



**Registration of a Charge**

Company name: **COVENTRY URBAN REGENERATION LIMITED**

Company number: **06371949**



X7ZK2Y6H

Received for Electronic Filing: **18/02/2019**

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**Details of Charge**

Date of creation: **15/02/2019**

Charge code: **0637 1949 0007**

Persons entitled: **LLOYDS BANK PLC (AS SECURITY AGENT FOR THE SECURED PARTIES)**

Brief description: **ALL CURRENT AND FUTURE LAND AND INTELLECTUAL PROPERTY OWNED BY THE CHARGOR, IN EACH CASE AS SPECIFIED (AND DEFINED) IN THE DEBENTURE REGISTERED BY THIS FORM MR01 (THE "DEBENTURE") AND INCLUDING THE PROPERTY (AS DEFINED IN THE DEBENTURE), WHICH INCLUDE, AMONGST OTHERS, PROPERTY AT VICTORIA BUILDINGS, CORPORATION STREET, COVENTRY, CV1 3JH, ENGLAND WITH TITLE NUMBER WM816402. FOR MORE DETAILS PLEASE REFER TO THE DEBENTURE.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

## 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: **JORDAN KLUCKOW**



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

Company number: 6371949

Charge code: 0637 1949 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th February 2019 and created by COVENTRY URBAN REGENERATION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 18th February 2019 .

Given at Companies House, Cardiff on 19th February 2019

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

DATED

15 February

EXECUTION VERSION  
2019

THE CHARGORS LISTED IN SCHEDULE 1  
as Chargors

- and -

LLOYDS BANK PLC  
as Security Agent

DEBENTURE

Save for material redacted pursuant to s11(1)(b) of the Companies Act 2006,  
I certify that this is a true and complete copy of the original seen by me

Name: JORDAN KLUCKOW  
Title: Solicitor  
Date: 15/02/2019

Hogan Lovells International LLP (Ref: F3B/SAK)  
Atlantic House, Holborn Viaduct, London EC1A 2FG



Matter ref 145151.002000  
F3/4879927

Hogan Lovells International LLP  
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## CONTENTS

Clause	Page
1. DEFINITIONS AND INTERPRETATION	1
2. COVENANT TO PAY	8
3. CHARGING CLAUSE	8
4. CRYSTALLISATION	12
5. TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS	13
6. COLLECTION OF RECEIVABLES	13
7. NEGATIVE PLEDGE AND OTHER RESTRICTIONS	14
8. FURTHER ASSURANCE	14
9. RIGHT OF APPROPRIATION	16
10. CONTINUING SECURITY	17
11. INSURANCE	17
12. LAND	18
13. ENVIRONMENT	20
14. INTELLECTUAL PROPERTY RIGHTS	21
15. SPECIFIED SECURITIES	22
16. OPENING OF NEW ACCOUNTS	23
17. POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS	23
18. APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR	24
19. POWERS OF A RECEIVER	24
20. POWER OF ATTORNEY	26
21. OTHER POWERS EXERCISABLE BY THE SECURITY AGENT	26
22. APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER	27
23. PROTECTION OF THIRD PARTIES	27
24. PROTECTION OF THE SECURITY AGENT ANY NOMINEE AND RECEIVER	27
25. SECURITY AGENT	28
26. COSTS, EXPENSES AND LIABILITIES	28
27. INTEREST ON OVERDUE AMOUNTS	29
28. SET-OFF	29
29. CURRENCY INDEMNITY	29
30. TRANSFER	29
31. ACCESSION OF A NEW CHARGOR	30
32. RELEASE OF SECURITY	30
33. AUTHORITY OF THE PARENT	31
34. EVIDENCE OF SECURED SUMS	31
35. THIRD PARTY RIGHTS	31
36. JOINT AND SEPARATE LIABILITY	32

37.	FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS	32
38.	COUNTERPARTS	32
39.	SERVICE OF DEMANDS AND NOTICES	32
40.	GOVERNING LAW AND JURISDICTION	33
41.	ENFORCEMENT	33
	SCHEDULE 1	35
	The Chargors	35
	The Accounts	37
	SCHEDULE 2	38
	Terms of Guarantee	38
	SCHEDULE 3	41
	Registered Land to be mortgaged	41
	SCHEDULE 4	42
	Details of Existing Security	42
	SCHEDULE 5	44
	SCHEDULE 6	57
	Specified Intellectual Property	57
	SCHEDULE 7	58
	Forms of Letter of Direction	58
	SCHEDULE 8	62
	Details of debts owing to a Chargor by another member of the Group which are subject to a fixed charge (if any)	62
	SCHEDULE 9	63
	Deed of Accession and Charge	63
	Form of Deed of Accession and Charge for a New Chargor	63

THIS DEBENTURE made on

15 February 2019

BETWEEN:

- (1) The companies named in Part 1 of Schedule 1 as Chargors; and
- (2) Lloyds Bank plc as Security Agent.

WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 **Definitions:** Unless the context otherwise requires, the following words and expressions shall have the following meanings:

**"Accounts"** means the accounts of the Chargors details of which are set out in Part 2 of Schedule 1 (*The Accounts*);

**"Act"** means the Companies Act 2006;

**"Assets"** means, in relation to a Chargor, all its undertaking, property, assets, revenues and rights of every description, or any part of them;

**"Assigned Contracts"** means each and all of the following both present and future:

- (a) the Development Documents;
- (b) each contract in respect of any disposal of any Fixed Charge Asset;
- (c) each Occupational Lease;
- (d) any managing agent's agreement; and
- (e) all other agreements, in which a Chargor has an interest and which is designated as an Assigned Contract by that Chargor and the Security Agent,

in each case including any guarantees or sureties entered into in respect of them;

**"Business Day"** means a day on which banks are generally open for business in the City of London (excluding Saturdays, Sundays and bank or public holidays);

**"Chargor"** means each company named in Part 1 of Schedule 1 (*The Chargors*) and (with effect from its accession) each other company which executes a Deed of Accession and Charge and any other company which subsequently adopts the obligations of a Chargor;

**"Confidentiality Undertaking"** means a confidentiality undertaking substantially in a recommended form of the LMA for the relevant type of proposed transaction or in any other form agreed between the Parent and the Security Agent;

**"Contract Claims"** means:

- (a) any sums payable to the Chargors pursuant to all representations, warranties, undertakings and indemnities to, agreements with and security to be provided in favour of the Chargors in respect of and pursuant to the Assigned Contracts;
- (b) any net proceeds of any claims, awards and judgements which may at any time be received or receivable by the Chargors pursuant to any of the Assigned

Contracts together with the benefit of all powers and remedies for enforcing the same.

**"Deed of Accession and Charge"** means a deed of accession and charge substantially in the form of Schedule 9 (*Form of Deed of Accession and Charge for a New Chargor*).

**"Derivative Rights"** includes:

- (a) allotments, rights, money or property arising at any time in relation to any of the Specified Securities by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (b) dividends, distributions, interest and other income paid or payable in relation to any Specified Securities; and
- (c) stock, shares and securities offered in addition to or substitution for any of the Specified Securities in connection with any disposal or restructuring of any of the Subsidiaries of the Chargors;

**"Development Documents"** means any building contracts, sub-contracts, professional appointments, collateral warranties and other contracts entered into or to be entered into by a Chargor in respect of a Property;

**"Disposal"** means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions);

**"Disposal Proceeds"** means all capital monies or other sums or other consideration paid or payable in respect of the disposal of a Chargor's interest in all or any part of any Property and after deducting:

- (a) any reasonable expenses which are incurred by any member of the Group with respect to that Disposal to persons who are not members of the Group; and
- (b) any tax incurred and required to be paid by the seller in connection with that Disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance);

**"Enforcement Event"** has the meaning given to the term "Termination Date" in the Security Trust Deed;

**"Environmental Laws"** means all laws, regulations, directives and codes of practice relating to the protection of the environment or public health and safety or the production, transportation, storage, treatment, deposit or disposal of any substance capable of causing harm to any living organism;

**"Existing Security"** means the mortgages and charges set out in Schedule 4 (*Details of Existing Security*) for so long as they continue in force;

**"Finance Documents"** shall have the meaning given thereto in the Security Trust Deed;

**"Financial Collateral"** in relation to a Chargor, means any of its Assets comprising financial collateral within the meaning of the Financial Collateral Regulations;

**"Financial Collateral Regulations"** means the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended;



**"Fixed Charge Asset"** means an Asset for the time being comprised within an assignment created by Clause 3.1 (*Assignments*) or within a mortgage or fixed charge created by clause 3.2 (*Creation of fixed security*) or arising on crystallisation of a floating charge whether under clause 3.6(a) (*Crystallisation*) or otherwise and includes all Assets assigned, mortgaged or charged by the equivalent provisions in any Deed of Accession and Charge;

**"Floating Charge Asset"** means an Asset for the time being comprised within the floating charge created by clause 3.3 (*Creation of floating charge*) (or by the equivalent provision of any Deed of Accession and Charge) but, in relation to Assets situated in Scotland and charged by clause 3.3(b) (or by the equivalent provision of any Deed of Accession and Charge) only insofar as concerns the floating charge over that Asset;

**"Group"** means the Parent and its Subsidiaries for the time being;

**"Group Company"** means all or any member(s) of the Group;

**"Guarantor"** means any Chargor insofar only as it covenants and guarantees under clause 2.1(b) (*Covenant to pay*) or pursuant to a Deed of Accession and Charge to pay or discharge Indebtedness due or owing by a Group Company to the Secured Parties and **"Guarantors"** and **"Guarantee"** shall be construed accordingly;

**"Hedging Documents"** means any currency swap or interest rate hedging arrangement in relation to currency fluctuations or interest payments entered into or to be entered into by any Chargor;

**"Holding Account"** means the bank account maintained by Laing O'Rourke Holdings Limited with the Security Agent and designated as such in a letter between the Parent and the Security Agent;

**"Indebtedness"** means any obligation for the payment or repayment of money in any currency, whether present or future, actual or contingent, joint or several, whether incurred as principal or surety or in any other way whatever, and including principal, interest, commission, fees and other charges;

**"Insurance Policy"** means any contract or policy of insurance of any Chargor (including all cover notes) of whatever nature which are from time to time taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest at any time in relation to the Properties but excluding any public liability insurance, third party liability insurance whose proceeds are required to be applied to meet liabilities to third parties under and in accordance with such policy and any directors' and officers' insurance;

**"Intellectual Property"** means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products), anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights;

**"Intellectual Property Rights"** means, in relation to a Chargor, all and any of its Intellectual Property and all other intellectual property rights and other rights, causes of action, interests and assets charged by it pursuant to clause 3.2 (*Creation of fixed security*) (c)(xii) to (xvii) inclusive or pursuant to the equivalent provisions in any Deed of Accession and Charge and, in each case, which are of a type which are not disposed of in the ordinary course of trading;

**"Intercreditor Agreement"** means the Intercreditor Agreement dated 14 April 2016 (as amended and restated from time to time) between, amongst others, the parties to this Debenture.

**"Irish Guarantor"** means each of:

- (a) Canal Harbour Development Company Limited;
- (b) Laing O'Rourke Ireland Limited;
- (c) Irishtown Developments Limited; and
- (d) Sundera Holdings Limited;

**"Land"** includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade fixtures);

**"Liability"** means any liability, damage, loss, cost, claim or expense of any kind or nature, whether direct, indirect, special, consequential or otherwise;

**"New Chargor"** means a member of the Group which becomes a Chargor under this Debenture in accordance with Clause 31 (*Accession of a New Chargor*).

**"Occupational Lease"** means any lease, agreement for lease, licence or other occupational interest subject to which a Chargor's interest in a Property is held now or in the future including any guarantee and rent deposit arrangements entered into under the terms of them;

**"Parent"** means Laing O'Rourke Corporation Limited a limited liability company incorporated in Cyprus with registered number 190393;

**"Party"** means a party to this Debenture;

**"Principal"** means a Group Company from which Indebtedness is due or owing to a Secured Party, except as a Guarantor;

**"Property"** means each property in England and Wales vested in the Chargors and registered at HM Land Registry details of which are set out in Schedule 3 (*Registered Land to be mortgaged*) including all:

- (a) land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future;
- (b) buildings, fixtures (including trade fixtures) and fixed plant and machinery and other structures now or in future on it; and
- (c) easements, access rights, rights of way, wayleaves and rights attaching to it;

**"Receivables"** means, in relation to a Chargor, all sums of money receivable by it now or in the future consisting of or payable under or derived from any Asset described in clause 3.1 (*Creation of fixed security*) or described in the equivalent provision of any Deed of Accession and Charge including, without limitation, the Disposal Proceeds;

**"Receiver"** means any receiver or receiver and manager appointed under clause 18 (*Appointment of a Receiver or an administrator*) and (where the context requires or permits) includes any substituted receiver or receiver and manager;

**"Relevant System"** has the meaning given to that term by the Uncertificated Securities Regulations 2001 and includes the CREST system and also any other system or facility (whether established in the United Kingdom or elsewhere) providing means for the deposit of, and clearance of transactions in, Securities;

**"Reserved Property"** means each of the following properties (provided that each such property shall, to the extent that it is not disposed of, sold or transferred by such date, cease to be a Reserved Property on 31 December 2019):

- (a) 134-196 Pretoria Road, Chertsey, Surrey KT16 9AZ, England, with title number SY743923; and
- (b) Land at Pretoria Road, Chertsey, Surrey, KT16 9LN, England, with title number SY702583,

in each case, including all land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future, buildings, fixtures (including trade fixtures) and fixed plant and machinery and other structures now or in future on it and easements, access rights, rights of way, wayleaves and rights attaching to it;

**"Secured Parties"** has the meaning given thereto in the Security Trust Deed;

**"Secured Sums"** means all present and future obligations and liabilities (whether actual or contingent and whether incurred jointly or severally and whether as principal or surety or in any other capacity whatsoever and whether incurred originally by a Chargor or by some other person) of the Group Companies to all or any of the Secured Parties under each or any of the Finance Documents, in each case together with:

- (a) all costs, charges and expenses incurred by any Secured Party in connection with the protection, preservation or enforcement of its rights under any Finance Document; and
- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Finance Document or the obligations and liabilities imposed under such documents;

**"Securities"** means all shares, stock, debentures, debenture stock, bonds and other investments (as listed in Part II, Schedule 2 of the Financial Services and Markets Act 2000), whether certificated or uncertificated and whether in registered or bearer form, including all depositary interests representing any of them and including all rights and benefits of a capital nature accruing at any time in respect of any Securities by way of redemption, repayment, substitution, exchange, bonus or preference, option, rights or otherwise;

**"Security Agent"** means Lloyds Bank plc acting as security agent and trustee for the Secured Parties and includes any successor appointed by the Secured Parties;

**"Security"** or **"Security Interest"** includes any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

**"Security Trust Deed"** means the security trust deed dated 31 December 2015 as amended and restated on 14 April 2016 and as further amended and restated on or about the date of this Debenture and made between, among others, the Security Agent and the Secured Parties;

**"Specified Intellectual Property"** means the Intellectual Property listed in Schedule 6 (*Specified Intellectual Property*);

**"Specified Securities"** means, in relation to a Chargor, all Securities:

- (a) which at any time represent a majority holding of 50% or more in a Subsidiary of such Chargor or an undertaking which would be its subsidiary undertaking if in section 1162(2)(a) of the Act "50 per cent or more" were substituted for "a majority";
- (b) are held in the name of the Security Agent or its nominee or to its order; or
- (c) the certificates for which are now or in the future deposited by such Chargor with the Security Agent or which, if uncertificated, are held in an escrow or other account in favour of the Security Agent or its nominee,

but excluding the Securities held by (i) Laing O'Rourke Ireland Limited in Laing O'Rourke Utilities Ireland Limited and (ii) Canal Harbour Development Company Limited in Twin Seal Glass Ltd and JJ McCreery (1979) Ltd;

**"Structural Intercompany Debt"** means any intercompany debts due to the Chargers including (without limitation) all sums due pursuant to the intercompany loan agreements listed in Schedule 8; and

**"Subsidiary"** means a subsidiary undertaking within the meaning of section 1162 of the Act and disregarding for this purpose the fact that any shares in that undertaking may be held by way of security and the beneficiary of that security (or a nominee of that beneficiary) may be registered as a member of the relevant undertaking.

