



Registration of a Charge

Company name: **NICHOLAS KING DEVELOPMENTS PLC**

Company number: **06561603**

Received for Electronic Filing: **21/10/2020**



Details of Charge

Date of creation: **19/10/2020**

Charge code: **0656 1603 0002**

Persons entitled: **BEAUFORT VENTURES II (JERSEY) LIMITED**

Brief description: **NO SPECIFIC LAND. SHIP OR AIRCRAFT HAS BEEN CHARGED. FOR FULL DETAILS OF THE CHARGES, PLEASE REFER TO THE CHARGING DOCUMENTS DIRECTLY.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

HOLLY DALEY



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6561603

Charge code: 0656 1603 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th October 2020 and created by NICHOLAS KING DEVELOPMENTS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st October 2020 .

Given at Companies House, Cardiff on 22nd October 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Execution version

DATED

19 October

2020

NICHOLAS KING DEVELOPMENTS PLC
(1) ~~N-K DEVELOPMENTS (BINFIELD) LIMITED~~
as Chargor

DLA Piper
UK LLP

-and-

(2) BEAUFORT VENTURES II (JERSEY) LIMITED
as Lender

**SUBORDINATED CREDITOR'S
SECURITY AGREEMENT**



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 20/10/20

SIGNED H. Daley

DLA PIPER UK LLP

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	COVENANT TO PAY	3
3.	SECURITY	3
4.	REPRESENTATIONS	4
5.	GENERAL UNDERTAKINGS.....	6
6.	LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS	7
7.	FURTHER ASSURANCE.....	7
8.	ENFORCEMENT	8
9.	RECEIVER.....	9
10.	POWERS OF RECEIVER.....	9
11.	APPROPRIATION OF RECEIPTS	11
12.	SET-OFF.....	11
13.	CURRENCY CONVERSION	12
14.	DELEGATION AND APPOINTMENT OF ATTORNEYS	12
15.	REDEMPTION OF PRIOR SECURITY INTERESTS	12
16.	RELEASES.....	13
17.	CONTINUING SECURITY	13
18.	THIRD PARTY PROTECTION	14
19.	INDEMNITIES.....	14
20.	CALCULATIONS AND CERTIFICATES.....	15
21.	PARTIAL INVALIDITY	15
22.	REMEDIES AND WAIVERS.....	15
23.	AMENDMENTS AND WAIVERS	15
24.	TRANSFER AND CONFIDENTIALITY	15
25.	COUNTERPARTS	16
26.	NOTICES.....	16
27.	GOVERNING LAW.....	17
28.	ENFORCEMENT	17
	SCHEDULE 1: FORM OF NOTICE OF ASSIGNMENT	18

THIS DEED is made on

19 October

2020

BETWEEN:

- (1) **NICHOLAS KING DEVELOPMENTS PLC**, a company incorporated and registered in England and Wales with registration number 06561603 and whose registered office is at 10 Penn Road, Beaconsfield, United Kingdom HP9 2LH (the "**Chargor**"); and
- (2) **BEAUFORT VENTURES II (JERSEY) LIMITED** a company incorporated and registered in Jersey with registration number 121687 and whose registered office is at 5th Floor, 44 Esplanade, St Helier, JE1 3FG, Jersey (the "**Lender**").

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Words and expressions defined in the Mezzanine Facility Agreement (as defined below) have the same meanings in this Deed unless they are expressly defined in it and, in addition, in this Deed:

"Borrower" means N K Developments (Binfield) Limited, a company incorporated and registered in England and Wales with company registration number 12876638 and whose registered office is at 10 Penn Road, Beaconsfield, United Kingdom HP9 2LH;

"Mezzanine Facility Agreement" means the facility agreement dated the same date as this Deed and made between (1) the Borrower and (2) the Lender, pursuant to which the Lender agreed to make certain facilities available to the Borrower;

"Receiver" means an administrative receiver, a receiver and/or manager of any or all of the Chargor's assets appointed by the Lender under the Security;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of any present or future Transaction Obligor to the Lender under or pursuant to any Finance Document and all monies covenanted to be paid under this Deed;

