

MR01**Particulars of a charge**

Laserform

A fee is payable with this form.
Please see 'How to pay' on the
last page

You can use the Web
Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument Use form M



A11 *A3GLS90G* #197
17/09/2014
COMPANIES HOUSE

WEDNESDAY

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 7 2 7 7 9 8 9

Company name in full 2 Hardman Boulevard Developments Limited

For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 2 m 0 m 9 y 2 y 0 y 1 y 4

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name CBRE Loan Servicing Limited (registered in England with number
05469838) (Security Agent)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Brief description

Not applicable

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

5 Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

8 Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

① This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X *Phillip New Goddard LLP* X

This form must be signed by a person with an interest in the charge

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name SINCKS/335909-1

Company name Addleshaw Goddard LLP

Address 100 Barbirolli Square

Post town Manchester

County/Region Greater Manchester

Postcode M 2 3 A B

Country United Kingdom

DX 14301 Manchester

Telephone 0161 934 6000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'.



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below.

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number. 7277989

Charge code: 0727 7989 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th September 2014 and created by 2 HARDMAN BOULEVARD DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th September 2014

Given at Companies House, Cardiff on 22nd September 2014



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

Dated 12 SEPTEMBER 2014

**2 HARDMAN BOULEVARD INVESTMENTS LIMITED and 2 HARDMAN
BOULEVARD DEVELOPMENTS LIMITED
as Chargors**

and

**CBRE LOAN SERVICING LIMITED
as Security Agent**

COMPOSITE DEBENTURE

WE HEREBY CERTIFY THAT THIS IS
A TRUE COPY (AS REDACTED) OF
THE ORIGINAL

.....*Addleshaw Goddard LLP*.....

DATE 16.09.14
ADDLESHAW GODDARD LLP

ADDLESHAW GODDARD

Contents

	Clause	Page
1	Definitions and interpretation	1
2	Covenant to pay	5
3	Charging provisions	5
4	Continuing security	7
5	Negative pledge	8
6	Restrictions on disposals	8
7	Further assurance	8
8	Land Registry	9
9	Future property	9
10	Notices of assignments and charges	10
11	Subsidiary Shares and Investments	11
12	Security power of attorney	12
13	Enforcement of security	12
14	Receiver	15
15	Delegation	19
16	Application of monies	19
17	Remedies and waivers	20
18	Protection of third parties	20
19	Additional security	20
20	Settlements conditional	20
21	Subsequent Security	21
22	Set-off	21
23	Notices	21
24	Partial invalidity	21
25	Assignment	21
26	Releases	21
27	Currency clause	21
28	Certificates and determinations	22
29	Counterparts	22
30	Governing law	22
31	Enforcement	22
	Schedule	
1	Property	23
2	Subsidiary Shares	24
3	Occupational Leases	25
	Part 1 - Form of notice of assignment	25
	Part 2 - Form of acknowledgement	27
4	Relevant Agreements	28
	Part 1 - Form of notice of assignment	28
	Part 2 - Form of acknowledgement	30
5	Relevant Policies	31
	Part 1 - Form of notice of assignment	31
	Part 2 - Form of acknowledgement	33
6	Blocked Accounts	34
	Part 1 - Form of notice of charge	34
	Part 2 - Form of acknowledgement	35
7	Charged Accounts	36

Execution version

Part 1 - Form of notice of charge	36
Part 2 - Form of acknowledgement	37

This Debenture is made on 12 SEPTEMBER

2014

Between

- (1) **2 Hardman Boulevard Investments Limited** (registered in England with number 07278036) (**Borrower**),
- (2) **2 Hardman Boulevard Developments Limited** (registered in England with number 07277987) (**Developer**), and
- (3) **CBRE Loan Servicing Limited** (registered in England with number 05469838) as security agent for the Finance Parties (**Security Agent**, which term shall include any person appointed as security agent or as an additional security agent in accordance with the terms of the Loan Agreement)

It is agreed

1 Definitions and interpretation

1.1 Definitions

In this deed

Blocked Account means, in respect of a Chargor, any account of that Chargor designated as a Blocked Account by that Chargor and the Security Agent

Charged Account has the meaning given to it in clause 3.4(i) (First fixed charges)

Chargor means the Borrower or the Developer

Debts has the meaning given to it in clause 3.4(g) (First fixed charges)

Delegate means any delegate, agent, attorney or co-trustee appointed by the Security Agent