1.2 **Interpretation:** Unless the context otherwise requires, in this Debenture:

- (a) references to a **"Party"** shall be construed so as to include that Party's respective successors in title, permitted assigns and permitted transferees;
- (b) **"including"** and **"in particular"** shall not be construed restrictively but shall mean respectively "including, without prejudice to the generality of the foregoing" and "in particular, but without prejudice to the generality of the foregoing";
- (c) a **"person"** includes any individual, firm, company, corporation, government, state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing;
- (d) **"property"** includes any interest (legal or equitable) in real or personal property and any thing in action;
- (e) **"variation"** includes any variation, amendment, accession, novation, restatement, modification, assignment, transfer, supplement, extension, deletion or replacement however effected and **"vary"** and **"varied"** shall be construed accordingly;
- (f) **"writing"** includes telex and facsimile transmission legibly received except in relation to any certificate, notice or other document which is expressly required by this Debenture to be signed and **"written"** has a corresponding meaning;
- (g) an Enforcement Event is **"continuing"** if it has not been waived in writing or remedied to the satisfaction of the Security Agent;

- (h) subject to clause 37.4 (*Variations*) references to this Debenture or to any other document include references to this Debenture or such other document (including any Finance Document) as varied in any manner from time to time, even if changes are made to the composition of the parties to this Debenture or such other document or to the nature or amount of any facilities made available under such other document and, in addition, references to this Debenture shall include (with effect from the date on which it comes into force) each Deed of Accession and Charge executed pursuant to it;
- (i) the singular shall include the plural and vice versa and any gender shall include the other genders;
- (j) any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances;
- (k) headings are inserted in this Debenture for convenience and shall not affect its interpretation;
- (l) Indebtedness due, owing or incurred under the Finance Documents shall include all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the Finance Documents provided for therein or the obligations and liabilities imposed thereunder;
- (m) references to uncertificated Securities are to Securities the title to which can be transferred by means of an electronic or other entry in a Relevant System; and references to certificated Securities are to Securities which are not uncertificated Securities; and
- (n) "Blank stock transfer form" means a stock transfer form validly executed by the relevant Chargor but with the section relating to the consideration and the transferee left blank.

**1.3 Security Trust Deed and Intercreditor Agreement:** This Debenture is subject to the terms of the Security Trust Deed and the Intercreditor Agreement (including, without limitation, any term relating to the discharge or release of security). If any provision of this Debenture shall conflict with any term (including, without limitation, any term relating to the discharge or release of security) of the Security Trust Deed and/or the Intercreditor Agreement, then the relevant term of the Security Trust Deed and/or the Intercreditor Agreement shall prevail.

**1.4 Companies Acts:** Expressions defined in the Act (and not redefined in this Debenture) shall have the same meanings in this Debenture, except that the expression "company" shall include a body corporate established outside Great Britain.

**1.5 Statutes:** Any reference to any statute or statutory instrument or any section of it shall be deemed to include a reference to any statutory modification or re-enactment of it for the time being in force in relation to the particular circumstances.

**1.6 Disposition of Property**

The terms of any other Finance Document and of any side letters between the parties to this Debenture are incorporated into each other Finance Document to the extent required for the purported disposition of any Property contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

**2. COVENANT TO PAY**

**2.1 Covenant to pay:** Each Chargor hereby:

- (a) covenants that it will, on the Security Agent's written demand, pay or discharge the Secured Sums when due at the times and in the manner provided in the relevant Finance Documents; and
- (b) covenants and guarantees that it will, on the Security Agent's written demand, pay or discharge to the Security Agent all Indebtedness now or in the future due, owing or incurred by each Group Company and each other Chargor (except as a Guarantor for the Chargor giving this covenant) to each Secured Party under or in connection with the Finance Documents;

**2.2 Guarantee:** The guarantee contained in clause 2.1(b) (*Covenant to pay*) is given subject to, and with the benefit of, the provisions set out in Schedule 2 (*Terms of Guarantee*). The guarantee is given by each Chargor separately and jointly with every other Chargor.

**2.3 Binding nature:** Each Chargor agrees to be bound by the guarantee contained in clause 2.1(b) (*Covenant to pay*), even if another member of the Group which was intended to execute this Debenture may not do so or may not be effectively bound.

**2.4 Demands:**

- (a) The making of one demand shall not preclude the Security Agent from making any further demands.
- (b) Any third party dealing with the Security Agent or any Receiver shall not be concerned to see or enquire as to the validity of any demand under this Debenture.

**2.5 Proviso:** The covenants and guarantee contained in this clause and the security created by this Debenture shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law.

**3. CHARGING CLAUSE**

**3.1 Assignments:** Each Chargor, with full title guarantee (subject to the Existing Security), as security for the payment or discharge of all Secured Sums, assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) to the Security Agent (as trustee for the Secured Parties):

- (a) all of its rights, title and interest from time to time in respect of any sums payable to it pursuant to the Insurance Policies;
- (b) all its rights, title and interest from time to time in respect of the Hedging Documents;
- (c) all of its rights, title, interest and benefit in each Assigned Contract;
- (d) the Disposal Proceeds; and
- (e) all of its rights, title, interest and benefit in and to the Contract Claims.

**3.2 Fixed Security:** Each Chargor, with full title guarantee (subject to the Existing Security), as security for the payment or discharge of all Secured Sums, charges in favour of the Security Agent (as trustee for the Secured Parties):

- (a) by way of legal mortgage, each of the Properties registered at HM Land Registry or which will be subject to first registration at HM Land Registry upon the execution and delivery of this Debenture, in each case as described in Schedule 3 (*Registered Land to be Mortgaged*);
- (b) by way of legal mortgage, all Land in England and Wales now vested in it and not registered at HM Land Registry;
- (c) by way of fixed charge:
  - (i) all other Land which is now, or in the future becomes, its property;
  - (ii) all interests and rights in or relating to Land or the proceeds of sale of Land now or in the future belonging to it;
  - (iii) all plant and machinery now or in the future attached to any Land which, or an interest in which, is charged by it under the preceding provisions of this clause 3.2;
  - (iv) all rental and other income and all debts and claims now or in the future due or owing to it under or in connection with any lease, agreement or licence relating to Land;
  - (v) all Specified Securities which are now its property, including all proceeds of sale derived from them;
  - (vi) all Specified Securities in which that Chargor may in the future acquire an interest (legal or equitable), including all proceeds of sale derived from them;
  - (vii) all Derivative Rights of a capital nature now or in the future accruing or offered in respect of its Specified Securities;
  - (viii) all Derivative Rights of an income nature now or in the future accruing or offered at any time in respect of its Specified Securities;
  - (ix) where Specified Securities are held in a Relevant System, all its rights against the operator of the Relevant System or any participant in respect of such Specified Securities;
  - (x) all its goodwill and uncalled capital for the time being;
  - (xi) all Specified Intellectual Property belonging to it;
  - (xii) all other Intellectual Property presently belonging to it;
  - (xiii) all Intellectual Property that may be acquired by or belong to it in the future;
  - (xiv) the benefit of all agreements and licences now or in the future entered into or enjoyed by it relating to the use or exploitation of any Intellectual Property in any part of the world;
  - (xv) all its rights now or in the future in relation to trade secrets, confidential information and knowhow in any part of the world;

- (xvi) all its rights and causes of action in respect of infringement(s) (past, present or future) of the rights referred to in clauses 3.2(c)(xi) to (xv) inclusive;
- (xvii) all trade debts now or in the future owing to it;
- (xviii) all Structural Intercompany Debts excluding those arising on fluctuating accounts with other members of the Group;
- (xix) all other debts now or in the future owing to it, excluding those arising on fluctuating accounts with other members of the Group;
- (xx) the benefit of all instruments, guarantees, charges, pledges and other security and all other rights and remedies available to it in respect of any Fixed Charge Asset except to the extent that such items are for the time being effectively assigned under Clause 3.1 (*Assignments*);
- (xxi) all its interests and rights (if any) in or to any money at any time standing to the credit of any Accounts;
- (xxii) all its interests in the remaining Assigned Contracts (to the extent not assigned pursuant to clause 3.1 (*Assignments*); and
- (xxiii) all rights, money or property accruing or payable to it now or in the future under or by virtue of a Fixed Charge Asset except to the extent that such rights, money or property are for the time being effectively charged by fixed charge under the foregoing provisions of this clause 3.2.

**3.3 Creation of floating charge:** Each Chargor, with full title guarantee (subject to the Existing Security), charges to the Security Agent (as trustee for the Secured Parties) as security for the payment or discharge of all Secured Sums, by way of floating charge:

- (a) all its Assets except to the extent that such Assets are for the time being effectively assigned by way of security by virtue of clause 3.1 (*Assignments*) charged by any fixed charge contained in clause 3.2 (*Creation of fixed security*) including any Assets comprised within a charge which is reconverted under clause 4.4 (*Reconversion*), and
- (b) without exception, all its Assets insofar as they are for the time being situated in Scotland,

but in each case so that such Chargor shall not create any other Security Interest over any such Floating Charge Asset (whether having priority over, or ranking *pari passu* with or subject to, this floating charge) or take any other step referred to in clause 7 (*Negative pledge and other restrictions*) with respect to any such Floating Charge Asset, and such Chargor shall not, without the consent of the Security Agent, sell, transfer, part with or dispose of any such Floating Charge Asset except by way of a sale, transfer or other disposal which is permitted in accordance with the Finance Documents or in the ordinary course of business and which is not expressly prohibited by a Finance Document.

**3.4 Priority:**

- (a) Any fixed Security Interest created by a Chargor and subsisting in favour of the Security Agent shall (save as the Security Agent may otherwise declare at or after the time of its creation) have priority over the floating charge created by clause 3.3 (*Creation of floating charge*) (except to the extent mandatorily preferred by law).



- (b) Any Security Interest created in the future by a Chargor (except in favour of the Security Agent) shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created by this Debenture.

**3.5 Application to HM Land Registry: Each Chargor:**

- (a) in relation to each register of title of any present and future land of that Chargor which is charged to the Security Agent under this Debenture or pursuant to clause 7 (*Further Assurance*) other than the Reserved Properties consents to the Security Agent (or its solicitors) at any time submitting to HM Land Registry any and all of the following:
  - (i) a Form AP1 (application to change the register) in respect of the security created by this Debenture;
  - (ii) a Form RX1 (*Application to register a restriction*) in the following terms:

"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 [date] in favour of [Chargee] referred to in the charges register or their conveyancer"; and
  - (iii) submitting a Form CH2 (Application to enter an obligation to make further advances); and
- (b) will procure that a copy of any consent required from the beneficiaries of any Existing Security over the Properties which are subject to the Existing Security to enable the Security Agent to make the applications referred to in clause 3.5(a) are delivered to the Security Agent; and
- (c) to the extent applicable, covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by clause 3.2(b) (*Creation of fixed security*) at its own expense, immediately following its execution of this Debenture.

**3.6 Notices:**

- (a) Each Chargor shall, if the Security Agent reasonably deems it necessary for the enforcement of the Security created under this Debenture (or in the event the Security Agent reasonably believes that notice of enforcement or security is to be served in respect of such Assigned Documents on behalf of any other creditor), execute a notice of assignment in respect of the Assigned Documents (other than any documents in connection with the Reserved Properties) in substantially the form set out in Part 3 of Schedule 5 (*Forms of Notice of Assignment/Charge*) and, as soon as reasonably practicable, deliver that notice to the counterparty to such Assigned Documents.
- (b) Each relevant Chargor shall on the date on which it enters into any Hedging Agreement, execute a notice of assignment in respect of the Hedging Agreements in substantially the form set out in Part 4 of Schedule 5 (*Forms of Notice of Assignment/Charge*) and, as soon as reasonably practicable, deliver that notice to each hedge counterparty.
- (c) Each Chargor shall, if the Security Agent reasonably deems it necessary for the enforcement of the Security created under this Debenture (or in the event the Security Agent reasonably believes that notice of enforcement or security is to be served in respect of such proceeds on behalf of any other creditor) execute a

notice of charge to the insurers (and any broker) of the security over the proceeds of any Insurance Policies created by this Debenture in substantially the form set out in Part 5 of Schedule 5 (*Forms of Notice of Assignment/Charge*) and, as soon as reasonably practicable, serve that notice on each such insurer and broker; and

- (d) Each relevant Chargor shall, following entry into an intra-group loan agreement, execute a notice of assignment in respect of the Structural Intercompany Debt rate available pursuant to such agreement in substantially the form set out in Part 6 of Schedule 5 (*Forms of Notice of Assignment*) and, as soon as reasonably practicable, serve that notice on each debtor party to such Structural Intercompany Debt.
- (e) Each Chargor shall use reasonable endeavours (including expending reasonable costs and expenses) to procure the execution and delivery to the Security Agent of acknowledgments by the addressees of the notices delivered to them pursuant to paragraphs (a) to (d) above.

#### 4. CRYSTALLISATION

4.1 **Crystallisation by notice:** The floating charge created by each Chargor in clause 3.3 (*Creation of floating charge*) may, subject to clause 4.5 (*Moratorium Assets*), be crystallised into a fixed charge by notice in writing given at any time by the Security Agent to the relevant Chargor (or to the Parent on its behalf) if:

- (a) an Enforcement Event has occurred and is continuing;
- (b) the Security Agent in good faith considers that any of the Assets expressed to be charged to the Security Agent by this Debenture are in danger of being seized or sold pursuant to any form of legal process; or
- (c) a circumstance envisaged by paragraph (a) of Clause 4.2 (*Automatic Crystallisation*) occurs and the Security Agent in good faith considers that such crystallisation is necessary in order to protect the priority of its security.

Such crystallisation shall take effect over the Floating Charge Assets or class of Assets specified in the notice. If no Floating Charge Assets are specified, it shall take effect over all Floating Charge Assets of the relevant Chargor.

4.2 **Automatic crystallisation:** If, in contravention of any Finance Document, without the Security Agent's prior written consent:

- (a) any Chargor resolves to take or takes any step to:
  - (i) charge or otherwise encumber any of its Floating Charge Assets;
  - (ii) create a trust over any of its Floating Charge Assets; or
  - (iii) dispose of any Floating Charge Asset (except by way of sale or disposal in the ordinary course of such Chargor's business to the extent that such disposal is not otherwise prohibited by any Finance Document); or
- (b) any person resolves to take or takes any step to seize or sell any Floating Charge Asset pursuant to any form of legal process,

then the floating charge created by clause 3.3 (*Creation of floating charge*), shall, subject to clause 4.5 (*Moratorium Assets*), be automatically and instantly crystallised (without the necessity of notice) into a fixed charge over such Floating Charge Asset.

- 4.3 **Future Floating Charge Assets:** Except as otherwise stated in any notice given under clause 4.1 (*Crystallisation by notice*) or unless such notice relates to all its Floating Charge Assets, prospective Floating Charge Assets acquired by any Chargor after crystallisation has occurred under clause 4.1 (*Crystallisation by notice*) or 4.2 (*Automatic crystallisation*) shall become subject to the floating charge created by clause 3.3 (*Creation of floating charge*), so that the crystallisation shall be effective only as to the relevant Floating Charge Assets in existence at the date of crystallisation.
- 4.4 **Reconversion:** Any charge which has crystallised under clause 4.1 (*Crystallisation by notice*) or Clause 4.2 (*Automatic crystallisation*) may, by notice in writing given at any time by the Security Agent to the relevant Chargor, be reconverted into a floating charge in relation to the Assets specified in such notice.
- 4.5 **Moratorium Assets:** The floating charge created by each Chargor in clause 3.3 (*Creation of floating charge*) may not be converted into a fixed charge on Assets for which a moratorium is in force if and for so long as such conversion would breach paragraph 13 and/or paragraph 43 of Schedule A1 of the Insolvency Act 1986.