"Security" means the Security Interests created or intended to be created by or pursuant to this Deed;

"Security Assets" means all the Chargor's assets from time to time the subject of the Security;

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

"Subordinated Debt" means any monies, obligations and liabilities (whether actual or contingent, whether incurred solely or jointly with any other person and whether incurred as principal or surety) now or in the future due, owing or incurred by the Borrower to any Chargor in any currency, together with all interest on any of the same, and all costs, charges and expenses incurred in connection with any of the same;

"Subordinated Debt Documentation" means:

- (a) the unsecured loan or loans advanced by the Chargor as lender to the Borrower as borrower in the aggregate amount of £1,666,487 as at the date of this Deed; and
- (b) any other agreement or document evidencing or recording the terms of any Subordinated Debt (whether orally or in writing).

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
 - (i) **"assets"** includes present and future properties, revenues and rights of every description;
 - (ii) the **"Chargor"**, the **"Borrower"**, any **"Transaction Obligor"**, the **"Lender"** shall be construed to include its successors in title, permitted assigns and permitted transferees;
 - (iii) a **"disposal"** includes a licence, transfer, sale or other disposal of any kind;
 - (iv) **"includes"** or **"including"** shall be read and construed as including the phrase **"without limitation"**;
 - (v) this **"Deed"** or any other agreement or instrument is a reference to this Deed, or other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the Borrower's obligations or provides for further advances);
 - (vi) a provision of law is a reference to that provision as amended or re-enacted; and
 - (vii) the singular includes the plural and vice versa.
- (b) When any provision of this Deed refers to an approval or consent by the Lender, that provision shall be construed so as to require that consent or approval to be given in writing.
- (c) Where the Chargor includes two or more entities a reference to the Chargor shall mean to each of the entities severally as well as all of the entities jointly.
- (d) References to clauses and paragraphs are to be construed, unless otherwise stated, as references to clauses and paragraphs of this Deed.
- (e) Clause headings are for ease of reference only and shall not affect the construction of this Deed.
- (f) If the Lender reasonably considers that an amount paid by the Chargor under this Deed or Borrower is capable of being avoided or otherwise set aside on the bankruptcy, liquidation or administration of the Chargor or the Borrower, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.3 Third party rights

Only a Receiver has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Delivery

The parties intend this Deed to be delivered on the first date specified on page 1 of this Deed and that this Deed shall take effect as a deed notwithstanding the fact that the Lender may only execute this Deed under hand.

1.5 Conflict

This Deed is subject to the Mezzanine Facility Agreement and the Intercreditor Agreement. If there is any conflict between a provision of this Deed and a provision of the Mezzanine Facility Agreement or a provision of the Intercreditor Agreement, the Intercreditor Agreement shall prevail to the extent of that conflict (and otherwise this Deed shall continue in full force and effect).

2. COVENANT TO PAY

2.1 Covenant to pay

The Chargor covenants in favour of the Lender that it will pay and discharge the Secured Liabilities from time to time when they fall due.

2.2 Further advances

This Deed is made to secure any further advances or other facilities but it does not create any obligation on the Lender to make any further advances or make other facilities available.

2.3 Default interest

Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis at the Default Rate and in the manner agreed in the Mezzanine Facility Agreement. Where an amount equal to interest is to be calculated in respect of a period of less than one year, it will be calculated on the basis of actual days elapsed with a 365 day year, and will be compounded monthly.

3. SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made in favour of the Lender with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 as continuing security for the discharge of the Secured Liabilities.

3.2 Assignment

- (a) The Chargor assigns and agrees to assign (subject to a proviso for re-assignment on redemption) to the Lender absolutely, as continuing security for the payment,

performance and discharge of the Secured Liabilities all of its right, title, benefit and interest (both present and future) in, to and under:

- (i) the Subordinated Debt;
 - (ii) the Subordinated Debt Documentation; and
 - (iii) all present and future claims, causes of action, payments and proceeds in respect thereof.
- (b) To the extent that any such right, title, benefit and interest described in clause 3.2(a) is not assignable or capable of assignment, such assignment purported to be effected by clause 3.2(a) shall operate, as continuing security for the payment, discharge, performance and satisfaction of the Secured Liabilities, as an assignment of any and all proceeds of such right, title, benefit or interest paid or payable thereunder save for any proceeds or other amounts properly payable to any third party and to which the Chargor has no right, title, benefit or interest.