Financial Indebtedness means any indebtedness for or in respect of

- (a) moneys borrowed
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with GAAP, be treated as a finance or capital lease
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis)
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account)

- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above

Fixtures means, in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this deed on that Secured Property

Floating Charge Assets means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge)

GAAP means generally accepted accounting principals in England and Wales

Intellectual Property means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, topography rights, domain names, moral rights, inventions, confidential information, knowhow and any other associated or similar intellectual property rights and interests anywhere in the world (which may now or in the future subsist), and in each case whether registered or unregistered and
- (b) the benefit of all applications, rights to apply for and rights to use such assets (including, without limitation, any licences and sub-licences of the same) (which may now or in the future subsist)

Investments means any shares, stocks, debenture security, securities, bonds and investments of any type (other than the Subsidiary Shares) whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the relevant Chargor or by a trustee or clearance system or nominee

Loan Agreement means the loan agreement dated 8 May 2014 made between the Borrower as borrower, the Developer as developer, Allied London Properties Limited as guarantor, the institutions listed in schedule 1 thereto as original lenders, CBRE Indirect Investment Services Limited as arranger and CBRE Loan Servicing Limited as agent and security agent under which the Lenders agree to make available to the Borrower the Facility

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

Option Agreement means the option agreement relating to the freehold interest in the Property entered into or to be entered between The Council of the City of Manchester and the Borrower

Party means a party to this deed

Property means the property listed in schedule 1 (Property)

Receiver means any receiver, manager or administrative receiver appointed by the Security Agent in respect of any Chargor or any of the Secured Assets

Related Rights means, in respect of any Investment or Subsidiary Share

- (a) all monies paid or payable in respect of that Investment or Subsidiary Share (whether as income, capital or otherwise)
- (b) all shares, investments or other assets derived from that Investment or Subsidiary Share and
- (c) all rights derived from or incidental to that Investment or Subsidiary Share

Relevant Agreement means

- (a) each Development Document
- (b) any Occupational Lease
- (c) the Headlease
- (d) the Option Agreement and
- (e) each other agreement designated as a Relevant Agreement by the Security Agent and the Borrower in writing

Relevant Policies means, in respect of a Chargor, all policies of insurance present and future in which it has an interest (other than policies in respect of third party liability) together with all monies payable in respect of those policies

Secured Assets means, in respect of a Chargor, all of its assets and undertaking the subject of any Security created by, under or supplemental to, this deed in favour of the Security Agent

Secured Obligations means, in respect of a Chargor, all monies and liabilities now or after the date of this deed due owing or incurred by that Chargor to the Finance Parties (or any of them) under the Finance Documents (or any of them) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document

Secured Property means, at any time, the Property and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to, this deed

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect

Security Period means the period beginning on the date of this deed and ending on the date on which the Security Agent is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities made available by the Finance Parties (or any of them) under the Finance Documents (or any of them) have been cancelled

Subsidiary Shares means, in respect of a Chargor, all shares present and future held by it in its Subsidiaries (including those listed in schedule 2 (Subsidiary Shares))

1 2 Interpretation

- (a) Unless otherwise defined in this deed, a term defined in the Loan Agreement has the same meaning when used in this deed or any notices, acknowledgements or other documents issued under or in connection with this deed
- (b) In this deed the term **dispose** includes any sale, lease, licence, transfer or loan
- (c) Clause 1 2 (Interpretation) of the Loan Agreement is incorporated in this deed as if set out here in full but so that each reference in that clause to **this Agreement** shall be read as a reference to this deed

1 3 Third party rights

- (a) Unless expressly provided to the contrary in any Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed or any other Finance Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999
- (b) Unless expressly provided to the contrary in any Finance Document the consent of any person who is not a Party is not required to rescind or vary this deed or any other Finance Document entered into under or in connection with it

1 4 Administration

- (a) Any reference in this deed, or any other Finance Document entered into under or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of a Chargor's assets) or 22 (by a Chargor or the directors of a Chargor) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment
- (b) Any reference in this deed or any other Finance Document entered into under or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice

1 5 Incorporated terms

The terms of the Finance Documents and of any side letters relating to the Finance Documents and the Secured Obligations are incorporated into this deed to the extent required for any purported disposition of any Secured Assets contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

1 6 Inconsistency with Loan Agreement

- (a) To the extent that there is any inconsistency between the terms of the Loan Agreement and the terms of this deed, then until such time as all liabilities of the

