in trust for the Security Agent;
- (iii) unless the Security Agent otherwise requires, the Chargor must:
- (A) in respect of any consent or waiver required for the granting of Security in respect of that Security Asset:
 - 1) promptly apply for such consent or waiver; and
 - 2) use reasonable endeavours to promptly obtain such consent or waiver;
 - (B) in respect of any condition required to be met or satisfied for the granting of Security in respect of that Security Asset, use its reasonable endeavours to promptly satisfy the relevant condition; and
 - (C) in all cases, keep the Security Agent informed of the progress in respect of such consent, waiver or condition; and
- (iv) if the Chargor obtains the required consent or waiver or satisfies the relevant condition:
- (A) the Chargor must notify the Security Agent promptly; and
 - (B) that Security Asset will immediately be secured in accordance with Clause 2.2 (*Land*) to Clause 2.10 (*Floating charge*) as appropriate.
- (d) The Security Agent holds the benefit of this Deed and this Security on trust for the Finance Parties.

2.2 Land

- (a) The Chargor charges:
- (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it (other than any freehold or leasehold property in Scotland) including, without limitation, the real property (if any) specified in Part A of Schedule 1 (*Security Assets*); and

- (ii) (to the extent that they are not either (A) the subject of a mortgage under paragraph (i) above or (B) freehold or leasehold property in Scotland) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.
- (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 Investments

The Chargor charges by way of a first fixed charge its interest in all the Investments.

2.4 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.

2.5 Credit balances

- (a) The Chargor charges by way of a first fixed charge all of its rights in respect of the Sales Proceeds Account, any amount standing to the credit of Sales Proceeds Account and the debt represented by it.
- (b) The Chargor charges by way of a first fixed charge all of its rights in respect of the General Account, any amount standing to the credit of the General Account and the debt represented by it.
- (c) The Chargor charges by way of a first fixed charge all of its rights in respect of the Rent Account, any amount standing to the credit of the Rent Account and the debt represented by it.
- (d) The Chargor charges by way of a first fixed charge all of its rights in respect of any Account it has with any person other than the accounts referred to in paragraphs (a) to (c) above, any amount standing to the credit of any such account and the debt represented by it.

2.6 Book debts etc.

- (a) The Chargor assigns absolutely by way of security, subject to a proviso for re-assignment on redemption;
 - (i) all of its book and other debts;
 - (ii) all other moneys due and owing to it; and
 - (iii) the benefit of all rights in relation to any item under paragraphs (i) to (iii) above.
- (b) To the extent they have not been effectively assigned under paragraph (a), the Chargor charges by way of first fixed charge all of the assets listed in paragraph (a) above.

2.7 Insurances

- (a) The Chargor assigns absolutely by way of security, subject to a proviso for re-assignment on redemption, all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest (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.

2.8 Occupational Leases, Rental Income and other contracts

- (a) The Chargor:
 - (i) assigns absolutely by way of security, subject to a proviso for re-assignment on redemption, all of its rights:
 - (A) under each Occupational Lease;
 - (B) in respect of all Rental Income;
 - (C) under any guarantee of Rental Income contained in or relating to any Occupational Lease;
 - (D) under each Relevant Contract; and
 - (E) under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and

- (ii) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument 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.

2.9 Miscellaneous

The Chargor charges by way of first fixed charge:

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

2.10 Floating charge

- (a) The Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- (b) Except as provided below, the Security Agent may by notice to the Chargor convert the floating charge created by this Clause 2.10 (*Floating charge*) 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) The floating charge created by this Clause 2.10 (*Floating charge*) 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 section 1A of the Insolvency Act 1986.
- (a) The floating charge created by this Clause 2.10 (*Floating charge*) 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 if:
 - (i) the Chargor:
 - (A) creates, or attempt to create, any Security or a trust in favour of any person over all or any part of the Security Assets; or
 - (B) disposes, or attempts to dispose, of all or any part of the Security Assets (other than any Security Asset which are subject only to the floating charge created by this Clause 2.10 (*Floating charge*) while it remains uncrystallised),

without the prior written consent of the Security Agent or as permitted by the terms of the Finance Documents;
 - (ii) any person levies, or attempts to levy, any distress, attachment, execution or other legal process against all or any part of the Security Assets; or
 - (iii) a resolution is passed or an order is made for the winding-up, dissolution, administration or reorganisation of the Chargor; or
 - (iv) an administrator is appointed to the Chargor or the Security Agent receives notice of an intention to appoint an administrator to the Chargor.
- (b) The floating charge created by this Clause 2.10 (*Floating charge*) is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

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.