5. **TITLE DOCUMENTS, INSURANCE POLICIES AND TRANSFERS**

Subject to the rights of any prior chargee (including, without limitation, the beneficiaries of the Existing Security) and except as otherwise provided for under the Finance Documents or expressly agreed in writing by the Security Agent, each Chargor shall:

- (a) deposit with the Security Agent, and the Security Agent shall be entitled to retain during the continuance of the security created by this Debenture, all deeds and documents of title relating to its Fixed Charge Assets that are necessary to give effect to or to perfect the fixed security described in Clause 3.2 (*Fixed Security*) or, in respect of all deeds and documents of title relating to any Land, provide an acceptable letter of undertaking from Chargors' counsel to hold the same to the order of the Security Agent.
- (b) as soon as reasonably practicable, and in any event within 5 Business Days of request, execute and deliver to the Security Agent such documents and transfers and give such instructions and perform such other acts as the Security Agent may reasonably require at any time to constitute or perfect an equitable charge or legal mortgage (at the Security Agent's option) over its Specified Securities, including any eligible to participate in a Relevant System.

6. **COLLECTION OF RECEIVABLES**

- 6.1 **Holding Account:** Each Chargor shall, to the extent required pursuant to the Finance Documents, collect and realise all its Disposal Proceeds and, immediately on receipt, pay all money so collected into the Holding Account. To the extent that such Disposal Proceeds are required to be paid into the Holding Account under the Finance Documents, each Chargor shall, pending such payment, hold all money so received upon trust for the Security Agent.
- 6.2 **Notice to account bank:** Save to the extent that such notice is expressly provided under the Finance Documents, each Chargor (or the Parent on its behalf) shall, if the Security Agent reasonably deems it necessary for the enforcement of the Security Interest created under this Debenture or as otherwise agreed between the Chargor and the Security Agent, give notice to the account bank with which each Account is held substantially in the form set out in Part 1 of Schedule 5, and use its reasonable endeavours to procure that the account bank signs and delivers to the Security Agent an acknowledgement in

the form set out in Part 2 of Schedule 5 save to the extent that such acknowledgement is expressly provided under the Finance Documents.

- 6.3 **No derogation:** No Chargor shall purport, without the Security Agent's prior written consent (not to be unreasonably withheld or delayed), to charge, factor, discount, assign, postpone, subordinate, release or waive its rights in respect of any Receivable in favour of any person or do or omit to do anything which might delay or prejudice its full recovery.
- 6.4 **Credit balance:** Subject to the terms of the Finance Documents, if a credit balance arises on any account of a Chargor with the Security Agent (or a Secured Party) directly or indirectly as a result of Disposal Proceeds being credited or transferred to such account, the Security Agent (or such Secured Party) shall have an absolute discretion whether to permit or refuse to permit such credit balance to be utilised or withdrawn by such Chargor and the Security Agent (or such Secured Party) may in its sole discretion at any time transfer all or any part of such credit balance to a separate account of such Chargor with it.
- 6.5 **Factored debts:** If the Security Agent releases, waives or postpones its rights in respect of any Receivable to enable a Chargor to factor or discount them to any Secured Party or third party (the "factor"), the charges created by this Debenture shall in all other respects remain in full force and effect. In particular, all amounts becoming due to such Chargor from the factor and any Receivables re-assigned, or due to be re-assigned to such Chargor, shall be subject to the relevant fixed charge created by this Debenture, subject only to any defences or rights of set-off which the factor may have against such Chargor.
- 6.6 **Information:** Each Chargor shall deliver to the Security Agent such particulars as to the amount and nature of its Receivables as the Security Agent may from time to time reasonably require.

**7. NEGATIVE PLEDGE AND OTHER RESTRICTIONS**

Other than as expressly permitted under the Finance Documents, no Chargor shall, without the prior written consent of the Security Agent:

- (a) create, or agree or attempt to create, or permit to subsist, any Security Interest (except under this Debenture and the Existing Security) or any trust over any of its Assets, or permit any lien (other than a lien arising by operation of law in the ordinary course of such Chargor's business) to arise or subsist over any of its Assets;
- (b) sell, assign, license, lease any of its Fixed Charge Assets (other than the Reserved Properties), or part with possession or ownership of them, or purport or agree to do so;
- (c) increase the amount secured by the Existing Security or agree to make any material amendment to its terms.

**8. FURTHER ASSURANCE**

- (a) Subject to Clauses 3.6 (*Notices*) and 6.2 (*Notice to account bank*), which shall be applied strictly in accordance with their terms, each Chargor shall (and the Parent shall procure that each Chargor will) promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices, forms and instructions) as the Security Agent reasonably deems necessary for the enforcement or preservation of the Security created under this Debenture (or the

preservation of the priority of such Security) in such form as the Security Agent may reasonably require (in favour of the Security Agent or its nominee) in order to:

- (i) perfect, protect or in relation to Receivables enhance the Security Interest created or intended to be created by this Debenture (which may include the execution of a mortgage, charge, assignment, transfer, notice, instruction or other Security Interest over all or any of the Assets which are, or are intended to be, the subject of the Security constituted by this Debenture) or for the exercise of any rights, powers and remedies of any Secured Party provided by this Debenture or by law;
  - (ii) confer on the Security Agent or confer on the Secured Parties, Security Interest over any Assets of that Chargor located in any jurisdiction outside England and Wales which is (to the extent permitted by local law) equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture; and/or
  - (iii) facilitate the realisation of the Assets subject to the Security Interest conferred or intended to be conferred by this Debenture or the exercise of any rights vested in the Security Agent, any Receiver, administrator or nominee, including executing any transfer, conveyance, charge, assignment or assurance of all or any of the Assets which are the subject of the Security constituted by this Debenture, making any registration and giving any notice, order or instructions.
- (b) Subject to Clauses 3.6 (*Notices*) and 6.2 (*Notice to account bank*), which shall be applied strictly in accordance with their terms, each Chargor shall (and the Parent shall procure that each Chargor shall) take all such action as is available to it (including making all filings and registrations) as may be reasonably necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Debenture.
- (c) Without prejudice to the generality of this Clause 8 and subject to Clauses 3.6 (*Notices*) and 6.2 (*Notice to account bank*), which shall be applied strictly in accordance with their terms, if the Security Agent reasonably deems it necessary for the enforcement or preservation of the Security Interest created under this Debenture (or the preservation of the priority of such Security), each Chargor will promptly execute:
- (i) a legal mortgage of any Land (other than the Reserved Property) in England and Wales (other than the Reserved Property) now or in the future belonging to it;
  - (ii) a fixed charge over any interest, not capable of being charged by way of legal mortgage, in any Land (other than the Reserved Property) now or in the future belonging to it;
  - (iii) a legal assignment or other fixed security over all or any of its Intellectual Property Rights or Receivables;
  - (iv) a step-in agreement, legal assignment or other fixed security over all or any Assigned Contracts;
  - (v) a legal or equitable charge (at the Security Agent's option) over all or any of its Securities and/or Derivative Rights;

- (vi) all assignments, transfers, mortgages, charges, notices and instructions; and
  - (vii) such other documents as the Security Agent may in its reasonable discretion think fit further to secure the payment of the Secured Sums, or to perfect this Debenture, or to vest title to any Asset in itself or its nominee or any purchaser following the occurrence of an Enforcement Event.
- (d) **Existing Security:** Following the discharge of the Existing Security, the applicable Chargors shall as soon as reasonably practicable do all such reasonable acts and execute all such documents in order to perfect, protect or in relation to Receivables enhance the Security intended to be created by this debenture (including, without limitation, under Clause 5 (*Title Documents, including insurance policies and transfers*) and Clause 15 (*Specified Securities*)).

**9. RIGHT OF APPROPRIATION**

**9.1 Financial Collateral Arrangement:** The Parties acknowledge and intend that the charges over each Chargor's Financial Collateral provided under or pursuant to this Debenture will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

**9.2 Right of appropriation:** The Security Agent may, on or at any time after the security constituted by this Debenture becomes enforceable in accordance with its terms, by notice in writing to the relevant Chargor appropriate with immediate effect all or any of its Financial Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise.

**9.3 Value:** The value of any Financial Collateral appropriated under clause 9.2 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised source or such other process as the Security Agent may reasonably select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent;

as converted, where necessary, into sterling at a market rate of exchange prevailing at the time of appropriation reasonably selected by the Security Agent.

**9.4 Surplus or shortfall:** The Security Agent will account to the relevant Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and the Chargors shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums.

**9.5 Confirmation:** Provided the Security Agent complies with the terms of clause 9.3 each Chargor agrees that the method of valuing Financial Collateral under clause 9.3 is commercially reasonable.

10. CONTINUING SECURITY

This Debenture shall be a continuing security for the Secured Parties, notwithstanding any intermediate payment or settlement of accounts or other matter whatever and shall be in addition to and shall not prejudice or be prejudiced by any right of set-off, combination, lien, or other rights exercisable by any Secured Party as banker against any Chargor or any security, guarantee, indemnity and/or negotiable instrument now or in the future held by any Secured Party.

11. INSURANCE

11.1 Positive covenants: Each Chargor covenants that it shall:

- (a) **Keep insured:** maintain at all times, with insurance companies of good financial standing acceptable to the Security Agent, such insurance policies in relation to its Properties against such risks as are normally insured by prudent companies carrying on a similar business and against such other risks as the Security Agent may from time to time reasonably require to the full replacement value of such Properties for the time being on an index-linked basis;
- (b) **Comply with terms:** comply with the material terms of all its Insurance Policies, including any stipulations or restrictions as to use or operation of any asset, and not do or permit anything to be done which may make any Insurance Policy void or voidable;
- (c) **Prepayments:** where required in accordance with the Finance Documents, transfer an amount equal to the proceeds of any insurance claims for loss or damage to any of its Assets to the Holding Account;
- (d) **Insurance broker's undertaking:** procure that, save where an insurance broker's undertaking has already been delivered to the Security Agent in respect of such Chargor in connection with the Existing Security, as soon as reasonably practicable following the date of this Mortgage its insurance broker undertakes in writing to the Security Agent that:
  - (i) as soon as it becomes aware that such Chargor has failed to pay any premium or renew any insurance, it will keep the Security Agent's interest in such insurance in force up to the full sum insured and for the same risks (subject to the premium for any such period of extended cover being paid by the Security Agent for the account of such Chargor);
  - (ii) it will advise the Security Agent of any proposed cancellation of the policy as soon as reasonably practicable before such cancellation is due to take effect;
  - (iii) it will advise the Security Agent as soon as reasonably practicable of any act, omission or event which comes to the knowledge of the broker and which in its reasonable opinion would invalidate the insurance or render it unenforceable, in whole or in part;
  - (iv) it will, unless otherwise agreed in writing with the Security Agent, advise the Security Agent if any claim with a value in excess of £100,000 is rejected by insurers or if insurers make a reservation of rights following the notification of any claim.

11.2 **Negative covenant:** No Chargor shall do anything which, or omit to do anything the omission of which, would render any policy of insurance void or voidable.

12. LAND

12.1 **Representations and warranties:** Except as disclosed in writing to the Security Agent, each Chargor represents and warrants that:

- (a) **Legal and beneficial owner:** it is the legal and beneficial owner of its Land mortgaged by virtue of clause (a) (*Creation of fixed security*);
- (b) **No breach of law:** there subsists no breach of any law or regulation which affects the value of its Land;
- (c) **No covenants:** there are no covenants, agreements, stipulations, reservations, conditions, interests or rights which materially adversely affect its Land which are not registered against the title of the Property or otherwise notified to the Security Agent by the Parent or a Chargor on or before the date of this Debenture;
- (d) **No overriding interest:** to the best of its knowledge and belief nothing has arisen or has been created or is subsisting which would be an overriding interest over its Land;
- (e) **No right to terminate:** no facility necessary for the use of its Land is available on terms entitling any person to terminate or curtail its use;
- (f) **No adverse claim:** it has not received notice of any adverse claim by any person in respect of the ownership of its Land or any interest in it;
- (g) **No security:** its Land is free from any Security Interest (except those created by the Existing Security and this Debenture or any Security Interests which are expressly permitted under the Finance Documents);
- (h) **Repairing obligations:** it is in compliance with its material repairing obligations as tenant under the terms of any lease; and
- (i) **Easements:** it has the full unrestricted right to use all easements and facilities necessary for the beneficial occupation of its Land for the current use of that Land.

12.2 **Repetition of representations and warranties:** The representations and warranties contained in clause 12.1 (other than paragraph (c)) shall be deemed to be repeated on each day on which there are any Secured Sums outstanding by reference to the facts and circumstances then subsisting.

12.3 **Positive covenants:** Each Chargor covenants that it shall:

- (a) **Repair:** subject to clause 12.3(d) below and any disposal of the Properties notified to the Security Agent on or before the date of the Debenture, keep all its buildings and all its plant, machinery, fixtures, fittings and other effects charged by it under this Debenture in good and substantial repair and in good working order and condition and save in respect of the Properties designated as development properties in Schedule 3 (*Registered Land to be Mortgaged*) or required by law will not, without the prior written consent of the Security Agent (not to be unreasonably withheld or delayed), alter, pull down, remove or dispose of any of them, except in the ordinary course of repair, maintenance or improvement;
- (b) **Information:** as soon as reasonably practicable provide to the Security Agent such documents or information relating to its Properties, including details of any Assigned Contracts, as the Security Agent may from time to time reasonably require;



- (c) **Payments:** punctually pay or cause to be paid all rates, taxes, levies, charges, duties, assessments, impositions and outgoings assessed, charged or imposed, now or in the future, in respect of its Properties or Properties in which it has an interest and, when required, produce to the Security Agent proof of such payment;
- (d) **Compliance with applicable laws:** ensure the due observance of all laws, statutes, statutory instruments, regulations and by-laws for the time being in force and all notices, orders and requirements of any competent authority (statutory or otherwise) affecting its Properties or Properties in which it has an interest or affecting its business or Assets or relating to the protection of the environment or health and safety and carry out all works and give effect to all arrangements which any such authority may direct or recommend;
- (e) **Building operations:** subject to clause 12.3(d) above, complete with reasonable expedition any building operations relating to its Properties required by law, to the satisfaction of any competent authority and in conformity with all requisite planning and by-law consents;
- (f) **Contracts:** comply with the terms of all material agreements, assignments, contracts, conveyances, grants and other deeds and documents for the time being binding on it or affecting its Land or its use or enjoyment and not take any action which, or omit to take any action the omission of which, results in any interest or estate in its Land being materially adversely affected;
- (g) **Compliance with lease:** punctually pay the rents reserved by and observe and perform in all material respects the other covenants, agreements or obligations on its part to be observed and performed which are contained in any material lease, agreement for lease, tenancy agreement or licence to occupy relating to any Properties and, to the extent it makes commercial sense to do so, enforce the observance and performance by the landlord or licensor of its material obligations under any such document;
- (h) **Notices, orders and proposals:** supply to the Security Agent copies of any notice, order or proposal affecting its Properties in any material respect received by it:
  - (i) within ten days of receipt where it is received from any competent authority or tenant; and
  - (ii) within seven days of receipt where it is received from any landlord;and at its reasonable cost either promptly comply with such notice or order or (if so requested by the Security Agent) make or join with the Security Agent in making such objections or representations or taking such other steps as the Security Agent may think fit (acting reasonably) and any compensation received by it as a result shall be charged to the Security Agent and paid to it and applied in or towards the discharge of the Secured Sums;
- (i) **Valuation reports:** promptly on receipt, cause a copy of each professional valuation report which it obtains in relation to its Properties to be provided to the Security Agent;
- (j) **Notification of non-compliance:** notify the Security Agent, as soon as reasonably practicable on receipt, of any claim, notice or other communication received by it alleging non-compliance by it in relation to any matter referred to in this clause 12.3 which is not frivolous or vexatious;

- (k) **Acquisitions:** notify the Security Agent promptly upon its acquisition of any Land;
- (l) **Access to Land:** permit the Security Agent (but without the Security Agent being under any obligation to do so) to:
  - (i) inspect, at reasonable times and on reasonable notice, any of its Properties; and
  - (ii) enter upon all or any of its Properties to effect such material repairs as the Security Agent may consider reasonably necessary, without becoming liable as a mortgagee in possession.
- (m) **Certificate of Title:** use all reasonable endeavours (including the incurring of reasonable expenses) to comply with any reasonable request from the Security Agent in respect of any material issues identified in relation to the Properties in the certificates of title delivered to the Security Agent in accordance with the Finance Documents.