Obligors under the Loan Agreement are repaid and discharged in full, the terms of the Loan Agreement shall prevail

- (b) Clause 1 6(a) shall not apply in respect of any right of the Lender to set-off under clause 22 (Set-off)

2 Covenant to pay

Each Chargor covenants with the Security Agent as security agent for the Finance Parties, to pay and discharge the Secured Obligations when they become due for payment and discharge in accordance with the terms of the Finance Documents

3 Charging provisions

3 1 General

All Security created by a Chargor under clauses 3 2 to 3 5 inclusive is

- (a) a continuing security for the payment and discharge of the Secured Obligations,
- (b) granted with full title guarantee,
- (c) granted in respect of all the right, title and interest (if any), present and future, of that Chargor in and to the relevant Secured Asset, and
- (d) granted in favour of the Security Agent as security agent for the Finance Parties

3 2 First legal mortgages

The Borrower charges by way of first legal mortgage the Property, and all Fixtures on the Property

3 3 Assignments

Each Chargor assigns

- (a) all Rental Income, and all other sums, payable under any Occupational Lease,
- (b) the Relevant Agreements to which it is a party, and
- (c) the Relevant Policies to which it is a party

Each Chargor shall remain liable to perform all its obligations under each Occupational Lease, each Relevant Agreement and each Relevant Policy to which it is a party

3 4 First fixed charges

Each Chargor charges by way of first fixed charge

- (a) all interests and estates in any freehold, leasehold or commonhold property now or subsequently owned by it (other than any freehold, leasehold or commonhold property effectively charged by way of legal mortgage under clause 3 2) and, in each case, the Fixtures on each such property,
- (b) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property,

- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property,
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, present and future owned by it and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them,
- (e) the Subsidiary Shares together with all Related Rights,
- (f) the Investments together with all Related Rights,
- (g) all book and other debts due to the relevant Chargor and their proceeds (both collected and uncollected) (together **Debts**) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them),
- (h) all monies from time to time standing to the credit of each Blocked Account,
- (i) all monies from time to time standing to the credit of each account held by the relevant Chargor with any bank, building society, financial institution or other person, other than any Blocked Account and any general/current account of the Borrower and/or the Developer (each a **Charged Account**),
- (j) all its Intellectual Property,
- (k) all its goodwill and uncalled capital,
- (l) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them, and
- (m) to the extent that any assignment in clause 3.3 is ineffective as an assignment, the assets referred to in that clause

3.5 Floating charge

Each Chargor charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 3.2, 3.3 or 3.4

3.6 Qualifying floating charge

This deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this deed

3.7 Conversion of floating charge to a fixed charge

The Security Agent may, at any time by notice in writing to any Chargor, convert the floating charge created under clause 3.5 into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if

- (a) an Event of Default is continuing unremedied or unwaived, or

- (b) in the reasonable opinion of the Security Agent that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset

3 8 Automatic conversion of floating charge to a fixed charge

If (unless permitted in writing by the Security Agent or expressly permitted under the terms of any Finance Document)

- (a) a Chargor creates or attempts to create any Security over any of its Floating Charge Assets,
- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset, or
- (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of any Chargor,

the floating charge created by this deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3 8(c), over all of the Floating Charge Assets

3 9 Documents of title

Each Chargor shall (if required by the Security Agent)

- (a) immediately upon the execution of this deed (and on the acquisition by it of any interest in any Secured Assets at any time) deposit with the Security Agent all deeds, certificates and other documents in its possession constituting or evidencing title to the Secured Assets (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Security Agent on terms acceptable to the Security Agent), and
- (b) deposit with the Security Agent at any time after the date of this deed any further deeds, certificates and other documents constituting or evidencing title to the Secured Assets, promptly upon coming into possession of them (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Security Agent on terms acceptable to the Security Agent)

3 10 Small company moratorium

Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created by this deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by that Chargor

4 Continuing security

4 1 Continuing security

The Security constituted by this deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by any Chargor or any other person of the whole or any part of the Secured Obligations

4.2 Recourse

The Security constituted by this deed

- (a) is in addition to any other Security which any Finance Party may hold at any time for the Secured Obligations (or any of them), and
- (b) may be enforced without first having recourse to any other rights of any Finance Party

5 Negative pledge

5.1 No Chargor shall create or permit to subsist any Security over any of its assets without the Security Agent's prior written consent (such consent not to be unreasonably withheld or delayed), except for