4 LAND

4.1 Notices to tenants

The Chargor must:

- (a) upon written demand by the Security Agent following an Event of Default which is continuing, immediately serve a notice of assignment, substantially in the form of Part A of Schedule 2 (Forms of Letter for Occupational Tenants), on each tenant of the Mortgaged Property; and
- (b) use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part B of Schedule 2 (Forms of Letter for Occupational Tenants).

4.2 Acquisitions

If the Chargor acquires any freehold or leasehold property in England and Wales in accordance with the Facility Agreement after the date of this Deed it must:

- (a) notify the Security Agent immediately;
- (b) promptly on request by the Security Agent and at the cost of the Chargor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in any form which the Security Agent may reasonably require; and
- (c)
 - (i) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and
 - (ii) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

4.3 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 the Land Registry:
- (b) "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 [] referred to in the charges register or their conveyancer. (Standard Form P)".

4.4 Deposit of title deeds

The Chargor must:

- (a) promptly deposit with the Security Agent all deeds and documents necessary to show good and marketable title to any property referred to in Clause 4.2 (*Acquisitions*) (the **Title Documents**);
- (b) procure that the Title Documents are held at the applicable Land Registry to the order of the Security Agent; or
- (c) 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 INVESTMENTS

5.1 Deposit

The Chargor must immediately:

- (a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to the Investments; and
- (b) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments at any time and without notice to the Chargor.

5.2 Calls

- (a) The Chargor must pay all calls or other payments due and payable in respect of any of its Investments in accordance with the Facility Agreement.
- (b) If the Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Investments on behalf of the Chargor. The Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 5.2 (*Calls*).

5.3 Other obligations in respect of Investments

- (a) The Chargor must promptly send a copy to the Security Agent of, and comply with all requests for, information which is within its knowledge and which are

made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the Chargor.

- (b) The Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- (c) The Security Agent is not obliged to:
 - (i) perform any obligation of the Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,
 in respect of any of the Investments.

5.4 Voting rights

- (a) Before this Security becomes enforceable:
 - (i) the voting rights, powers and other rights in respect of its Investments will be exercised:
 - (A) by the Chargor; or
 - (B) if exercisable by the Security Agent, in any manner which the Chargor may direct the Security Agent in writing; and
 - (ii) all dividends, distributions or other income paid or payable in relation to any of its Investments in accordance with the Facility Agreement must be paid into the General Account.
- (b) The Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of its Investments as permitted by this Deed on the direction of the Chargor.
- (c) After this Security has become enforceable, the Security Agent may exercise (in the name of the Chargor and without any further consent or authority on the part of the Chargor) any voting rights and any powers or rights which may be

exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise.

6 ACCOUNTS

6.1 General

In this Clause 6, "**Account Bank**" means a person with whom an Account is maintained.

6.2 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.

6.3 Notices of charge

The Chargor must:

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

7 INSURANCES

The Chargor must:

- (a) immediately serve a notice of assignment, substantially in the form of Part A of Schedule 4 (*Forms of Letter for Insurers*), on each counterparty to an Insurance; and

- (b) use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part B of Schedule 4 (*Forms of Letter for Insurers*).

8 OTHER CONTRACTS

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

- (a) promptly serve a notice of assignment or charge (as applicable), substantially in the form of Part A of Schedule 5 (*Forms of Letter for Other Contracts*), on each counterparty to a contract listed in Clause 2.8 (*Occupational Leases, Rental Income and other contracts*); and
- (b) use reasonable endeavours to ensure that each such party acknowledges that notice, substantially in the form of Part B of Schedule 5 (*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, promptly 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 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

- (b) Where any financial collateral is appropriated:
 - (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

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 section 1A 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 Finance 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 Finance Party or any Receiver to recover any shortfall from the Chargor.