12.4 **Negative covenants:** Other than in respect of the Reserved Properties, no Chargor shall, without the prior written consent of the Security Agent:

- (a) **No building:** save for the Properties designated as development properties in Schedule 3 (*Registered Land to be Mortgaged*) or where required in accordance with an existing contractual obligation, carry out any material building work on its Properties or make any structural alteration to any building on its Properties or apply for any planning consent for the development or change of use of its Properties, or at any time sever, remove or dispose of any material fixture on it;
- (b) **No onerous obligations:** enter into onerous or restrictive obligations affecting its Properties or create or permit to arise any overriding interest or any easement or right whatever in or over it which might materially adversely affect its value or the value of the security constituted by this Debenture over it;
- (c) **No elections:** make any election to waive the exemption under paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 in its capacity as landlord of any Property;
- (d) **Possession:** part with possession of its Properties (except on the determination of any lease, tenancy or licence granted to it) or in connection with any disposal which is permitted under the Finance Documents; or
- (e) **No sharing:** share the occupation of its Properties with any other person or agree to do so (save as disclosed to the Security Agent prior to the date of this Debenture).

12.5 **Consolidation of mortgages:** Section 93 of the Law of Property Act 1925, dealing with the consolidation of mortgages, shall not apply to this Debenture.

### 13. ENVIRONMENT

13.1 **Positive covenants:** Each Chargor covenants that it shall:

- (a) **Environmental Laws:** comply with all Environmental Laws applicable to it, its business or its Assets;

- (b) **Licences and approvals:** obtain, keep in force and comply with all material licences and approvals which are necessary or which are normally obtained by prudent companies carrying on similar businesses or having similar assets;
- (c) **Notice:** as soon as reasonably applicable after receipt, notify the Security Agent of:
  - (i) any indication given to it that any of its Assets are listed in any register of contaminated land or contaminative use or similar register;
  - (ii) any material claim, order, notice or other communication received by it alleging its failure to comply in a material respect with any Environmental Law or any such approval or licence or alleging liability under it;
  - (iii) any indication that any charge is or may be imposed under any Environmental Law on its Properties in connection with statutory nuisance;
  - (iv) the existence of any environmental condition which could have a material adverse effect on the value of its Properties as security to the Security Agent;
- (d) **Steps taken:** keep the Security Agent informed of any steps taken or intended to be taken by it in respect of any matter referred to in clause 13.1(c) above; and
- (e) **New requirements:** give notice to the Security Agent as soon as practicable of any new or additional requirements under any Environmental Law specifically imposed on it or on its Properties.

#### 14. INTELLECTUAL PROPERTY RIGHTS

##### 14.1 Positive covenants: Each Chargor covenants that it shall:

- (a) **Consents:** promptly obtain any consent reasonably required for the creation of a fixed charge over its Intellectual Property Rights;
- (b) **Protect Intellectual Property Rights:** maintain, protect and safeguard its Intellectual Property Rights where failure to do so would materially adversely affect the Chargor and promptly notify the Security Agent if it becomes aware of any infringement or suspected infringement or any challenge to the validity, enforceability or ownership of its Intellectual Property Rights and supply the Security Agent with all information requested by the Security Agent in relation to it;
- (c) **Indemnities:** indemnify the Security Agent against:
  - (i) all Liabilities which are reasonably incurred by the Security Agent arising as a result of Intellectual Property Rights infringing any third party rights; and
  - (ii) all Liabilities which are reasonably incurred by the Security Agent arising from or in connection with proceedings brought against the Security Agent or to which the Security Agent may be joined, whether as plaintiff or defendant, which relate to infringement or ownership of its Intellectual Property Rights.

##### 14.2 Negative covenants: No Chargor shall, without the prior written consent of the Security Agent (not to be unreasonably withheld or delayed):

- (a) **Trade marks:** amend the specification of any registered trade mark included in its Intellectual Property Rights;
- (b) **Patents:** amend the specification or drawings referred to in any granted patent; or
- (c) **Security Agent's name:** use the Security Agent's name in or join the Security Agent into any proceedings relating to infringement or ownership of its Intellectual Property Rights.

**15. SPECIFIED SECURITIES**

**15.1 Voting and other rights:** Each Chargor undertakes not to exercise any voting powers or rights in a way which may materially prejudice the value of its Specified Securities or the security constituted by this Debenture over them

**15.2 Before enforcement:** Unless and until the occurrence of an Enforcement Event (and subject to the rights of any prior ranking chargeholder under the Existing Security):

- (a) all voting powers and rights attaching to Specified Securities (including Derivative Rights) belonging to a Chargor shall continue to be exercised by such Chargor for so long as it remains their registered owner and such Chargor shall not permit any person other than such Chargor, the Security Agent or the Security Agent's nominee to be registered as holder of such Specified Securities or any part of them; and
- (b) if Specified Securities belonging to a Chargor are registered in the name of the Security Agent or the Security Agent's nominee, all voting powers and rights attaching to them (including Derivative Rights) shall be exercised by the Security Agent or the Security Agent's nominee in accordance with instructions in writing from time to time received from such Chargor and, in the absence of any such instructions, the Security Agent or the Security Agent's nominee shall not exercise any such rights and, subject to the terms of the Finance Documents, the Chargor shall be entitled to the benefit of the Derivative Rights.

**15.3 After enforcement:** At any time after the occurrence of an Enforcement Event (and subject to the rights of any prior ranking chargeholder under the Existing Security):

- (a) the Security Agent may, for the purposes of protecting its interests in relation to the Secured Sums, and preserving the value of the security created by this Debenture (in each case in its absolute discretion) and/or realising the security created by this Debenture, exercise (but is not obliged to exercise) in the name of a Chargor or otherwise and without any further consent or authority on the part of any Chargor, all voting powers and rights attaching to the Specified Securities (including Derivative Rights) as it sees fit, including any rights to nominate or remove a director, as if the Security Agent were the sole beneficial owner of the Specified Securities;
- (b) all Derivative Rights shall, if received by a Chargor or the Security Agent's nominee, be held on trust for and forthwith paid or transferred to the Security Agent; and
- (c) each Chargor shall (and shall procure that the Security Agent's nominees shall) accept short notice for and attend any shareholders meetings relating to the Specified Securities, appoint proxies and exercise voting and other rights and powers exercisable by the holders of the Specified Securities as the Security

Agent may direct from time to time as it sees fit for the purpose of protecting its interests in relation to the Secured Sums.

For the avoidance of doubt, unless and until the Security Agent takes any steps to exercise any voting powers or rights attaching to the Specified Securities after becoming entitled (but not obliged) to do so under this clause, all such powers and rights remain with the relevant Chargor.

**15.4 Negative covenants:** Each Chargor covenants with the Security Agent that it will not, without the prior written consent of the Security Agent (not to be unreasonably withheld or delayed):

- (a) consent to its Specified Securities being consolidated, diluted, sub-divided or converted or any rights attached to them being materially varied or any additional Securities being issued by the issuer of any Specified Securities (save to the extent that such additional Securities are subject to Security in favour of the Security Agent); or
- (b) give an instruction for its uncertificated Specified Securities to be recertificated (or for its certificated Specified Securities to be converted into uncertificated form) without the Security Agent's prior written consent and shall ensure that on recertification the new certificates are delivered to the Security Agent promptly after their issue.

**15.5 Letter of direction:** Each Chargor shall, if so requested by the Security Agent on or after an Enforcement Event, promptly countersign a Letter of Direction substantially in the appropriate form set out in Schedule *(Forms of Letter of Direction)* (or in such other appropriate form as the Security Agent may require).

**16. OPENING OF NEW ACCOUNTS**

**16.1 Creation of new account:** On receiving notice that any Chargor has created a Security Interest over or otherwise encumbered or disposed of any of its Assets in contravention of a Finance Document, a Secured Party may rule off all its accounts and open new accounts with such Chargor.

**16.2 Credits to new account:** If a Secured Party does not open a new account immediately on receipt of such notice, it shall nevertheless be treated as if it had done so on that day. From that day, all payments made by the Chargor to such Secured Party shall be treated as having been credited to a new account and shall not operate to reduce the amount owing from the Chargor to such Secured Party at the time when it received such notice.

**17. POWERS OF SALE, LEASING AND ACCEPTING SURRENDERS**

**17.1 Section 103 of the LPA:** Section 103 of the Law of Property Act 1925 shall not apply to this Debenture, and the statutory power of sale shall arise on, and be exercisable at any time after, the execution of this Debenture. However, the Security Agent shall not exercise such power of sale until this Debenture has become enforceable.

**17.2 Powers of sale extended:** The statutory powers of sale, leasing and accepting surrenders exercisable by the Security Agent by virtue of this Debenture are extended so as to authorise the Security Agent (whether in its own name or that of the Chargor concerned) to:

- (a) grant a lease of any Property vested in a Chargor or in which it has an interest on such terms and conditions as the Security Agent shall think fit; and

- (b) sever any fixtures from Property vested in a Chargor and sell them separately.

**18. APPOINTMENT OF A RECEIVER OR AN ADMINISTRATOR**

**18.1 Appointment and enforcement trigger:** Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Debenture and the floating charges contained in this Debenture. At any time after:

- (a) the occurrence of an Enforcement Event;
- (b) in relation to any Chargor, a step or proceeding is taken, or a proposal made, for the appointment of an administrator or for a voluntary arrangement under Part I of the Insolvency Act 1986; or
- (c) a request has been made by the Parent and/or a Chargor to the Security Agent for the appointment of a Receiver or an administrator over its Assets or in respect of a Chargor,

then this Debenture shall become enforceable and, notwithstanding the terms of any other agreement between such Chargor and any Secured Party, the Security Agent may (unless precluded by law) appoint in writing any person or persons to be a receiver or a receiver and manager (or receivers or receivers and managers) of all or any part of the Assets of such Chargor or, an administrator or administrators of such Chargor, as the Security Agent may choose in its entire discretion.

**18.2 Power to act separately:** Where more than one Receiver or administrator is appointed, the appointees shall have power to act separately unless the Security Agent shall specify to the contrary.

**18.3 Receiver's remuneration:** The Security Agent may from time to time determine the remuneration of a Receiver.

**18.4 Removal of Receiver:** The Security Agent may (subject to section 45 of the Insolvency Act 1986) remove a Receiver from all or any of the Assets of which he is the Receiver.

**18.5 Further appointments of a Receiver:** Such an appointment of a Receiver shall not preclude:

- (a) the Security Agent from making any subsequent appointment of a Receiver over all or any Assets over which a Receiver has not previously been appointed or has ceased to act; or
- (b) the appointment of an additional Receiver to act while the first Receiver continues to act.

**18.6 Receiver's agency:** The Receiver shall be the agent of the relevant Chargor (which shall be solely liable for his acts, defaults and remuneration) unless and until such Chargor goes into liquidation, after which time he shall act as principal and shall not become the agent of the Security Agent or the Secured Parties.

**19. POWERS OF A RECEIVER**

**19.1 General:** The Receiver may exercise, in relation to each Chargor over whose Assets he is appointed, all the powers, rights and discretions set out in Schedules 1 and 2 to the Insolvency Act 1986 and in particular, by way of addition to and without limiting such powers, the Receiver may, with or without the concurrence of others:

- (a) sell, lease, let, license, grant options over and vary the terms of, terminate or accept surrenders of leases, licences or tenancies of, all or any of the Assets of the relevant Chargor, without the need to observe any of the provisions of sections 99 and 100 of the Law of Property Act 1925, in such manner and generally on such terms and conditions as he shall think fit in his absolute and unfettered discretion and any such sale or disposition may be for cash, Securities or other valuable consideration (in each case payable in a lump sum or by instalments) and carry any such transactions into effect in the name of and on behalf of such Chargor;
- (b) promote the formation of a Subsidiary of the relevant Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Assets of such Chargor;
- (c) sever any fixtures from Land and/or sell them separately;
- (d) exercise all voting and other rights attaching to Securities owned by the relevant Chargor;
- (e) arrange for the purchase, lease, licence or acquisition of all or any Assets of the relevant Chargor by any Subsidiary on a basis whereby the consideration may be for cash, Securities, shares of profits or sums calculated by reference to profits or turnover or royalties or licence fees or otherwise, whether or not secured on the assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or by instalments over such period as the Receiver may think fit;
- (f) make any arrangement or compromise with any Secured Party or others as he shall think fit;
- (g) make and effect all repairs, renewals and improvements to the Assets of the relevant Chargor and effect, renew or increase insurances on such terms and against such risks as he shall think fit;
- (h) appoint managers, officers and agents for the above purposes at such remuneration as the Receiver may determine;
- (i) redeem any prior encumbrance and settle and pass the accounts of the encumbrancer and any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the relevant Chargor and the money so paid shall be deemed an expense properly incurred by the Receiver;
- (j) pay the proper administrative charges of any Secured Parties in respect of time spent by their agents and employees in dealing with matters raised by the Receiver or relating to the receivership of the relevant Chargor;
- (k) commence and/or complete any building operations upon any Land of the relevant Chargor and apply for and obtain any planning permissions, building regulation consents or licences, in each case as he may in his absolute discretion think fit;
- (l) take all steps necessary to effect all registrations, renewals, applications and notifications as the Receiver may in his discretion think prudent to maintain in force or protect any of the relevant Chargor's Intellectual Property Rights; and
- (m) do all such other acts and things as may be considered by the Receiver to be incidental or conducive to any of the above matters or powers or otherwise

incidental or conducive to the preservation, improvement or realisation of the relevant Assets.

**20. POWER OF ATTORNEY**

**20.1 Appointment of attorney:** Each Chargor, by way of security and to more fully secure the performance of its obligations under this Debenture, hereby irrevocably appoints the Security Agent and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to:

- (a) do anything which that Chargor is obliged to do (but has not done within 5 Business Days of being notified by the Security Agent of such failure and being requested to comply) in accordance with this Debenture, including to execute and, following an Enforcement Event, deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) enable the Security Agent, any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Debenture or by statute in relation to this Debenture or the Assets charged, or purported to be charged, by it.

**20.2 Ratification:** Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

**20.3 Sums recoverable:** All sums expended by the Security Agent, nominee and/or any Receiver under this clause 20 shall be recoverable from each relevant Chargor under clause 26 (*Costs, expenses and liabilities*).

**21. OTHER POWERS EXERCISABLE BY THE SECURITY AGENT**

**21.1 Receiver's powers:** All powers of the Receiver conferred by this Debenture may be exercised by the Security Agent after this Debenture has become enforceable in accordance with clause 18.1 (*Appointment and enforcement triggers*). In that event, clause 19.1(i) (*Powers of Receiver*) shall be read and construed as if the words "be charged on the Assets of the relevant Chargor" were substituted for the words "be deemed an expense properly incurred by the Receiver".

**21.2 Receipt of book debts:** Following the occurrence of an Enforcement Event, the Security Agent, its nominee or any manager, officer or agent of the Security Agent is hereby irrevocably empowered to:

- (a) receive all book debts and other debts and claims which may be assigned to the Security Agent pursuant to this Debenture;
- (b) on payment to give an effectual discharge for them and on non-payment to take and institute (if the Security Agent in its sole discretion so decides) all steps and proceedings either in the name of the relevant assignor or in the name of the Security Agent for their recovery; and
- (c) agree accounts and to make allowances and to give time to any surety.

The relevant assignor ratifies and confirms whatever the Security Agent or any manager or officer of the Security Agent shall do or purport to do under this clause 21.



21.3 **Security Agent's powers:** The Security Agent shall have no liability or responsibility to any Chargor arising out of the exercise or non-exercise of the powers conferred on it by this clause 21, except for gross negligence or wilful default.

21.4 **No duty of enquiry:** The Security Agent need not enquire as to the sufficiency of any sums received by it in respect of any book debt or other debt or claim so assigned to it or make any claim or take any other action to collect in or enforce them.

22. **APPLICATION OF MONEY RECEIVED BY THE SECURITY AGENT OR A RECEIVER**

22.1 **Order of priority:** Any money received or realised under the powers conferred by this Debenture shall be paid or applied in accordance with the terms of the Intercreditor Agreement as the same may be amended or superseded from time to time.

22.2 **Suspense account:** Until all the Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may place and keep to the credit of a suspense account any money received from or realised in respect of any Chargor's liability under this Debenture. The Security Agent shall have no intermediate obligation to apply such money in or towards the discharge of any of the Secured Sums. Amounts standing to the credit of any such suspense account shall bear interest at a rate considered by the Security Agent in good faith to be a fair market rate.