3.3 Charge

The Chargor, as continuing security for the payment, performance and discharge of the Secured Liabilities, charges in favour of the Lender by way of a first fixed charge (to the extent the same are not capable of assignment under clause 3.2 (*Assignment*)) all its rights, title, benefit and interest (both present and future) in, to and under:

- (a) the Subordinated Debt;
- (b) the Subordinated Debt Documentation; and
- (c) all present and future claims, causes of action, payments and proceeds in respect thereof.

3.4 Notice of Security

The Chargor must immediately give notice of the grant of the Security to the Borrower in the form set out in the schedule 1 (*Form of notice of assignment*), and shall use its reasonable endeavours to procure that the recipient of the notice acknowledges it in writing.

4. REPRESENTATIONS

4.1 General

The Chargor makes the representations and warranties set out in this clause 4 (*Representations*) to the Lender on the date of this Deed and on each day the Secured Liabilities are outstanding.

4.2 Binding obligations

- (a) Its obligations in this Deed are legal, valid, binding and enforceable obligations.
- (b) This Deed creates the Security Interests which it purports to create, and those Security Interests are valid and effective and are not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

4.3 Non-conflict with other obligations

The entry into and performance by it of its obligations under this Deed and the transactions and granting of the Security contemplated by this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

4.4 Power and authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.
- (c) It is acting in all matters relating to this Deed for its own account and not as trustee, nominee or agent or any other capacity whatsoever.

4.5 Validity and admissibility in evidence

- (a) All Authorisations required or desirable to:
 - (i) enable it lawfully to enter into, and comply with its obligations under this Deed;
 - (ii) grant the Security; and
 - (iii) to make this Deed admissible in evidence in its jurisdiction of incorporation,have been obtained or effected and are in full force and effect.
- (b) All Authorisations necessary for the conduct of its business, trade and ordinary activities have been obtained or effected and are in full force and effect.

4.6 Status

- (a) It is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

4.7 Governing law and enforcement

- (a) The choice of English law as the governing law of this Deed will be recognised and enforced in its jurisdiction of incorporation.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and enforced in its jurisdiction of incorporation.

4.8 Insolvency

No corporate process, action, legal proceeding or other procedure or step:

- (a) described in clauses 17.2(i) to 17.2(n) (inclusive) of the Mezzanine Facility Agreement;
or
- (b) similar to those described in clauses 17.2(i) to 17.2(n) (inclusive) of the Mezzanine Facility Agreement under the laws of any applicable jurisdiction,

has been taken or threatened in relation to it (in each case, as if it was one of the entities specifically mentioned in such clause).

4.9 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings or investigations are currently taking place or threatened in relation to any of the Security Assets.

4.10 Security

There are no other Security Interests which exists over any of the Security Assets other than as permitted by this Deed.

4.11 Ranking

The Security has or will have second ranking priority and it is not subject to any other prior ranking or *pari passu* ranking Security Interest.

4.12 Centre of main interest and establishments

For the purposes of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales and it has no "establishment" (as that term is used in Article 2(10) of the Regulations) in any other jurisdiction.

4.13 Title to assets

It is the sole legal and beneficial owner of the Security Assets.

5. GENERAL UNDERTAKINGS

5.1 Negative pledge

No Chargor shall create or permit to subsist any Security Interest over any Security Asset without the consent of the Lender unless permitted pursuant to the terms of the Mezzanine Facility Agreement.

5.2 No disposals

Unless the Lender consents, no Chargor shall make any disposal of its assets that are mortgaged, charged or assigned to the Lender by this Deed.