14 EXPENSES AND INDEMNITY

The Chargor must:

- (a) promptly on demand pay to each Finance Party and any Receiver the amount of all costs and expenses (including legal fees) reasonably incurred by that Finance Party or Receiver in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each Finance Party and any Receiver indemnified against any failure or delay in paying those costs or expenses.

15 DELEGATION

15.1 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.

15.2 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 Finance Parties or the Receiver.

15.3 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.

16 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; or
- (ii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may consider necessary.

17 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 in each case where the Chargor has failed to take necessary action pursuant to this Deed within 3 Business Days 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 17.

18 MISCELLANEOUS

18.1 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.

18.2 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

18.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Finance Party may open a new account with the Chargor.
- (b) If that Finance 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 Finance Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

18.4 Time deposits

Without prejudice to any right of set-off any Finance Party or any Receiver may have under any other Finance Document or otherwise, if any time deposit matures on any account the Chargor has with any Finance Party or any Receiver 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 Finance Party considers appropriate.

18.5 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 Obligor and contained in any other Security Document.

19 RELEASE

At the end of the Security Period, the Security Agent must, at the request and reasonable cost of the Chargor, take whatever action is reasonably necessary to release its Security Assets from this Security.

20 GOVERNING LAW AND ENFORCEMENT

- (a) This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.
- (b) 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 or termination of this Deed or any non-contractual obligations arising out of or in connection with this Deed) (a Dispute).
- (c) 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.
- (d) Notwithstanding paragraph (b) above, no Finance Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To

EXECUTION VERSION

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**Security Assets****Part A****Real Property**

Address	Title Interest	Title Number
80 to 96 (even numbers) Manningham Lane	Freehold	WYK96153
80 to 96 (even numbers) Manningham Lane	Leasehold	YK18257
60 and 61 London Road, Brighton	Freehold	ESX128196
1-23 Lynton Parade, Turner's Hill, Cheshunt	Freehold	HD24552
1, 2 and 3 Purewell Cross, Stanpit, Christchurch	Freehold	DT73088
2-4 St Peters Avenue, Cleethorpes (DN35 8HJ)	Freehold	HS253828
27 High Street, Dudley	Freehold	WM295509
825 to 851 (odd only) Uxbridge Road, Hayes, (UB4 8HZ)	Freehold	MX165347
466 to 478 (Even Nos) Cranbrook Road, Ilford	Freehold	EGL130478
182, 184, 186, 188, 190 and 192 Cricklewood Broadway, Edgware Road	Freehold	MX184324
170, 172, 174, 176, 178 and 180 Cricklewood Broadway, Edgware Road	Freehold	P121834
77 to 83a (odd) Shropshire Street, Market Drayton (TF9 3DQ)	Freehold	SL185155
17 Corn Market, Pontefract, (WF8 1AN)	Freehold	WYK621648
1 Red Lion Street, Richmond (TW9 1RJ)	Freehold	SGL299775
17 to 21 (odd) High Street, Swindon SN1 3EG	Freehold	WT260565
762 to 778 (even numbers) Stafford Road, Fordhouses	Freehold	SF16226
Harpenden House, 248 and 250 Norwood Road, Tulse Hill, London, (SE27 9AW)	Freehold	LN116762

Part B

Accounts

Account Bank	Account Number	Sort Code	Designated
Metro Bank PLC	██████2435	██████████	Hillington Ltd - General Business Account (the " General Account ")
Metro Bank PLC	██████2478	██████████	Hillington Ltd - Rent Business Account (the " Rent Account ")
Metro Bank PLC	██████2443	██████████	Hillington Ltd - Sales Proceeds Business Account (the " Sales Proceeds Account ")

Schedule 2

Forms of Letter for Occupational Tenants

Part A

Notice to Occupational Tenant

To: [Occupational tenant]

Copy: [Security Agent]

[Date]

Dear Sirs,

Re: [Property address]

Security Agreement dated [●] between [Chargor] and [Security Agent] (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 by way of security (subject to a proviso for re-assignment on redemption) to [Security Agent] (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.