- (a) security created under the Security Documents, and
- (b) a rent deposit deed granted by the Borrower in favour of Manchester City Council dated 2 September 2010

5.2 No Chargor shall, without the Security Agent's prior written consent (such consent not to be unreasonably withheld or delayed)

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Chargor,
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms,
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts, or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset

5.3 Clauses 5.1 and 5.2 do not apply to any Security which is expressly permitted pursuant to clause 10.6 (Negative undertakings) of the Loan Agreement

6 Restrictions on disposals

6.1 No Chargor shall enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to dispose of all or any part of any Secured Assets

6.2 Clause 6.1 does not apply to any disposal expressly permitted under the Loan Agreement

7 Further assurance

7.1 Each Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) in favour of the Security Agent or its nominee(s)

- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Security Agent or the Finance Parties provided by or pursuant to this deed or by law,
 - (b) to confer on the Security Agent or confer on the Finance Parties Security over any property and assets of that Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this deed, and/or
 - (c) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this deed
- 7 2 Each Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to this deed
- 7 3 Any document required to be executed by a Chargor under this clause 7 will be prepared at the cost of that Chargor

8 Land Registry

8 1 Application for restriction

- (a) In relation to land and buildings situated in England and Wales title to which is registered or is to be registered at the Land Registry, each Chargor consents to an application being made to the Chief Land Registrar for registration of a restriction on the register of title of all present and future registered freehold, leasehold or commonhold property of that Chargor (and any unregistered properties subject to compulsory first registration at the date of this deed)
- (b) The Chargor confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003

8 2 Tacking and further advances

The Lenders are, subject to the terms of the Loan Agreement, under an obligation to make further advances to the Borrowers and this security has been made for securing such further advances. The Security Agent and each Chargor by this deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of that Chargor (and any unregistered properties subject to compulsory first registration at the date of this deed)

9 Future property

If any Chargor acquires (or intends to acquire) any freehold or leasehold or other interest in property after the date of this deed it must

- (a) notify the Security Agent immediately of such acquisition or its intention to acquire such property,
- (b) immediately on request by the Security Agent and at the cost of the Chargor, execute and deliver to the Security Agent, a charge by way of first legal mortgage of such

property and all Fixtures on such property in favour of the Security Agent in such form as the Security Agent may require,

- (c) obtain such consents as are required for the Security referred to in this clause 9,
- (d) if the title to such freehold or leasehold property is registered at the Land Registry or required to be so registered, to give the Land Registry written notice of the Security, and
- (e) if applicable, ensure that the Security is correctly noted in the register of title against that title at the Land Registry

10 Notices of assignments and charges

10.1 Rental Income

- (a) If required by the Security Agent at any time, a Chargor which is a party to an Occupational Lease shall give notice in the form specified in part 1 (Form of notice of assignment) of schedule 3 to each tenant under each Occupational Lease that the Chargor has assigned to the Security Agent all its right, title and interest in the Rental Income and other monies payable under that Occupational Lease
- (b) The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 3

10.2 Relevant Agreements

- (a) If required by the Security Agent at any time, a Chargor which is party to a Relevant Agreement other than an Occupational Lease shall give notice in the form specified in part 1 (Form of notice of assignment) of schedule 4 to the other parties to each Relevant Agreement that the Chargor has assigned to the Security Agent all its right, title and interest in that Relevant Agreement
- (b) The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 4

10.3 Insurance policies

- (a) If required by the Security Agent at any time, a Chargor which is an insured party under a Relevant Policy shall give notice in the form specified in part 1 (Form of notice of assignment) of schedule 6 to each insurer under each Relevant Policy that the Chargor has assigned to the Security Agent all its right, title and interest in that Relevant Policy
- (b) The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 6

10.4 Blocked Accounts

- (a) If required by the Security Agent at any time, a Chargor holding a Blocked Account shall give notice in the form specified in part 1 (Form of notice of charge) of schedule 6 to the financial institution at which such Blocked Account is held that the Chargor

has created a fixed charge over the balance standing to the credit of that Blocked Account

- (b) The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in part 2 (Form of acknowledgement) of schedule 6

10 5 Charged Accounts

- (a) If required by the Security Agent at any time, a Chargor holding a Charged Account shall give notice in the form specified in part 1 (Form of notice of charge) of schedule 7 to the financial institution at which such Charged Account is held that the Chargor has created a fixed charge over the balance standing to the credit of that Charged Account
- (b) The relevant Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in part 2 (Form of acknowledgment) of schedule 7