5.3 Covenants and payments

The Chargor must:

- (a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets and on the Lender's reasonable request produce evidence to satisfy the Lender that he is complying with this obligation;
- (b) not permit any breach of any bye-laws, other laws and regulations affecting any of the Security Assets; and
- (c) pay or procure the payment of all taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable in respect of any of the Security Assets.

5.4 Enforcement of rights

The Chargor must at its own cost use its best endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets which the Lender may require from time to time.

5.5 Amendments to documents

The Chargor shall not amend, vary, novate, supplement, supersede, waive or terminate any provision of any Subordinated Debt Documentation without the prior written consent of the Lender, save as permitted under the Mezzanine Facility Agreement.

6. LIABILITY OF THE CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all the conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or make any payment in respect of such condition or obligation.

7. FURTHER ASSURANCE

The Chargor shall at its own expense ensure any documents are executed and any acts and things are done which the Lender or a Receiver may reasonably require from time to time for:

- (a) giving effect to, creating, perfecting or protecting the Security intended to be created by this Deed;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of all powers, authorities and discretions vested in the Lender or in any Receiver; or
- (d) perfecting any Security over any assets acquired by the Chargor after the date of this Deed.

8. ENFORCEMENT

8.1 Remedying defaults

The Lender or a Receiver may (but is not obliged to) take any action to remedy a failure by the Chargor to observe and perform the provisions of this Deed at the Chargor's cost.

8.2 Timing of enforcement

- (a) The Secured Liabilities are deemed to have become due on the date of this Deed.
- (b) The Security shall become enforceable on the earlier of:
 - (i) the occurrence of an Event of Default;
 - (ii) the date the Lender demands repayment of any of the Secured Liabilities;
 - (iii) the date any Chargor breaches a provision of this Deed or any document evidencing the facilities to which the Secured Liabilities relate;
 - (iv) the date the Borrower breaches a provision of any document evidencing the facilities to which the Secured Liabilities relate; and
 - (v) the Chargor's request.
- (c) Neither section 93(1) nor section 103 of the Law of Property Act 1925 shall apply to this Deed.

8.3 Powers of the Lender

- (a) At any time after the Security becomes enforceable or if requested by the Chargor, the Lender may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as the Chargor's administrator; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Law of Property Act 1925 (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.
- (b) The Lender is not entitled to appoint a Receiver in respect of any Security Assets which are subject to Security which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 or anything done with a view to obtaining such a moratorium.

8.4 No liability

Neither the Lender nor any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Security Assets for any loss on realisation or for any other default or omission. No exercise of the right in clause 8.1 (*Remedying defaults*) shall render the Lender or a Receiver a mortgagee in possession.

9. RECEIVER

9.1 Removal and replacement

The Lender may from time to time remove any Receiver appointed by it and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

9.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

9.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender).

9.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

9.5 Chargor's agent

Any Receiver shall be the Chargor's agent and the Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

10. POWERS OF RECEIVER

10.1 General powers

- (a) Any Receiver shall have:
 - (i) all the powers which are conferred by the Law of Property Act 1925 on mortgagees in possession and receivers appointed under that Act;
 - (ii) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
 - (iii) all powers which are conferred by any other law conferring power on receivers.
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and either Chargor's obligations under this Deed constitute a "*security financial*

collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003/3226) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards that satisfaction of the Secured Liabilities.

- (c) For the purpose of clause 10.1(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

10.2 Additional powers

In addition to the powers referred to in clause 10.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (c) to sell or concur in selling or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Law of Property Act 1925, and, without limitation:
 - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (d) to carry out any sale or other disposal of all or any part of the Security Assets by conveying, transferring or assigning the same in the Chargor's name and, for that purpose, to enter into covenants and other contractual obligations in the Chargor's name and so as to bind that Chargor;
- (e) to take any such proceedings in the Chargor's name as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (f) to enter into or make any such agreement, arrangement or compromise as he shall think fit; and
- (g) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;

- (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
- (iii) use the Chargor's name for any of the above purposes.