22.3 **Discretion to apply:** Until all Secured Sums have been unconditionally and irrevocably paid and discharged in full, the Security Agent may refrain from applying or enforcing any other moneys, security or rights held by it in respect of the Secured Sums or may apply and enforce such moneys, security or rights in such manner and in such order as it shall decide in its reasonable discretion and subject to the terms of the Finance Documents.

23. **PROTECTION OF THIRD PARTIES**

23.1 **No duty to enquire:** No purchaser from, or other person dealing with, the Security Agent its nominee or any Receiver or administrator shall be concerned to enquire whether any of the powers which the Security Agent has exercised or purported to exercise has arisen or become exercisable, or whether this Debenture has become enforceable, or whether any nominee, Receiver or administrator has been validly appointed, or whether any event or cause has happened to authorise the Security Agent, any nominee or a Receiver or administrator to act or as to the propriety or validity of the exercise or purported exercise of any such power, and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

23.2 **Receipt:** The receipt of the Security Agent shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any money paid to or by the direction of the Security Agent.

24. **PROTECTION OF THE SECURITY AGENT ANY NOMINEE AND RECEIVER**

24.1 **Limitation:** Neither the Security Agent nor any nominee or Receiver shall be liable in respect of any Liability which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise, any of their respective powers under or by virtue of this Debenture, except if and insofar as such Liability results from its or his own gross negligence or wilful default.

24.2 **Entry into possession:** Without prejudice to the generality of clause 24.1 (*Limitation*), none of the Security Agent, any nominee or any Receiver shall be liable to account as mortgagee in possession or otherwise for any sum not actually received by it or him

respectively. If and whenever the Security Agent or any nominee enters into possession of any Assets, it shall be entitled at any time at its discretion to go out of possession.

**25. SECURITY AGENT**

**25.1 Security Agent as trustee:** The Security Agent declares itself to be a trustee of this Debenture (and any other Security Interest created in its favour pursuant to this Debenture) for the Secured Parties. The retirement of the person for the time being acting as Security Agent and the appointment of a successor shall be effected in the manner provided for in Security Trust Deed.

**25.2 Trustee Act 2000:** The Parties agree that the Security Agent shall not be subject to the duty of care imposed on trustees by the Trustee Act 2000.

**25.3 No partnership:** Nothing in this Debenture shall constitute or be deemed to constitute a partnership between any of the Secured Parties and the Security Agent.

**26. COSTS, EXPENSES AND LIABILITIES**

**26.1 Costs and expenses:** Each Chargor shall, without double recovery, pay the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Security Agent or any Receiver in connection with the negotiation, preparation and execution, completion and perfection of this Debenture and any documents referred to in this Debenture.

**26.2 Enforcement costs:** Each Chargor shall, without double recovery and within three Business Days of demand, pay to the Security Agent, for each Secured Party on a full indemnity basis, the amount of all costs and expenses (including legal, valuation, accountancy and consultancy fees and disbursements and out-of-pocket expenses) and any VAT thereon, incurred by the Security Agent and/or any other Secured Party in connection with the enforcement of or the preservation of or the release of any of its rights under this Debenture or any documents referred to in this Debenture in any jurisdiction and any proceedings instituted by or against the Security Agent, in any jurisdiction, as a consequence of taking, holding or enforcing the Security created by this Debenture.

**26.3 Indemnity for Liabilities:** Each Chargor shall also, within three Business Days of the Security Agent's written demand, reimburse or pay to the Security Agent, its employees or agents and any nominee, on demand (on the basis of a full indemnity) the amount of all Liabilities reasonably incurred by the Security Agent, its employees or agents or any nominee, in connection with:

- (a) any default or delay by such Chargor in the performance of any of its obligations under this Debenture;
- (b) the exercise, or the attempted or purported exercise, by or on behalf of the Security Agent of any of its powers or any other action taken by or on behalf of the Security Agent with a view to or in connection with the recovery of the Secured Sums, the enforcement of the Security Interests created by this Debenture or for any other purpose contemplated in this Debenture;
- (c) the carrying out or consideration of any other act or matter which the Security Agent may reasonably consider to be conducive to the preservation, improvement or benefit of any Asset; and
- (d) any stamp duty, stamp duty reserve tax or similar tax which may be payable as a result of the execution or performance of this Debenture.

**27. INTEREST ON OVERDUE AMOUNTS**

- (a) Any overdue amounts secured by and not paid in accordance with this Debenture when due shall (subject to paragraph (b) below) carry interest at the rate and in accordance with the terms contained in the relevant Finance Document in relation to overdue sums or at such other rate and in accordance with the terms (if any) agreed between the relevant Chargor and the relevant Secured Party or (in the absence of any such agreed rates) at the rate of three per cent per annum over the Base Rate from time to time of the Security Agent. In each case, interest shall accrue on a day-to-day basis to the date of repayment in full and, if unpaid, shall be compounded on the terms so agreed (or in the absence of such agreed terms) with quarterly rests on the Security Agent's usual quarterly interest days. Interest shall continue to be charged and compounded on this basis after as well as before any demand or judgment.
- (b) Paragraph (a) above shall not apply to the extent that default interest on such amount is charged pursuant to the relevant Finance Document and itself constitutes part of the Secured Sums.

**28. SET-OFF**

After the occurrence of an Enforcement Event which is continuing, a Secured Party may (but is not obliged to) retain any money it is holding (in any capacity) standing to the credit of any Chargor in any currency upon any account or otherwise (whether or not in such Chargor's name) as cover for any Secured Sums and/or at any time or times without notice to such Chargor set off all or any of such money against all or such part of the Secured Sums due, owing or incurred by that Chargor as the Security Agent may select. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

**29. CURRENCY INDEMNITY**

If, for any reason, any amount payable to a Secured Party by a Chargor under this Debenture is paid or recovered in a currency other than that in which it is required to be paid (the "contractual currency"), then, to the extent that the payment to such Secured Party (when converted into the contractual currency at its then applicable rate of exchange using a reasonable source of exchange) falls short of the amount payable in the contractual currency, such Chargor shall, as a separate and independent obligation, fully indemnify such Secured Party within 3 Business Days of demand against the amount of the shortfall.

**30. TRANSFER**

**30.1 Transfer by a Secured Party**

- (a) Any Secured Party may at any time assign and transfer all or any of its rights in relation to this Debenture to any person to whom it is permitted to assign or transfer any of its rights under the relevant Finance Documents or otherwise grant an interest in them to any person, subject to the terms of the Finance Documents.
- (b) The Security Agent may assign and transfer all of its rights and obligations under this Debenture to any replacement Security Agent appointed in accordance with the Security Trust Deed. Upon such assignment and transfer becoming effective, the replacement Security Agent shall be, and be deemed to be, acting as agent

and trustee for each of the Secured Parties (including itself) for the purposes of this Debenture in replacement of the previous Security Agent.

**30.2 Disclosure:** Each Chargor irrevocably authorises each Secured Party, at its discretion, at any time or from time to time, to disclose any information concerning such Chargor, this Debenture and the Secured Sums:

- (a) to any associated company of such Secured Party;
- (b) to any prospective assignee or transferee or grantee referred to in clause 30 (*Transfer*) and any other person considered by such Secured Party to be concerned in the prospective transaction; and
- (c) to any person who, as part of the arrangements made in connection with any transaction referred to in clause 30 (*Transfer*), requires such information after the transaction has been effected.

provided, in each case, that any such associated company, potential assignee, transferee or grantee enters into a Confidentiality Undertaking in relation to such information and the Secured Party concerned complies with the express terms of the Finance Documents.

The above authority is without prejudice to a Secured Party's right of disclosure implied by law.

**31. ACCESSION OF A NEW CHARGOR**

**31.1 Method:** Any member of the Group may at any time, with the prior written approval of the Security Agent, become a party to this Debenture by delivering to the Security Agent in form and substance satisfactory to it:

- (a) a Deed of Accession and Charge; and
- (b) certified extracts from the minutes of a meeting of its Board of Directors evidencing the due authorisation and execution of the Deed of Accession and Charge and any other conditions precedent required by the Finance Documents.

**31.2 New Chargor bound:** The New Chargor shall become a Chargor under this Debenture with effect from the time when the Deed of Accession and Charge takes effect, at which point:

- (a) the New Chargor shall become bound by all the terms of this Debenture and shall assume the same obligations as "Chargor" as if it were an original Party to this Debenture; and
- (b) the other Chargors shall assume the same obligations in respect of the New Chargor as if it were an original Party to this Debenture.

**32. RELEASE OF SECURITY**

**32.1 Redemption:** Subject to Clause 32.2 (*Avoidance of Payments*), if all Secured Sums have been irrevocably paid or discharged in full and none of the Secured Parties are under any further actual or contingent liability to make advance or provide other financial accommodation to any person under any Finance Document, the Security Agent will (at the request and cost of the Chargors), execute and do all such reasonable acts as may be necessary to release the Chargors and the Assets from the Security constituted by this Debenture, discharge the Guarantors from the guarantees, re-assign the relevant Assets

back to the Chargors and return all title documents, share certificates, stock transfer forms and other ancillary documents delivered to it in connection with this Debenture or discharge the undertakings in relation to the same.

- 32.2 **Avoidance of Payments:** If the Security Agent considers in good faith that any amount received in payment or purported payment of the Secured Sums is capable of being avoided or reduced by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of each Chargor under this Debenture and the Security constituted by this Debenture shall continue and such amount shall not be considered to have been irrevocably paid.

33. **AUTHORITY OF THE PARENT**

- 33.1 **Authority to act for the Chargors:** The Parent is irrevocably authorised by each Chargor at any time, with the Security Agent's prior written agreement:

- (a) to add any further member of the Group as a Chargor and Guarantor under this Debenture;
- (b) to appoint another member of the Group to act as its successor as agent for the Chargors and the Guarantors under this clause;
- (c) to give or receive on behalf of the Chargors and the Guarantors any notice pursuant to this Debenture;
- (d) to vary the terms of this Debenture; and/or
- (e) to sign any document and perform any act on behalf of each or any Chargor and Guarantor required to effect or implement any of these matters.

- 33.2 **Parent's action assumed to be valid:** Each act so performed and each document so signed by the Parent shall be binding on each Chargor and Guarantor and the Security Agent may assume that any requisite approvals have been obtained by the Parent from all Chargors and Guarantors.

34. **EVIDENCE OF SECURED SUMS**

A certificate signed (or, where reliance is being placed on it by any third party, appearing to be signed) by an officer of the Security Agent as to the Secured Sums for the time being due or owing from a Chargor to a Secured Party shall be treated, in favour of such Secured Party or any person to whom such certificate is issued, as conclusive evidence for all purposes against the relevant Chargor and binding on it (save in the case of manifest error) and such certificate may be relied upon by any Secured Party and any other such person in all circumstances without further enquiry.

35. **THIRD PARTY RIGHTS**

- 35.1 **Directly enforceable rights:** Pursuant to the Contracts (Rights of Third Parties) Act 1999:

- (a) the provisions of clause 28 (*Set-off*), clause 29 (*Currency indemnity*) and clause 30 (*Transfer by a Secured Party*) shall be directly enforceable by a Secured Party;
- (b) the provisions of clause 18 (*Appointment of a Receiver or an administrator*) to clause 24 (*Protection of the Security Agent and Receiver*) inclusive shall be directly enforceable by any nominee or Receiver;

- (c) the provisions of clause 22.2 (*Protection of third parties*) shall be directly enforceable by any purchaser; and
- (d) clause 34 (*Evidence of Secured Sums*) shall be directly enforceable by any person to whom a certificate is issued under clause 34.

**35.2 Exclusion of Contracts (Rights of Third Parties) Act 1999:** Save as otherwise expressly provided in clause 35.1 (*Directly enforceable rights*), no person other than a Party shall have any right by virtue of the Contracts (Rights of Third Parties) Act 1999 to enforce any term (express or implied) of this Debenture, but without prejudice to any right or remedy of the third party which may exist or be available apart from that Act.

**35.3 Rights of the Parties to vary:** The Parties (or the Parent, on behalf of the Chargors, and the Security Agent) may by agreement vary any term of this Debenture (including this clause 35) without the necessity of obtaining any consent from any other person.

**36. JOINT AND SEPARATE LIABILITY**

All covenants, agreements, representations and warranties on the part of the Chargors contained in this Debenture are given by them jointly and separately and shall be construed accordingly.

**37. FORBEARANCE, SEVERABILITY, VARIATIONS AND CONSENTS**

**37.1 Delay etc:** All rights, powers and privileges under this Debenture shall continue in full force and effect, regardless of any Secured Party nominee or Receiver exercising, delaying in exercising or omitting to exercise any of them.

**37.2 Severability:** No provision of this Debenture shall be avoided or invalidated by reason only of one or more other provisions being invalid or unenforceable.

**37.3 Illegality, invalidity, unenforceability:** Any provision of this Debenture which is or becomes illegal, invalid or unenforceable shall be ineffective only to the extent of such illegality, invalidity and unenforceability, without invalidating the remaining provisions of this Debenture.

**37.4 Variations:** No variation of this Debenture shall be valid and constitute part of this Debenture, unless such variation shall have been made in writing and signed by the Security Agent (on behalf of the Secured Parties) and the Parent (on behalf of the Chargors) or by all Parties.

**37.5 Consents:** Save as otherwise expressly specified in this Debenture or any other Finance Document, any consent of the Security Agent may be given absolutely or on any terms and subject to any conditions as the Security Agent may determine in its discretion in accordance with the Finance Documents (acting reasonably).

**38. COUNTERPARTS**

This Debenture may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single document.

**39. SERVICE OF DEMANDS AND NOTICES**

**39.1 Addresses:** Any communication to be made under or in connection with this Debenture may be made or given by any manager, officer or agent of the Security Agent:

- (a) in writing addressed to the relevant Chargor and served on it at the address for service of such Chargor stated in Schedule 1 (*The Chargors*); or
- (b) by facsimile transmission to the facsimile number specified for service of such Chargor stated in Schedule 1 (*The Chargors*),

or any substitute address or fax number or department or officer as the Chargor may notify to the Security Agent by not less than five Business Days' notice.

**39.2 Delivery:** A notice or demand shall be deemed to be duly served on a Chargor:

- (a) if delivered by hand, at the time it is delivered;
- (b) if sent by pre-paid first class post, five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
- (c) if given or made by facsimile, when received in legible form;

and, if a particular department or officer is specified as part of its address details provided under Clause 39.1 (*Addresses*), if addressed to that department or officer. Provided that, where delivery or transmission occurs after 6.00 pm on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9.00 am on the next Business Day.

**39.3 Security Agent:** 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 any department or officer identified as part of its address details at the end of this Debenture (or any substitute department or officer that the Security Agent shall specify for this purpose).

**39.4 Notice or demand to Chargors:** A notice or demand duly served on the Parent by the Security Agent shall constitute effective notice to or demand on all Chargors.

**39.5 Electronic mail:** Notices under this Debenture may not be served by electronic mail or other electronic means of communication other than facsimile.

**39.6 Notification of change:** Promptly upon receipt of notification of an address or fax number or change of address or fax number pursuant to clause 39.1 (*Addresses*) or changing its own address or fax number, the Security Agent shall notify the other parties.

**40. GOVERNING LAW AND JURISDICTION**

**Governing law:** This Debenture and all non-contractual obligations arising in any way whatsoever out of or in connection with this Debenture shall be governed by, construed and take effect in accordance with English law.

**41. ENFORCEMENT**

**41.1 Jurisdiction of English courts**

- (a) The courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Debenture (whether contractual or non-contractual, including a dispute regarding the existence, validity or termination of this Debenture or any claim for set-off) or the legal relationships established by this Debenture (a "Dispute") only where such Dispute is the subject of proceedings commenced by a Chargor.

- (b) Where a Dispute is the subject of proceedings commenced by the Security Agent or by one or more Secured Parties, the Security Agent is or any such Secured Parties are (as applicable) entitled to bring such proceedings before any courts with jurisdiction by reason of the registered office of the relevant Chargors (including but not limited to the courts of England). If a Chargor raises a counter-claim in the context of proceedings commenced by the Security Agent or by one or more Secured Parties, that Chargor shall bring such counter-claim before the court seized of the Security Agents', Secured Party's or Secured Parties' claim and no other court.
- (c) To the extent allowed by law, each Chargor irrevocably waives any objection it may now or hereafter have on any grounds whatsoever to the laying of venue of any legal proceeding, and any claim it may now or hereafter have that any such legal proceeding has been brought in an inappropriate or inconvenient forum.