11 Subsidiary Shares and Investments

11 1 Delivery of documents

On the later of

- (a) the date of this deed, and
 - (b) the date of acquisition of those Subsidiary Shares, Investments or Related Rights,
- each Chargor shall
- (i) deliver to the Security Agent all certificates of title and other documents of title or evidence of ownership in respect of its Subsidiary Shares or Investments and the Related Rights, and
 - (ii) deliver to the Security Agent such transfer documents (with the transferee left blank) or any other documents as the Security Agent may require or otherwise request in respect of those Subsidiary Shares, Investments and Related Rights

11 2 Dividends

Until any steps are taken to enforce the Security created by or under this deed, each Chargor shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of its Subsidiary Shares, Investments and Related Rights

11 3 Voting rights

No Chargor shall exercise its voting and other rights in respect of its Subsidiary Shares, Investments and Related Rights in a manner which is likely to be prejudicial to the interests of the Finance Parties

11.4 Payments

Each Chargor shall make all payments which may become due and payable in respect of any of its Subsidiary Shares, Investments and Related Rights. If it fails to make any such payments, the Security Agent may but shall not be obliged to make such payment on behalf of the relevant Chargor. Any sums so paid by the Security Agent shall be repayable by the relevant Chargor to the Security Agent on demand and pending such repayment shall constitute part of the Secured Obligations.

11.5 Obligations

Each Chargor shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of its Subsidiary Shares, Investments and Related Rights and the Security Agent shall not be required to perform or fulfil any obligation of any Chargor in respect of any Subsidiary Shares, Investments or Related Rights.

11.6 Compliance with notices

Each Chargor shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of any relevant entity in respect of or in connection with the Subsidiary Shares, Investments or Related Rights and will promptly provide to the Security Agent a copy of that notice.

11.7 Conversion

- (a) Each Chargor shall ensure that none of its Subsidiary Shares are converted into uncertificated form without the prior written consent of the Security Agent.
- (b) Immediately on conversion of any of its Subsidiary Shares, Investments or Related Rights from a certificated to an uncertificated form, and on the acquisition of any Subsidiary Shares, Investments or Related Rights in an uncertificated form, each Chargor shall give such instructions or directions and take such other steps and enter into such documentation as the Security Agent may require in order to protect or preserve the Security intended to be created by this deed.

12 Security power of attorney

Each Chargor, by way of security following an Event of Default which is continuing, irrevocably and severally appoints the Security Agent, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this deed. Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 12.

13 Enforcement of security**13.1 When security is enforceable**

On the occurrence of any Event of Default which is continuing, the Security created by and under this deed is immediately enforceable.

13.2 Acts of enforcement

The Security Agent may, at its absolute discretion, at any time after the Security created by or under this deed is enforceable.

- (a) enforce all or any part of the Security created by or under this deed in any manner it sees fit,
- (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this deed, and rights and powers conferred on a Receiver by this deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets,
- (c) appoint a Receiver to all or any part of the Secured Assets,
- (d) appoint an administrator in respect of any Chargor and take any steps to do so,
- (e) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this deed), or
- (f) if permitted by law, appoint an administrative receiver in respect of any Chargor

13 3 Right of appropriation

To the extent that the Security created by this deed constitutes a "security financial collateral arrangement" and the Secured Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (**Regulations**), the Security Agent shall have the right on giving prior notice to the relevant Chargor, at any time after the Security becomes enforceable, to appropriate all or any part of those Secured Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Secured Assets shall be, in the case of cash, the amount of cash appropriated and, in the case of Subsidiary Shares and Investments, determined by the Security Agent by reference to any available publicly available market price in the absence of which by such other means as the Security Agent (acting reasonably) may select including, without limitation, an independent valuation. For the purpose of Regulation 18(1) of the Regulations, each Chargor agrees that any such determination by the Security Agent will constitute a valuation "in a commercially reasonable manner"

13 4 Statutory powers - general

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this deed
- (b) Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this deed
- (c) The statutory powers of leasing conferred on the Security Agent are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Security Agent is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit
- (d) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers

13.5 Contingencies

If the Security Agent enforces the Security constituted by or under this deed at a time when no amounts are due to any Finance Party under the Finance Documents but at a time when amounts may or will become so due, the Security Agent (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account