10.3 Limitation

- (a) The Lender may in the instrument by which a Receiver is appointed limit the powers of the Receiver.
- (b) The Receiver shall be under no duty to any Chargor to exercise any power he may have and shall not incur any liability to any Chargor either by virtue of the exercise of such powers or by virtue of a failure to exercise such powers.

11. APPROPRIATION OF RECEIPTS

11.1 Application

- (a) Subject to clause 11.2 (*Suspense account*), any monies received by the Lender in respect of the Security (subject to the payment of any claims having priority to the Security, but in substitution for section 109(8) of the Law of Property Act 1925) shall be applied in the following order of priority:
 - (i) **first** in satisfaction of, or provision for, all costs, charges and expenses incurred and payments made by the Lender or any Receiver and of all remuneration due to the Receiver in connection with this Deed or the Security Assets together with interest on that remuneration and those costs, charges and expenses at the Default Rate;
 - (ii) **secondly** in or towards the satisfaction of the remaining Secured Liabilities in accordance with clause 11.2 (*Suspense account*); and
 - (iii) **thirdly** in payment of the surplus (if any) to any Chargor or other person entitled to it.
- (b) The Lender may apply sums received towards the payment or discharge of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner as it thinks fit. The Lender may override any appropriation made by any Chargor.

11.2 Suspense account

Subject to clause 11.1 (*Application*), Any monies received by the Lender or any Receiver may be placed in an interest bearing suspense or securities realised account and kept there for so long as the Lender considers prudent.

12. SET-OFF

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid or any contingent obligation from the Chargor against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.

- (b) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

13. CURRENCY CONVERSION

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange.

14. DELEGATION AND APPOINTMENT OF ATTORNEYS

14.1 Delegation

- (a) The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable under this Deed. A delegation may be made in any manner (including by power of attorney) in and on any terms (including power to sub-delegate) which the Lender thinks fit.
- (b) The Lender shall not be liable or responsible to any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates.

14.2 Attorneys

- (a) By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under clause 14.1 (*Delegation*) separately to be their attorney on their behalf, in their name:
 - (i) to execute and do any documents, acts and things which they are required to execute and do under this Deed, but which they have failed to do; and
 - (ii) to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Deed any documents relating to the Secured Liabilities or by law on the Lender or any Receiver.
- (b) The Chargor ratifies and confirms anything which any of its attorneys does in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this clause 14.2 (*Attorneys*).

15. REDEMPTION OF PRIOR SECURITY INTERESTS

15.1 Redemption

The Lender may at any time redeem, or procure the transfer to it of, any prior Security Interest over any Security Assets at the Chargor's cost.

15.2 Costs of redemption

All principal monies, interest, costs, charges and expenses reasonably incurred in and incidental to any redemption or transfer under clause 15.1 (*Redemption*) shall be paid by the Chargor on demand, in each case together with interest calculated and in the manner referred to in clause 19 (*Indemnities*).

16. RELEASES

16.1 Releases conditional

- (a) Any release, settlement, discharge, re-assignment or arrangement in respect of the Security (in this clause 16 (*Releases*)) made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.
- (b) If any avoidance, reduction, or clawback occurs or any order is made as referred to in clause 16.1 (*Releases conditional*), then the release shall have no effect and shall not prejudice the Lender's right to enforce the Security in respect of the Secured Liabilities. As between the Chargor and the Lender, the Security shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

16.2 Retention

- (a) If and for so long as any assurance, security or payment as is mentioned in clause 16.1 (*Releases conditional*) remains in the reasonable opinion of the Lender susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of the Security and other rights under this Deed as security for the Secured Liabilities after they have been paid and discharged in full.
- (b) If, at any time while all or part of the Lender's rights under this Deed are so retained any either Chargor is made bankrupt then the Lender may continue to retain all or part of its rights under this Deed for any further period as the Lender may determine in its absolute discretion.

17. CONTINUING SECURITY

17.1 Continuing security

The Security is continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

- (a) intermediate payment or discharge of the whole or part of the Secured Liabilities;
- (b) the Chargor's bankruptcy;
- (c) any change in the Lender's constitution, name or style, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or
- (d) any other event, matter or thing.