#### 41.2 Services of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (unless incorporated in England and Wales):
  - (i) irrevocably appoints Laing O'Rourke plc as its agent for service of process in relation to any proceedings before the English courts in connection with this Debenture and Laing O'Rourke plc, by its execution of this Debenture, accepts that appointment; and
  - (ii) agrees that failure by a process agent to notify the relevant Chargor of the process will not invalidate the proceedings concerned;
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, Laing O'Rourke plc must immediately (and in any event within 5 days of such event taking place) appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.

#### 41.3 Agreement: Each Chargor expressly agrees and consents to the provisions of this clause 41.

**THIS DEBENTURE** has been executed by each Chargor as a deed and signed by the Security Agent and it has been delivered and shall take effect on the date stated at the beginning of this document.



**SCHEDULE 1**

**Part 1**

**The Chargors**

<b>Name of Chargor</b>	<b>Registered Number (including place of incorporation)</b>	<b>Address for Service</b>
Anchor Boulevard Limited	04171675 (England and Wales)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary  Fax: +44(0)1322 296262
Canal Harbour Development Company Limited	411651 (Ireland)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary  Fax: +44(0)1322 296262
Coventry Urban Regeneration Limited	06371949 (England and Wales)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary  Fax: +44(0)1322 296262
Explore Living Limited	05398492 (England and Wales)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary  Fax: +44(0)1322 296262
Explore Living Property Management Limited	05597437 (England and Wales)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary  Fax: +44(0)1322 296262
Irishtown Developments Limited	264709 (Ireland)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN

		Attn: Company Secretary
		Fax: +44(0)1322 296262
Laing O'Rourke Ireland Limited	336231(Ireland)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary
		Fax: +44(0)1322 296262
Sundera Holdings Limited	324975 (Ireland)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary
		Fax: +44(0)1322 296262
Sycamore Properties Limited	19,178B (Bahamas)	Bridge Place, Anchor Boulevard Admirals Park Crossways Dartford, Kent, DA2 6SN Attn: Company Secretary
		Fax: +44(0)1322 296262

Part 2

The Accounts

Name of Chargor	Sort Code	Account Number
Explore Living Limited	12-01-03	[REDACTED]
Sycamore Properties Ltd	40-42-18	[REDACTED]

## SCHEDULE 2

### Terms of Guarantee

1. **Continuing security:** This Guarantee is a continuing security to the Secured Parties and will continue in full force irrespective of whatever dealings may occur on any account between any Secured Party and any Principal.
2. **Guarantee irrevocable:** This Guarantee is irrevocable.
3. **New accounts:** If a Guarantor gives notice to the Security Agent to crystallise its liability under this Guarantee or if this Guarantee ceases for any reason to be binding on such Guarantor as a continuing security in relation to the Principal, then each Secured Party may break its accounts with such Guarantor and such Principal as it deems appropriate and open new accounts for the account holders affected.
4. **Payments:** All payments falling due by a Guarantor under this Guarantee will be made to the Security Agent without any set-off or counterclaim and free from any deduction or withholding for or on account of any taxes or other charges in the nature of taxes imposed by any competent authority. If any such deduction or withholding is required by law, such Guarantor will pay to the Security Agent any additional amount necessary to ensure that each Secured Party receives and retains the full amount of the relevant payment as if such deduction or withholding had not been made.
5. **Turnover Trust:** If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Guarantor under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with clause 22.1 (*Application of Money Received by the Security Agent or a Receiver*) of this Guarantee.
6. **Suspense account:** Any Secured Party may at any time (without prejudice to its other rights) place and keep for such time as such Secured Party may think prudent any money received, recovered or realised under or by virtue of this Guarantee on a separate or suspense account to the credit of either such Secured Party or the relevant Guarantor (as it thinks fit), without any intermediate obligation on its part to apply such money or any part of it in or towards discharge of the Secured Sums.
7. **Additional security:** This Guarantee is to be in addition to and is not to prejudice or be prejudiced by any other guarantee or security (including any other guarantee signed by a Guarantor) which a Secured Party may hold from or on account of any Principal either now or in the future.
8. **No demand:** This Guarantee may be enforced without a Secured Party first making demand on the relevant Principal or taking any steps or proceedings against such Principal or having recourse to any other guarantee or security.
9. **No subrogation:** A Guarantor shall have no right to:
  - (a) make any claim (whether by way of proof in liquidation or otherwise) against a Principal or any property of a Principal; or
  - (b) participate in any security held or money received by a Secured Party on account of the Secured Sums; or
  - (c) stand in the place of any Secured Party in respect of any such security or money,

until, in each case, all Secured Sums have been paid or discharged to the Secured Parties in full.

10. **No discharge:** A Secured Party may at any time (without affecting its rights against a Guarantor under this Guarantee) grant, extend, increase, renew, vary, determine or refuse any credit or facility to a Principal, or take, hold, exchange, vary, release, abstain from perfecting or enforcing any guarantee or security for the Secured Sums, or compromise with or extend time or grant waivers, releases or any indulgence to the Principal or a co-surety, or make any arrangement, concession or settlement with either of them or do or omit or neglect to do anything whatever which, but for this provision, might exonerate a Guarantor or discharge its obligations under this Guarantee (except for a specific written release given by the Security Agent of such obligations).
11. **Guarantor Intent:** Without prejudice to the generality of paragraph 10 (*No discharge*), each Guarantor expressly confirms that it intends that this guarantee 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: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any reasonable fees, costs and/or expenses associated with any of the foregoing.
12. **No reduction of liability:** After this Guarantee becomes enforceable, no payment received by a Secured Party from any source in respect of the Secured Sums will be treated as reducing a Guarantor's liability to the Secured Parties under this Guarantee, so that, until the Secured Parties have received payment in full of all Secured Sums, they will be deemed, as between the Secured Parties and each Guarantor, to remain wholly unsatisfied.
13. **Adjustments:** If the state of account between a Secured Party and a Principal, by reference to which any Secured Sum is calculated for the purposes of this Guarantee, requires adjustment at any time because of any insolvency law or because of any claim made against a Secured Party by an office-holder (within the meaning of section 234 of the Insolvency Act 1986) or a person performing a substantially similar function in any insolvency proceedings outside England and Wales, then, notwithstanding any other provision of this Guarantee:
  - (a) the liability of each Guarantor to such Secured Party will be increased by any amount which such Secured Party is required to pay or account for as a result of such adjustment; and
  - (b) such Secured Party may treat any release or settlement made by it with any Guarantor before any such adjustment is required as being of no effect and may still recover from such Guarantor the amount of any such adjustment.

If a Secured Party is required because of any insolvency law to pay to any such office-holder a sum of money referable to an amount paid to a third party out of any account of a Principal with such Secured Party, the amount of such repayment shall be treated as and form part of the Indebtedness owing to such Secured Party by such Principal for the purposes of this Guarantee.

14. **Insolvency claims:** If any claim is made against a Secured Party under any insolvency law, such Secured Party may agree the claim or settle it on any terms it chooses without

the necessity of asking for any Guarantor's agreement. If such Secured Party does agree or settle the claim, each Guarantor will be liable under this Guarantee as if a court order had been made containing the terms which such Secured Party has agreed. The Guarantors will be responsible for all costs and expenses which such Secured Party properly incurs in defending such a claim.

15. **Winding up:** The winding up or dissolution of a Principal will not affect a Guarantor's liability under this Guarantee and any sum payable to a Secured Party at the date of the commencement of such winding up or immediately prior to such dissolution (as the case may be) will be treated as continuing payable until actually paid in full.
16. **Liability as principal:** If any question arises as to the capacity of a Principal in relation to any dealing between such Principal and any Secured Party, or as to the capacity, authority or power of any officer, employee or agent of a Principal to bind it to any transaction with any Secured Party, or as to whether any of the Secured Sums are immediately due and payable, that question shall, as between each Guarantor and such Secured Party, be disregarded and each Guarantor will for the purposes of this Guarantee be and continue to be liable to such Secured Party in respect of any such dealing, transaction and/or Secured Sums as if such Guarantor were a principal debtor.
17. **Binding and conclusive:** Each of the following will be binding and conclusive on a Guarantor (except in the case of manifest error):
  - (a) any admission or acknowledgement in writing by a Principal or on its behalf of the amount of any Secured Sums or otherwise in relation to this Guarantee;
  - (b) any judgment or award obtained by a Secured Party against a Principal;
  - (c) any proof by a Secured Party in winding up which is admitted; or
  - (d) any statement of account furnished by a Secured Party the correctness of which is certified by any one of its officers or managers.
18. **Irish Companies Act:** Notwithstanding anything to the contrary contained in this Debenture of any other Finance Document, the obligations of any Irish Guarantor, under or pursuant to this Guarantee shall exclude any obligation to the extent that it would result in the relevant obligation constituting unlawful financial assistance within the meaning of Section 82 of the Irish Companies Act 2014 (the "Irish Companies Act").
19. **Limitation:** The guarantee granted by any Irish Guarantor shall only apply in respect of the obligations of a Group Company to the extent that such Group Company is a holding company of such Irish Guarantor, a subsidiary of such Irish Guarantor or a subsidiary of the holding company of such Irish Guarantor. For the purposes of this paragraph (b), the terms "holding company", and "subsidiary" shall have the meanings given to them in Sections 8 and 7, respectively, of the Irish Companies Act.

**SCHEDULE 3**

**Registered Land to be mortgaged**

<b>Name Chargor/Registered Proprietor</b>	<b>Description of Property</b>	<b>Title Number</b>
Anchor Boulevard Ltd	Bridge Place, Anchor Boulevard, Crossways Business Park, Dartford	K852303
Coventry Urban Regeneration Ltd	Victoria Buildings, Corporation Street, Coventry, CV1 3JH, England	WM816402
Explore Living Limited	3-31 Runwell Road, Wickford, Essex, SS11 7HG, England	EX574531
	Land at back of 3-31 Runwell Road, Wickford, Essex SS11 7HG	EX587413
	Land on the north side of at 3-31 Runwell Road, Wickford, Essex SS11 7HG	EX800359

The address for service of the Security Agent in the case of registered land is Lloyds Bank plc, Agency – Specialist Lending Services, New Ueberior House, 11 Earl Grey Street, Edinburgh, EH3 9BN, United Kingdom.

**SCHEDULE 4**

**Details of Existing Security**

Chargor	Date and Description of Charge	Description of charged Assets	Beneficiary of Security
Explore Living Limited	Legal Mortgage dated 31 December 2015 and Debenture dated 14 April 2016	<p>Land at Manston Road, Ramsgate, Kent CT12 6HR with title number K927561</p> <p>3-31 Runwell Road, Wickford, Essex, SS11 7HG, England with title number EX574531</p> <p>Land at 3-31 Runwell Road, Wickford, Essex SS11 7HG with title number EX587413</p> <p>Land at 3-31 Runwell Road, Wickford, Essex SS11 7HG with title number EX800359</p>	Lloyds Bank Plc
Anchor Boulevard Limited	Debentures dated 31 December 2015 and 14 April 2016	All assets of the Chargors	Lloyds Bank Plc
Birley Fields Limited			
Canal Harbour Development Company Limited			
Coventry Urban Regeneration Limited			
Explore Living Property Management Limited			
Irishtown Developments Limited			
Laing O'Rourke Ireland Limited			
Sundera Holdings			



Chargor	Date and Description of Charge	Description of charged Assets	Beneficiary of Security
Limited			
Sycamore Properties Limited			
Anchor Boulevard Limited	Debenture dated 27 February 2018	All assets of the Chargors	HSBC Bank PLC
	Debenture dated on or around the date of this Debenture	All assets of the Chargors	HSBC UK Bank PLC
Sycamore Properties Limited	Share Pledges dated 31 December 2015 and 14 April 2016	Shares in Birley Fields Limited	Lloyds Bank Plc
	Debenture dated 27 February 2018	All assets of the Chargors	HSBC Bank PLC
	Debenture dated on or around the date of this Debenture	All assets of the Chargors	HSBC UK Bank PLC

**SCHEDULE 5**

**Forms of Notice of Assignment/Charge**

**Part 1A**

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**Form of notice to be served at completion by the Parent/Chargor on the account bank  
pursuant to clause 6.2(a) of the Debenture**

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**[\*\*ON THE HEADED NOTEPAPER OF THE PARENT/CHARGOR\*\*]**

**[\*\*account bank\*\*]**

**[\*\*Address\*\*]**

For the attention of **[ [\*\*] ]**

**[\*\*date\*\*]**

Dear Sirs

**DEBENTURE DATED [ [\*\*] ] (THE "DEBENTURE") BETWEEN [ [\*\*] ] AND THE OTHER COMPANIES LISTED THEREIN (1) AND [ [\*\*] ] (2) (THE "SECURITY AGENT") AS TRUSTEE FOR THE SECURED PARTIES (AS DEFINED IN THE DEBENTURE)**

1. This letter constitutes notice to you that, under the Debenture, we have each:
  - (a) charged our Disposal Proceeds to the Security Agent by way of fixed charge; and
  - (b) charged all our interests and rights (if any) in or to any money at any time standing to the credit of the Accounts set out in the Schedule to the notice to the Security Agent.
2. Unless and until you receive written notice from the Security Agent of the occurrence of an Enforcement Event, you may continue to honour withdrawals from the Accounts requested by us and to act on any instruction which we may provide to you in connection with the Accounts, notwithstanding the security granted pursuant to the Debenture.
3. We hereby irrevocably and unconditionally instruct and authorise you upon receipt of written notice of the occurrence of an Enforcement Event from the Security Agent:
  - (a) to comply with the terms of any written instructions (including in relation to disclosure of information and withdrawals from the Accounts) in any way relating or purporting to relate to the Accounts which you may receive at any time and from time to time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for such notice, statement or instructions or its or their validity; and
  - (b) not to act upon our instructions with regard to the Accounts unless the Security Agent confirms those instructions to you in writing.
4. The instructions and authorisations which are contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

5. This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law.
6. Please will you acknowledge receipt of this letter and confirm your acceptance of the instructions and authorisations contained in it by sending a letter addressed to us and to the Security Agent in the form attached to this letter.

Yours faithfully

.....  
For and on behalf of  
[\*\*\*each Chargor\*\*\*]  
[\*\*\* the Parent (acting on behalf of each Chargor)\*\*\*]

**Schedule**

**Account**

Forms of Notice of Assignment/Charge

Part 2

-----  
**Form of Acknowledgement to be delivered by the account bank to the Security Agent  
pursuant to clause 6.2 of the Debenture**  
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[\*\*\*ON THE HEADED NOTEPAPER OF THE ACCOUNT BANK\*\*\*]

To: [\*\*\*Security Agent\*\*\*]  
[\*\*\*Address\*\*\*]

[\*\*\*date\*\*\*]

For the attention of [[ \*\*\* ]]

Dear Sirs

**ACCOUNTS**

We hereby acknowledge receipt of a letter (a copy of which is attached) dated [[ \*\*\* ]] (the "Notice") addressed to us by [\*\*\*each Chargor\*\*\*] (individually a "Chargor").

We hereby agree with the Security Agent on behalf of the Secured Parties that:

- (a) we accept the instructions contained in the Notice and undertake to act in accordance and comply with the Notice;
- (b) we have not received notice of the interest of any third party in any Account;
- (c) we have neither claimed or exercised nor will claim or exercise any security interest, set-off, counterclaim or other rights in respect of any Account or funds in it;
- (d) we shall permit the Chargor to withdraw any amount from an Account without your prior written consent unless and until we receive written notice from the Security Agent of the occurrence of an Enforcement Event; and
- (e) following receipt of notice of the occurrence of an Enforcement Event from the Security Agent, we shall not act upon the Chargor's instructions with regard to the Accounts unless the Security Agent confirms those instructions to us in writing and shall comply with the terms of any written instructions in accordance with paragraph 3 of the Notice.

The expressions defined or incorporated by reference in the Notice shall, unless the context otherwise require, have the same meanings in this letter.

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law.