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.

EXECUTION VERSION

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 B

Acknowledgement of Occupational Tenant

To: [Security Agent] (as Security Agent)

Attention: []

[Date]

Dear Sirs,

Re: [Property address]

Security Agreement dated [] between [Chargor] and [Security Agent] (the "Security Agreement")

We confirm receipt from [Chargor] (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; and
- (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.

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 A

Notice to Account Bank

To: [Account Bank]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (the Security Agreement)

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of [Security Agent] (the "**Security Agent**") all our rights in respect of any account, and any amount standing to the credit of any account, maintained by us with you (the "**Accounts**").

We irrevocably instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
- (b) comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent; and
- (c) in respect of our account with account number [●] and sort code [●], (the "**Sales Proceeds Account**") pay or release any sum standing to the credit of the Sales Proceeds Account in accordance with the written instructions of the Security Agent.

We are not permitted to withdraw any amount from the Sales Proceeds Account without the prior written consent of the Security Agent.

In respect of:

- (a) our account with account number [●] and sort code [●], (the "**Rent Account**"); and
- (b) our account with account number [●] and sort code [●], (the "**General Account**"),

we are permitted to withdraw any amount from either of these accounts unless and until you receive a notice from the Security Agent to the contrary stating that we are no longer permitted to withdraw any amounts from either or both of these accounts without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from the Rent Account or the General Account without the prior written consent 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 sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully,

.....

(Authorised Signatory)

[Chargor]

Part BAcknowledgement of Account Bank

To: [Security Agent]

Copy: [Chargor]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (the "Security Agreement")

We confirm receipt from [Chargor] (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 any amount standing to the credit of any of the Chargor's accounts with us (the "**Accounts**").

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, any Account;
- (c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account;
- (d) will not permit any amount to be withdrawn from the Sales Proceeds Account (as defined in the Notice) without your prior written consent; and
- (e) will comply with any notice we may receive from the Security Agent in respect of the General Account and/or the Rent Account.

The Accounts maintained with us are:

Account Number	Sort Code	Account Name
[●]	[●]	[General Account] (the " General Account ")
[●]	[●]	[Rent Account] (the " Rent Account ")
[●]	[●]	[Sales Proceeds Account] (the " Sales Proceeds 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)

Schedule 4

Forms of Letter for Insurers

Part A

Notice to Insurer

To: [Insurer]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (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] (the "**Security Agent**") all our rights in respect of *[insert details of contract of insurance]* (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.

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)

[Chargor]

Part B

Acknowledgement of Insurer

To: [Security Agent]

Copy: [Chargor]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (the Security Agreement)

We confirm receipt from [Chargor] (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 5

Forms of Letter for Other Contracts

Part A

Notice to Counterparty

To: [Contract Counterparty]

Copy: [Security Agent]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (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,]/[charged by way of a first fixed charge] to [Security Agent] (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,

.....

(Authorised signatory)

[Chargor]

Part B

Acknowledgement of Counterparty

To: [Security Agent]

Copy: [Chargor]

[Date]

Dear Sirs,

Security Agreement dated [●] between [Chargor] and [Security Agent] (the "Security Agreement")

We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [●] (the "**Notice**") of [an assignment]/[fixed charge] 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]

EXECUTION PAGE

CHARGOR

EXECUTED as a DEED by

)

HILLINGTON LTD

)

acting by:

)

Director

)

PAUL MEADS
FOR NBE GROUP (CORPORATE SERVICES) LTD

in the presence of a witness:

)

Name of witness: SARA DANSO

Address:

.....
CMS Cameron McKenna Nabarro Olswang LLP
Cannon Place,
78 Cannon Street.....
London
EC4N 6AF
.....

SECURITY AGENT

SIGNED by **SANNE FIDUCIARY SERVICES**)

LIMITED acting by:)

)
Authorised Signatory)

)
Authorised Signatory