17.2 Additional to other rights

The Security is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security Interest or other right which may be or have been created (by the Chargor or otherwise) in favour of the Lender.

Accordingly, the Chargor's liability under this Deed shall not be prejudiced or affected by, and this Deed may be enforced notwithstanding:

- (a) the existence or invalidity of all or any of those rights; or
- (b) at any time, the Lender exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

17.3 Immediate recourse

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

18. THIRD PARTY PROTECTION

No purchaser, mortgagee or other person dealing with the Lender or a Receiver shall be concerned:

- (a) to enquire whether any of the Secured Liabilities have become due or payable or remain unpaid or undischarged;
- (b) whether the power which the Lender or Receiver is purporting to exercise has become exercisable; or
- (c) to see to the application of any money paid to the Lender or to a Receiver.

19. INDEMNITIES

The Chargor agrees to, promptly, fully indemnify the Lender and any Receiver (and in the case of legal costs and expenses on a solicitor and own client basis) against all liabilities, losses, claims, actions, damages, reasonable costs and expenses incurred by, made or brought against the Lender or Receiver (or any manager or agent appointed by the Lender or Receiver):

- (a) as a result of the Chargor's failure to perform any of its obligations under this Deed;
- (b) in the exercise (or purported exercise) of any of the powers or other rights conferred by this Deed;
- (c) in respect of any costs, charges or expenses incurred in connection with clause 13 (*Currency Conversion*); or
- (d) in respect of the redemption of any prior Security Interest over any Security Asset under clause 15 (*Redemption of prior security interests*),

together in each case with interest at the Default Rate calculated on a daily basis from the date it is incurred or becomes payable to the Lender or the Receiver until the date of payment, whether before or after any judgment.

20. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by the Lender specifying the amount of the Secured Liabilities is, in the absence of manifest error, conclusive evidence against any Chargor of the matters to which it relates.

21. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

22. REMEDIES AND WAIVERS

No failure to exercise nor any delay in exercising any right or remedy under this Deed against any Chargor shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

23. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Chargor and the Lender agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

24. TRANSFER AND CONFIDENTIALITY

24.1 Transfer

- (a) The Lender may assign and/or transfer its rights and obligations under this Deed.
- (b) No Chargor shall assign any of its rights or transfer any of its obligations under this Deed.

24.2 Confidentiality

The Lender may, with the prior written consent of the Chargor (such consent not to be unreasonably withheld or delayed), disclose to:

- (a) any transferee or potential transferee;
- (b) any assignee or potential assignee;
- (c) any person with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to or including the Secured Liabilities;
- (d) any ratings agency;

- (e) any of the officers, directors, employees, professional advisers, auditors, partners and representatives of the persons referred to in clauses 24.2(a) to 24.2(d);
- (f) any of its Affiliates and to any of its or their officers, directors, employees, professional advisers, auditors, partners and representatives; and
- (g) any person to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation,

such confidential information about the Chargor as the Lender shall consider appropriate.

25. COUNTERPARTS

This Deed may be executed in any number of counterparts, all of which, taken together, shall constitute one and the same instrument and any party may enter into this Deed by executing a counterpart.

26. NOTICES

26.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing in the English language and, unless otherwise stated, must be made by letter.

26.2 Addresses

- (a) The Lender may deliver any communication, document or notice to the Chargor relating to this Deed to its registered office, or address to which a notice under any Facility relating to the Secured Liabilities might be sent or any additional address the Chargor may notify to the Lender by not less than five business days' notice.
- (b) Any communication, document or notice to the Lender relating to this Deed shall be delivered to the Lender at EFG Fund Services, 5th Floor, 44 Esplanade, St Helier, JE1 3FG, Jersey marked for the attention of Nigel Greenwood,

with a copy to:

- (i) c/o DLA Piper UK LLP, 1 St Peter's Square, Manchester M2 3DE for the attention of Robert Arnison;
- (ii) c/o Beaufort Capital Management, 1 Knightsbridge Green, London SW1X 7QA for the attention of Mark Quigley and George Norman; and

to any other address as is notified in writing by one party to the other from time to time.