Yours faithfully

For and on behalf of  
[\*\*\*account bank\*\*\*]

Part 3

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED AGREEMENT CLAIMS

Served by Recorded Delivery or By Hand

To: [\*counterparty\*]

[\*date\*]

Dear Sirs,

Notice of Assignment

We refer to the [*description of Assigned Agreement*] dated [ \*\*\* ] made between Yourselfs (1) and [ \*\*\* ] (2) (the "Agreement").

We refer to a Debenture (the "Debenture") dated [ \*\*\* ] made between, inter alia, [ \*\*\* ] (the "Security Agent") and ourselves. Terms defined in the Debenture are to have the same meanings in this letter.

We hereby give you notice that all claims arising in respect of the Agreement (the "Contract Claims") have been assigned by way of security to the Security Agent by Clause 3.1 (Assignments) of the Debenture.

We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous directions which we may have given you to the contrary):

- unless otherwise directed by the Security Agent, to furnish or disclose to the Security Agent in addition to ourselves all material notices, matters or things required under the Agreement or any related document to be furnished and disclosed to ourselves; and
- to accept from and agree with the Security Agent (and not ourselves) all claims under, discharges for and waivers, variations, terminations and cancellations of the Agreement, any other document which is incidental to the Agreement and/or the Contract Claims without any reference to or further authority from us.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law.

Please confirm your acknowledgement of this Notice by signing the acknowledgements set out at the foot of the enclosed duplicate hereof and by returning the same to Hogan Lovells International LLP at Atlantic House, London EC1A 2FG (Ref F3EJC/145151.002000) and to [ \*\*\**Security Agent's name and address*\*\*\* ] marked for the attention of [ \*\*\* ].

Signed

-----

for and on behalf of

[\*\*\*the Company\*\*\*]

[on copy]

ACKNOWLEDGEMENT

To: Hogan Lovells International LLP

Atlantic House

London EC1A 2FG

Ref: [\*\*\*]

To: [\*\*\* Security Agent \*\*\*]

For the attention of: [\*\*\*]

We, [\*\*\* Counterparty\*\*\*] hereby acknowledge receipt of a notice of assignment from [\*\*\*the Chargor\*\*\*] (the "Assignor") of which the attached is a copy (the "Notice of Assignment").

We confirm that:

- (a) we have not received notice of any other assignment of the Contract Claims described in the Notice of Assignment or any interest therein;
- (b) we will not, without the prior written consent of the Security Agent (not to be unreasonably withheld), vary, rescind or otherwise alter or terminate the Agreement or in any way prejudice the rights of the Security Agent and the Secured Parties under the Agreement; and
- (c) we confirm that we will act in accordance with the instructions given by the Assignor in the Notice of Assignment.

For and on behalf of

.....

[\*\*\* Counterparty\*\*\*]

Dated:

SCHEDULE 5

Part 4

NOTICE TO HEDGING COUNTERPARTIES

Served by Recorded Delivery or By Hand

To: [\*Hedge Counterparty\*]

[\*date\*]

Dear Sirs,

Notice of Assignment

We refer to a Debenture (the "Debenture") dated [ \*\*\* ] made between, inter alia, [ \*\*\* ] (the "Security Agent") and ourselves. Terms defined in the Debenture are to have the same meanings in this letter.

We hereby give you notice that we have assigned all our rights, title and interest in and to the [\* define \*] (the "Hedging Agreements") to the Security Agent by Clause 3.1 (*Assignments*) of the Debenture.

We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous directions which we may have given you to the contrary):

1. unless otherwise directed by the Security Agent, to furnish or disclose to the Security Agent in addition to ourselves all notices, matters or things required under the Hedging Agreements to be furnished and disclosed to ourselves;
2. to hold to the order of the Security Agent all sums from time to time due and payable by you to us under the Hedging Agreements;
3. to pay or release all or any part of the sums from time to time due and payable by you to us under the Hedging Agreements in accordance with the written instructions given to you by the Security Agent from time to time; and
4. to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to the Debenture, the sums payable to the Chargor from time to time under the Hedging Agreements or the debts represented thereby, which you receive from the Security Agent from time to time without reference to or further authority from the Chargor and without any enquiry by you as to the justification for or validity of such notice or instruction.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law.

Please confirm your acknowledgement of this Notice by signing the acknowledgements set out at



the foot of the enclosed duplicate hereof and by returning the same to Hogan Lovells International LLP at Atlantic House, London EC1A 2FG (Ref F3EJC/145151.002000) and to [\*\*\*Security Agent's name and address\*\*\*] marked for the attention of [\*\*\*].

Signed

.....  
for and on behalf of

[\*\*\*the Company\*\*\*]

[on copy]

ACKNOWLEDGEMENT

To: Hogan Lovells International LLP

Atlantic House

London EC1A 2FG

Ref: [\*\*\*]

To: [\*\*\* Security Agent \*\*\*]

For the attention of: [\*\*\*]

We, [\*\*\* Hedge Counterparty\*\*\*] hereby acknowledge receipt of a notice of assignment from the Company of which the attached is a copy (the "Notice of Assignment").

We confirm that we have not received notice of any other assignment of the Hedging Agreements described in the Notice of Assignment or any interest therein.

For and on behalf of

.....  
[\*\*\* Hedge Counterparty \*\*\*]

Dated:

SCHEDULE 5

Part 5

FORM OF NOTICE OF ASSIGNMENT - INSURANCES

Served by Recorded Delivery or By Hand

To: *[insert name and address of Insurer]*

*[Date]*

Dear Sirs

Re: *[describe relevant policies]* dated *[date]* between (1) you and (2) *[insert name of Charging Companies]*

1. We give notice that, by a debenture (the "Debenture") dated *[\*\*\*]* made between inter alia *[\*\*\*]* (the "Security Agent") and ourselves, we have assigned by way of security to the Security Agent all our rights, title and interest from time to time in respect of any sums payable to us pursuant to the Policies (together with any other agreement supplementing or amending the same, the "Policies"). We note, for the avoidance of doubt, that the assignment relates solely to the rights, title and interest of the signatories to this notice and not those of any other insured party under the Policies.
2. We irrevocably authorise and instruct you from time to time:
  - (a) to disclose to the Security Agent (without any reference to or further authority from us) such information relating to the Policies as the Security Agent may from time to time reasonably request;
  - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Agent and to pay or release all or any part of those sums only in accordance with the written instructions given to you by the Security Agent from time to time;
  - (c) to comply with any written notice or instructions relating to the Debenture, the sums payable by you to us from time to time under the Policies (or the debts represented by them) which you may receive from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
  - (d) to send copies of all notices and other material information given or received under the Policies to the Security Agent.
3. This notice may only be revoked or amended with the prior written consent of the Security Agent.

4. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you:
  - (a) accept the instructions and authorisations contained in this notice and undertake to comply with this notice; and
  - (b) have not received notice of the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them.
5. This notice is governed by English law.

Yours faithfully

for and on behalf of

**[Name of Chargors]**

[on copy]

To:            *[Name of Security Agent]*  
                 as Security Agent  
                 *[address of Security Agent]*

Copy to:      *[Name of Chargor]*

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms.

for and on behalf of

*[Name of Insurer]*

Dated:

SCHEDULE 5

Part 6

FORM OF NOTICE OF ASSIGNMENT OF STRUCTURAL INTERCOMPANY DEBT

Served by Recorded Delivery or By Hand

To: [\*Intra Group Debtor\*]

[\*date\*]

Dear Sirs,

Notice of Assignment

We refer to *[\*\*\* describe Structural Intercompany Debt \*\*\*]* (the "Structural Intercompany Debt").

We refer to a debenture (the "Debenture") dated [ \*\*\* ] made between, inter alia, [ \*\*\* ] (the "Security Agent") and ourselves. Terms defined in the Debenture are to have the same meanings in this letter.

We hereby give you notice that we have assigned by way of security all of our rights, title and interest from time to time in respect of the Structural Intercompany Debt to the Security Agent by Clause 3.1 (*Assignments*) of the Debenture.

We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous directions which we may have given you to the contrary):

- unless otherwise directed by the Security Agent, to furnish or disclose to the Security Agent in addition to ourselves all notices, matters or things relating to the Structural Intercompany Debt; and
- to accept from and agree with the Security Agent all claims under, discharges for and waivers, variations, terminations and cancellations of the Structural Intercompany Debt without any reference to or further authority from us.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Agent together give you notice in writing revoking them.

This letter and all non-contractual obligations arising in any way whatsoever out of or in connection with this letter shall be governed by, construed and take effect in accordance with English law.

Please confirm your acknowledgement of this Notice by signing the acknowledgements set out at the foot of the enclosed duplicate hereof and by returning the same to Hogan Lovells International LLP at Atlantic House, London EC1A 2FG (Ref F3EJC/145151.002000) and to *[\*\*\*Security Agent's name and address\*\*\*]* marked for the attention of [ \*\*\* ].

Signed

.....  
for and on behalf of

[\*\*\**Relevant Chargor*\*\*\*]

[on copy]

**ACKNOWLEDGEMENT**

To: Hogan Lovells International LLP

Atlantic House

London EC1A 2FG

Ref: [\*\*\*]

To: [\*\*\* Security Agent \*\*\*]

For the attention of: [\*\*\*]

We hereby acknowledge receipt of a notice of assignment from [\*\*\* *Chargor* \*\*\*] (the "**Assignor**") of which the attached is a copy (the "**Notice of Assignment**").

We confirm that:

- (a) we have not received notice of any other assignment of the Structural Intercompany Debt described in the Notice of Assignment or any interest therein;
- (b) we will not, without the prior written consent of the Security Agent (not to be unreasonably withheld), vary, rescind or otherwise alter or terminate the terms of the Structural Intercompany Debt or in any way prejudice the rights of the Security Agent and the Secured Parties in respect of the Structural Intercompany Debt; and
- (c) we confirm that we will act in accordance with the instructions given by the Assignor in the Notice of Assignment.

For and on behalf of

.....  
[\*\*\* *Structural Intercompany Debtor* \*\*\*]

Dated:

**SCHEDULE 6**

**Specified Intellectual Property**

None Applicable

SCHEDULE 7

Forms of Letter of Direction

Clause 15 (*Specified Securities*)

Form of letter of direction for use in connection with a legal charge  
of Securities held in CREST

[TO BE TYPED ON THE HEADED NOTEPAPER OF THE SECURITY AGENT]

To: [\*\*\*Chargor\*\*\*]

[\*\*\*Address\*\*\*]

Dear [\*\*\*Chargor\*\*\*]

We refer to the Debenture executed by you dated [[ \*\*\* ]] (the "Debenture") under which you created a fixed charge in our favour over, amongst other things, the shares, brief particulars of which are set out in the Schedule to this letter (the "Shares").

By this letter, which is expressly contemplated by the Debenture and is to be taken as forming a single agreement with it, we each respectively confirm that we shall immediately give or cause to be given to Euroclear UK & Ireland Limited ("Euroclear"), as Operator of the CREST system, all necessary instructions in accordance with Euroclear's specifications and requirements, and take or procure to be taken such action as shall be required to be taken, to ensure the settlement today [\*\*\*or on the next following business day\*\*\*] through CREST of transfers of all the Shares from you to us/our nominee, [\*\*\* Limited] (participant ID [[ \*\*\* ]] and member account [[ \*\*\* ]]). It is acknowledged and agreed that the CREST transfer will bear the CREST transaction stamp status flag "5" which shall be entered by any party to the CREST transfer who is entitled to enter the same.

Pending the settlement in CREST of those transfers and the registration of the transfers by the respective issuers of the Shares, by signing and returning this letter, you will thereby transfer and confirm the transfer to us/[\*\*\* Limited] of your entire interest in the Shares subject to the terms of the Debenture referred to above. We acknowledge that the interest and rights conferred upon us/[\*\*\* Limited] by such action in relation to the Shares concerned are held and exercisable by us/[\*\*\* Limited] subject to the terms of your Membership Agreement with Euroclear.

It is hereby certified that the transfer of the Shares and of any interest in the Shares is transferred by way of security for a loan.

We enclose a duplicate of this letter for your files.

Yours faithfully

\*\*\*\*\*  
for [\*\*\*Insert name of Security Agent\*\*\*]



**SCHEDULE**

<b>Number of Shares</b>	<b>Denomination and Class of Shares</b>	<b>Name of Issuer</b>
-------------------------	---	-----------------------

**Endorsement**

We, the undersigned, being the Chargor referred to above, agree, confirm and declare as set out above.

.....  
[\*\*Insert name of Chargor\*\*]

**Clause 15.5 (Specified Securities)**

**Form of letter of direction for use in connection with an equitable charge of Securities held in CREST**

[TO BE TYPED ON THE HEADED NOTEPAPER OF THE SECURITY AGENT]

To: [\*\*\*Chargor\*\*\*]  
[\*\*\*Address\*\*\*]

Dear [\*\*\*Chargor\*\*\*]

We refer to the Debenture executed by you dated [[ \*\*\* ]] (the "Debenture") under which you created a fixed equitable charge in our favour over, amongst other things, the shares, brief particulars of which are set out in the Schedule to this letter (the "Shares").

By this letter, which is expressly contemplated by the Debenture and is to be taken as forming a single agreement with it, we instruct you to give or cause to be given, and you confirm that you shall immediately give or cause to be given, to Euroclear UK & Ireland Limited ("Euroclear"), as Operator of the CREST system, all necessary instructions in accordance with Euroclear's specifications and requirements, and take or procure to be taken such actions as shall be required to be taken, to ensure the transfer today [\*\*\*or on the next following business day\*\*\*] of all the Shares into an escrow balance in your member account [[ \*\*\* ]] in respect of which we/our nominee, [\*\*\* Limited] (participant ID [[ \*\*\* ]]) are/is named as escrow agent. It is acknowledged and agreed that the transfer to escrow will in the shared note field refer to flag"5" which shall be entered by any party to the CREST transfer who is entitled to enter the same.

Pending the transfer in CREST to the escrow balance, by signing and returning this letter, you will thereby transfer and confirm the transfer to us/[\*\*\* Limited] of your entire interest in the Shares subject to the terms of the Debenture referred to above. We acknowledge that the interest and rights conferred upon us/[\*\*\*Nominees\*\*\* Limited] by such action in relation to the Shares concerned are held and exercisable by us/[\*\*\*Nominees\*\*\* Limited] subject to the terms of your Membership Agreement with Euroclear.

It is hereby certified that the transfer of the Shares and of any interest in the Shares is transferred by way of security for a loan.

We enclose a duplicate of this letter for your files.

Yours faithfully

.....  
for [\*\*\*Insert name of Security Agent\*\*\*]

**SCHEDULE**

<b>Number of Shares</b>	<b>Denomination and Class of Shares</b>	<b>Name of Issuer</b>
-------------------------	---	-----------------------

**Endorsement**

We, the undersigned, being the Chargor referred to above, agree, confirm and declare as set out above.

.....  
[\*\*\*Insert name of Chargor\*\*\*]

*[N.B: Omit this Schedule if clause 15.5 (Letter of direction) is omitted because all Securities are certificated.]*

**SCHEDULE 8**

**Details of debts owing to a Chargor by another member of the Group which are subject to a fixed charge (if any)**

None Applicable

SCHEDULE 9

Deed of Accession and Charge

Form of Deed of Accession and Charge for a New Chargor

THIS DEED OF ACCESSION AND CHARGE is made on 20\*\*

BETWEEN:

- (1) **\*\*\*INSERT THE NAME OF THE NEW CHARGOR\*\*\*** (registered in [England and Wales] under number [ \*\*\* ]) (the "New Chargor");
- (2) **\*\*\*Insert the name of the Parent\*\*\*** (registered in [England and Wales] under number [ \*\*\* ]) (the "Parent"); and
- (3) **\*\*\*Insert the name of the Security Agent\*\*\*** (the "Security Agent").

WHEREAS:

- (A) This Deed is supplemental to a Debenture (the "Principal Deed") dated **\*\*\*insert date\*\*\*** between (1) the **\*\*\*Identify original Chargors\*\*\*** and (2) the Security Agent as agent and trustee for the Secured Parties named in the Principal Deed (the "Secured Parties").

**\*\*\*Note: Set out details of any previous Deed of Accession and Charge.\*\*\***

- (B) The New Chargor has agreed, on the terms contained in the Principal Deed, to charge in favour of the Security Agent (acting as security agent and trustee for the Secured Parties), all of its property, undertaking and assets to secure the Secured Sums, and to accede to the Principal Deed.

THIS DEED WITNESSES as follows:

1. DEFINITIONS AND INTERPRETATION

- 1.1 **Incorporation:** Words or expressions defined in the Principal Deed and principles of interpretation provided for in the Principal Deed shall, unless the context otherwise requires or unless otherwise re-defined below, have the same meaning and shall apply (as the case may be) in this Deed.
- 1.2 **Additional Definitions:** In this Deed:

"Intellectual Property" means patents (including supplementary protection certificates), utility models, registered and unregistered trade marks (including service marks), rights in passing off, copyright, database rights, registered and unregistered rights in designs (including in relation to semiconductor products) anywhere in the world and, in each case, any extensions and renewals of, and any applications for, such rights.

"Land" includes freehold and leasehold, and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (including trade fixtures).

"Structural Intercompany Debt" means [ ].

"Specified Intellectual Property" means [ ].

2. ACCESSION BY THE NEW CHARGOR TO THE PRINCIPAL DEED

- 2.1 **Accession:** The New Chargor agrees to be bound by all the terms of the Principal Deed and to perform all obligations of a Chargor under, and in accordance with, the Principal Deed with effect from the date of this Deed, as if it had been an original party to the Principal Deed as a Chargor.
- 2.2 **Covenant to pay:** The New Chargor (as primary obligor and not merely as surety) covenants with the Security Agent that it will, on the Security Agent's written demand, pay or discharge the Secured Sums when due at the times and in the manner provided in the relevant Finance Documents.
- 2.3 **Proviso:** The covenants contained in this Clause and the security created by this Deed shall not extend to or include any liability or sum which would otherwise cause any such covenant or security to be unlawful or prohibited by any applicable law.
- 2.4 **Parent's agreement to the accession:** The Chargors hereby agree to the New Chargor's accession.

3. **ASSIGNMENTS**

*[ \*\*\* Incorporate in the execution copy of the deed of accession the relevant final text from Clause 3.1 (Assignments) of the Principal Deed.]*

4. **FIXED SECURITY**

*[ \*\*\* Incorporate in the execution copy of the deed of accession the final text from Clause 3.2 (Fixed Charge) of the Principal Deed with consequential changes. \*\*\*]*

5. **CREATION OF FLOATING CHARGE**

5.1 *[ \*\*\* Incorporate in the execution copy of the deed of accession the final text from Clause 3.3 of the Principal Deed with consequential amendments \*\*\* ]*

5.2 The parties agree (without limitation to the general nature of the New Chargor's accession to the Principal Deed contained in Clause 2.1) that the crystallisation provisions contained in Clause 4 of the Principal Deed shall equally apply to the floating charge contained in this Deed as if set out in full in this Deed.

6. **NEGATIVE PLEDGE AND OTHER RESTRICTIONS**

Without the prior written consent of the Security Agent, except as expressly permitted by the Finance Documents, the New Chargor shall not:

- (a) create, or agree or attempt to create, or permit to subsist, any Security or any trust over any of its Assets; or
- (b) sell, assign, lease, license or sub-license, or grant any interest in, any of its Fixed Charge Assets, or part with possession or ownership of them, or purport or agree to do so (other than the Reserved Properties).

7. **RIGHT OF APPROPRIATION**

7.1 The parties acknowledge and intend that the charges over the New Chargor's Financial Collateral provided under or pursuant to this Deed will each constitute a "security financial collateral arrangement" for the purposes of the Financial Collateral Regulations.

7.2 The Security Agent may, on or at any time after the security constituted by this Deed becomes enforceable in accordance with the terms of the Principal Deed, by notice in writing to the New Chargor appropriate with immediate effect all or any of its Financial

Collateral hereby charged which is subject to a security financial collateral arrangement (within the meaning of the Financial Collateral Regulations) and apply it in or towards the discharge of the Secured Sums, whether such Assets are held by the Security Agent or otherwise.

7.3 The value of any Financial Collateral appropriated under Clause 7.2 shall be:

- (a) in the case of cash, its face value at the time of appropriation; and
- (b) in the case of financial instruments or other financial collateral, their market value at the time of appropriation as determined (after appropriation) by the Security Agent by reference to a public index or other applicable generally recognised price source or such other process as the Security Agent may reasonably select, including a valuation carried out by an independent firm of accountants or valuers appointed by the Security Agent;

as converted, where necessary, into [sterling] at a market rate of exchange prevailing at the time of appropriation reasonably selected by the Security Agent.

7.4 The Security Agent will account to the New Chargor for any amount by which the value of the appropriated Assets exceeds the Secured Sums and the New Chargor shall remain liable to the Security Agent for any amount by which the value of the appropriated Assets is less than the Secured Sums.

7.5 Provided the Security Agent complies with the terms of Clause 7.3, the New Chargor agrees that the method of valuing such Financial Collateral under Clause 7.3 is commercially reasonable.

#### 8. APPLICATION TO THE HM LAND REGISTRY

The New Chargor:

- (a) in relation to each register of title of any present and future Land of the New Chargor which is charged to the Security Agent under this Deed, consents to the Security Agent (or its solicitors) at any time submitting to the HM Land Registry:
  - (i) a form AP1 (*application to change the register*) in respect of the security created by this Deed;
  - (ii) a form RX1 (*application to register a restriction*) in the following terms:

"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 [date] in favour of [Chargee] referred to on the charges register or their conveyancer."; and
  - (iii) a form CH2 (*application to enter an obligation to make further advances*); and
- (b) covenants to submit an application to the appropriate Land Registry for the first registration of any unregistered Land in England and Wales mortgaged by Clause 4 (*Fixed security*) at its own expense, immediately following its execution of this Deed.

#### 9. POWER OF ATTORNEY

9.1 **Appointment of attorney:** The New Chargor, by way of security and to more fully secure the performance of its obligations under this Deed, hereby irrevocably appoints the Security Agent and separately any nominee and/or any Receiver to be its attorney (with full power to appoint substitutes and to delegate) with power in its name and on its behalf, and as its act and deed or otherwise (whether or not a Receiver or administrator has been appointed) to:

- (a) do anything which the New Chargor is obliged to do (but has not done within 5 Business Days of being notified by the Security Agent of such failure and being requested to comply) in accordance with this Deed, including to execute and following an Enforcement Event deliver and otherwise perfect any agreement, assurance, deed, instrument or document; and
- (b) enable the Security Agent, any such nominee and/or Receiver to exercise (or to delegate) all or any of the rights conferred on it by this Deed or by statute in relation to this Deed or the Assets charged, or purported to be charged, by it.

9.2 **Ratification:** The New Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

9.3 **Sums recoverable:** All sums expended by the Security Agent, nominee and/or any Receiver under this clause 9 shall be recoverable from each relevant Chargor under clause 26 (*Costs, expenses and liabilities*) of the Principal Deed.

## 10. NOTICES

All notices or demands to be given or made pursuant to this Deed shall be given or made in the manner set out in Clause 39 (*Services of demands and Notices*) of the Principal Deed. The New Chargor's address for service is set out in Schedule 2 (*Notice Details*).

## 11. COUNTERPARTS

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single document.

## 12. GOVERNING LAW AND JURISDICTION

12.1 **Governing law:** This Deed and all non-contractual obligations arising in any way whatsoever out of or in connection with this Deed shall be governed by, construed and take effect in accordance with English law.

### 12.2 Jurisdiction of English courts:

- (c) It is agreed in relation to claims brought by the New Chargor that the courts of England shall have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this Deed (including without limitation claims for set-off or counterclaim) or the legal relationships established by this Deed.
- (d) In relation to claims brought by one or more of the Secured Parties the courts of England shall have non-exclusive jurisdiction. Nothing in this clause shall limit the right of any Secured Party to take proceedings against the New Chargor in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction; whether concurrently or otherwise.



- (e) The New Chargor irrevocably waives any objections on the ground of venue or inconvenient forum or any similar grounds and irrevocably agrees that any judgment in any proceedings brought in any court referred to in this clause shall be conclusive and binding and may be enforced in any other jurisdiction.

12.3 [Service of process: Without prejudice to any other mode of service allowed under any relevant law, the New Chargor:

- (a) irrevocably appoints the Laing O'Rourke plc as its agent for service of process in relation to any proceedings before the English courts in connection with this Deed; and
- (b) agrees that failure by a process agent to notify it of the process will not invalidate the proceedings concerned.]

13. **FINANCE DOCUMENT**

This Deed is a Finance Document.

THIS DEED OF ACCESSION AND CHARGE has been executed by the Parties as a deed and signed by the Security Agent and it has been delivered and shall take effect on the date stated at the beginning of this document.

Schedule 1 to Deed of Accession

Registered land to be mortgaged

Name of Chargor/Registered Proprietor	Description of Property	Title Number

Unregistered land subject to first registration upon the execution of this Deed


The address for service of the Security Agent in the case of registered land is **[\*\*\*insert details and include any relevant department or officer to whom notices are to be addressed. The above address for service must be situated in the United Kingdom.\*\*\*]**

Note: Incorporate here full details of all Land to be mortgaged under Clause 3.2 (*Fixed security*) and which is registered at HM Land Registry (this may include leases with at least 7 years left to run and other unregistered land which becomes the subject of first registration at HM Land Registry on execution of the Deed of Accession). Any title numbers must be set out here.

**Schedule 2 to Deed of Accession**

**Notice Details**

*\*\*\*Set out here the notice details for the New Chargor\*\*\**

Execution page to Deed of Accession

**EXECUTION**

**THE NEW CHARGOR**

Executed as a )  
Deed by [\*\*\*insert name of New Chargor\*\*\*] )  
(pursuant to a resolution of its Board )  
of Directors) acting by: ) Director

in the presence of:

Signature of witness:

\_\_\_\_\_

Name of witness:

\_\_\_\_\_

Address of witness:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**EXISTING CHARGORS**

Executed as a )  
Deed by [\*\*\*insert name of existing )  
Chargors\*\*\*] )  
(pursuant to a resolution of its Board )  
of Directors) acting by: ) Director

in the presence of:

Signature of witness:

\_\_\_\_\_

Name of witness:

\_\_\_\_\_

Address of witness:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**THE SECURITY AGENT**

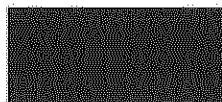
Signed by	)	
for and on behalf of	)	
[***insert name of the Security Agent***]	)	
	)	Authorised Signatory

EXECUTION PAGE

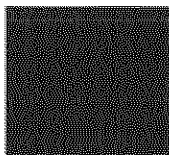
THE CHARGORS

Executed and Delivered as a deed  
by **Anchor Boulevard Limited**  
(pursuant to a resolution of its Board  
of Directors) acting by:

)  
)  
)  
)



Director



In the presence of:

Name:

Address:

Occupation:

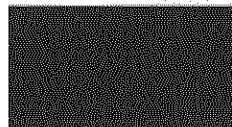
**NORTON ROSE FULBRIGHT**  
Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ United Kingdom  
nortonrosefulbright.com

Shivani Patel

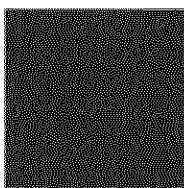


Executed and Delivered as a deed  
by **Coventry Urban Regeneration  
Limited** (pursuant to a resolution of  
its Board of Directors) acting by:

)  
)  
)  
)



Director



In the presence of:

Name:

Address:

Occupation:

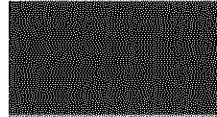
**NORTON ROSE FULBRIGHT**  
Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ United Kingdom  
nortonrosefulbright.com

Shivani Patel



Executed and Delivered as a deed  
by **Explore Living Limited**  
(pursuant to a resolution of its Board  
of Directors) acting by:

)  
)  
)  
)



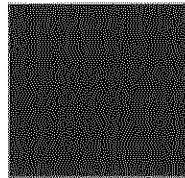
Director

In the presence of:

Name:

Address:

Occupation:



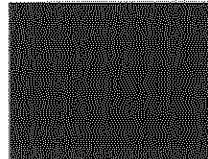
**NORTON ROSE FULBRIGHT**  
Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ United Kingdom  
nortonrosefulbright.com

Shivani Patel



Executed and Delivered as a deed  
by **Explore Living Property  
Management Limited** (pursuant to  
a resolution of its Board of  
Directors) acting by:

)  
)  
)  
)



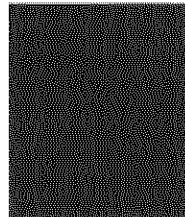
Director

In the presence of:

Name:

Address:

Occupation:



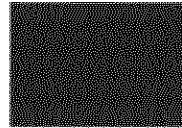
**NORTON ROSE FULBRIGHT**  
Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ United Kingdom  
nortonrosefulbright.com

Shivani Patel

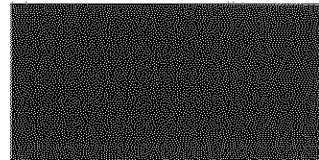


GIVEN under the common seal of  
**Irishtown Developments Limited**  
and delivered as a deed:

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)  
)  
)



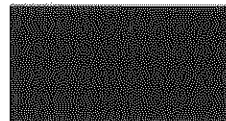
Director:



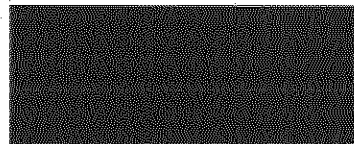
Director:

GIVEN under the common seal of  
**Laing O'Rourke Ireland Limited**  
and delivered as a deed:

)  
)  
)  
)

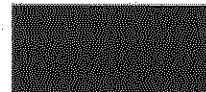


Director:

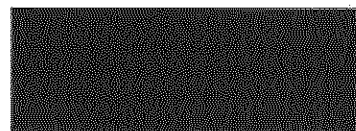


Director:

GIVEN under the common seal of  
**Canal Harbour Development  
Company Limited** and delivered as  
a deed:



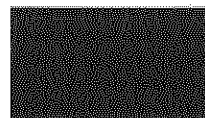
Director:



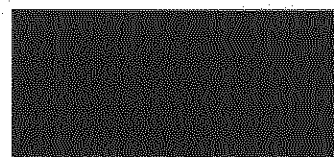
Director:

GIVEN under the common seal of  
**Sundera Holdings Limited** and  
delivered as a deed:

)  
)  
)  
)



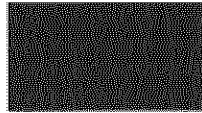
Director:



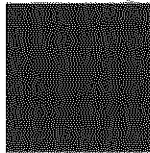
Director:



The common seal of **Sycamore**  
**Properties Limited** was affixed  
hereto by *Stewart McIntyre gpr and on*  
*behalf of Explore Investments*  
(pursuant to a resolution of its Board *Limited*  
of Directors) (in the capacities  
specified in Part 1 of Schedule 1)  
acting by:



Director: *Stewart McIntyre gpr and on behalf*  
*of Explore Investments Limited*



In the presence of:

Name:

Address:

**NORTON ROSE FULBRIGHT**  
Norton Rose Fulbright LLP  
3 More London Riverside  
London SE1 2AQ United Kingdom  
nortonrosefulbright.com

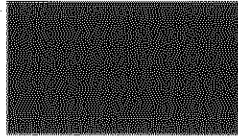
Occupation:

**Shivani Patel**  
A black rectangular redaction mark covering a portion of the document.

THE SECURITY AGENT

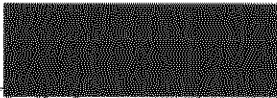
Signed as a deed by <sup>STEPHEN</sup>CLAY for  
and on behalf of **Lloyds Bank plc**

Under a power of attorney dated 14 June  
2018



Attorney

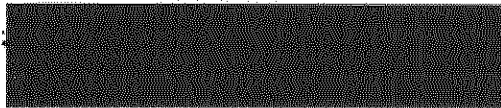
In the presence of:



Name:  
Address:

Harry Balgour-Lynn

Occupation:



Hogan Lovells  
International LLP  
Atlantic House  
London EC1A 2FG

Address: Lloyds Bank plc

Agency – Specialist Lending Services

New Uberior House

11 Earl Grey Street

Edinburgh

EH3 9BN

Attention: John Togher