26.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five business days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address.

- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly marked for the attention of the department or officer identified above (or any substitute department or officer as the Lender shall specify for this purpose).

27. GOVERNING LAW

This Deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

28. ENFORCEMENT

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim that arises out of, or in connection with this Deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender to take proceedings against the Chargor in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE 1: FORM OF NOTICE OF ASSIGNMENT

To: N K DEVELOPMENTS (BINFIELD) LIMITED

10 Penn Road, Beaconsfield, United Kingdom HP9 2LH

Dated: [◆]] 20[◆]

Dear Sirs

RE: [DESCRIBE AGREEMENT] DATED [◆]] 20[◆] BETWEEN (1) YOU AND (2) NICHOLAS KING DEVELOPMENTS PLC (THE "ASSIGNOR") (THE "AGREEMENT")

1. We give notice that, by an assignment by way of security dated [◆]] 2020 (the "Assignment"), we have granted Security in favour of Beaufort Ventures II (Jersey) Limited (the "Lender") over all our present and future right, title and interest in and to the Agreement including all rights and remedies in connection with the Agreement and all monies from time to time due to us arising under the Agreement.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Lender at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure), such information relating to the Agreement as the Lender may from time to time request;
 - (b) to pay or release all or any part of the sums from time to time due and payable by you to us under the Agreement in accordance with the written instructions given to you by the Lender from time to time;
 - (c) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Assignment or the Agreement which you receive at any time from the Lender 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 information given or received under the Agreement to the Lender.
3. We are not permitted to agree any amendment or supplement to, or waive any obligation under, the Agreement without the prior written consent of the Lender.
4. We will remain liable to you to perform the obligations under the Agreement. Neither the Lender nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Agreement.
5. This notice may only be revoked or amended with the prior written consent of the Lender.
6. Please confirm by completing the enclosed copy of this notice and returning it to the Lender (with a copy to us) that you agree to the above and that:
 - (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Lender, received notice of the assignment or charge, the grant of any security or the existence of any other interest of

any third party in or to the Agreement and you will notify the Lender promptly if you should do so in future; and

- (c) you will not exercise any right to terminate the Agreement or take any action to amend or supplement the Agreement without the prior written consent of the Lender.

- 7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
NICHOLAS KING DEVELOPMENTS PLC

[On copy]

To: Beaufort Ventures II (Jersey) Limited as Lender
EFG Fund Services, 5th Floor, 44 Esplanade, St Helier, JE1 3FG, Jersey
For the attention of: Nigel Greenwood

Copy to: NICHOLAS KING DEVELOPMENTS PLC
10 Penn Road, Beaconsfield, United Kingdom HP9 2LH

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph 6 of the above notice.

for and on behalf of
N K DEVELOPMENTS (BINFIELD) LIMITED

EXECUTION PAGES

THE CHARGOR

Executed as a deed, but not delivered)
until the first date specified on page 1,)
by NICHOLAS KING)
DEVELOPMENTS PLC acting by)

Director

NICHOLAS JAMES PHILIP BILSLAND

Witness signature

Witness name:

MELISSA LONGHURST

Witness address:

60 BOTTRELLS LANE

CHALFONT ST GILES

BUCKS HP8 4ET

Address for notices:

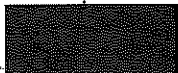
10 Penn Road, Beaconsfield, United Kingdom
HP9 2LH

THE LENDER

Executed as a deed by **BEAUFORT**)
VENTURES II (JERSEY) LIMITED, a)
company incorporated in Jersey, acting by)
Beverley Kent who, in)
accordance with the laws of that territory, is)
acting under the authority of the company:)

Signature in the name of the company **BEAUFORT
VENTURES II
(JERSEY) LIMITED**

Signature of
authorised signatory


Authorised signatory

In the presence of

Witness signature



Witness name
(block capitals)

K. SEARLE

Witness address

44 ESPLANADE

St Helier

Jersey