13.6 Mortgagee in possession - no liability

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

13.7 Redemption of prior mortgages

At any time after the Security created by or under this deed has become enforceable, the Security Agent may, at the sole cost of the Chargors (payable to the Security Agent on demand)

- (a) redeem any prior form of Security over any Secured Asset, and/or
- (b) procure the transfer of that Security to itself, and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargors

13.8 Subsidiary Shares and Investments – following an Event of Default

- (a) If an Event of Default is continuing, each Chargor shall on request by the Security Agent
 - (i) deliver to the Security Agent such stock transfer forms or other transfer documents as the Security Agent may require to enable the Security Agent or its nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Subsidiary Shares, the Investments and/or Related Rights referred to in such request,
 - (ii) provide to the Security Agent certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Security Agent may reasonably require,
 - (iii) procure that each such transfer is promptly registered by the relevant company or other entity,
 - (iv) procure that, immediately on their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Subsidiary Shares, Investments and/or Related Rights, are delivered to the Security Agent in each case showing the registered holder as the Security Agent or its nominee or nominees (as applicable), and
 - (v) exercise all voting rights in respect of its Subsidiary Shares, Investments and Related Rights only in accordance with the instructions of the Security Agent

- (b) At any time while an Event of Default is continuing, the Security Agent may complete any transfer documents held by it in respect of the Subsidiary Shares, the Investments and/or Related Rights in favour of itself or such other person or nominee as it shall select
- (c) At any time after the Security created by or under this deed has become enforceable, the Security Agent and its nominee or nominees may sell all or any of the Subsidiary Shares, Investments or Related Rights of the Chargors (or any of them) in any manner permitted by law and on such terms as the Security Agent shall in its absolute discretion determine
- (d) If any Chargor receives any dividends, distributions or other monies in respect of its Subsidiary Shares, Investments and Related Rights at a time when the Security Agent has made a request under clause 13 8(a) or taken any steps under clause 13 2 to enforce Security created by or under this deed, the relevant Chargor shall immediately pay such sums received directly to the Security Agent for application in accordance with clause 16 (Application of monies) and shall hold all such sums on trust for the Security Agent pending payment of them to such account as the Security Agent shall direct

14 Receiver

14 1 Appointment of Receiver

- (a)
 - (i) At any time after any Security created by or under this deed is enforceable, the Security Agent may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 13 2(c) (Acts of enforcement)
 - (ii) At any time, if so requested in writing by any Chargor, without further notice, the Security Agent may appoint a Receiver to all or any part of the Secured Assets as if the Security Agent had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925 ,
- (b) Any Receiver appointed under this deed shall be the agent of the relevant Chargor and that Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Security Agent be in any way responsible for any misconduct, negligence or default of the Receiver
- (c) Where a Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986
 - (i) obtaining a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver

14.2 Removal

The Security Agent may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated

14.3 Powers of Receiver**(a) General**

- (i) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 14.3
- (ii) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers
- (iii) A Receiver of a Chargor has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986
- (iv) A Receiver may, in the name of any Chargor
 - (A) do all other acts and things which he may consider expedient for realising any Secured Asset, and
 - (B) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

(b) Borrow money

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed

(c) Carry on business

A Receiver may carry on the business of any relevant Chargor as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate

(d) Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of any relevant Chargor or relating in any way to any Secured Asset

(e) **Delegation**

A Receiver may delegate his powers in accordance with clause 15 (Delegation)

(f) **Employees**

For the purposes of this deed, a Receiver as he thinks appropriate, on behalf of the relevant Chargor or for itself as Receiver, may

- (i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper, and
- (ii) discharge any such persons appointed by the relevant Chargor

(g) **Leases**

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

(h) **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the relevant Chargor in relation to any Secured Asset as he considers expedient

(i) **Possession**

A Receiver may take immediate possession of, get in and collect any Secured Asset

(j) **Protection of assets**

A Receiver may, in each case as he may think fit

- (i) make and effect all repairs and insurances and do all other acts which the relevant Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets,
- (ii) commence and/or complete any building operations on the Secured Property or other Secured Asset, and
- (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence

(k) **Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset

(l) Sale of assets

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the relevant Chargor.

(m) Subsidiaries

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

(n) Deal with Secured Assets

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(o) Voting rights

A Receiver may exercise all voting and other rights attaching to the Investments, Subsidiary Shares, Related Rights and stocks, shares and other securities owned by that Chargor and comprised in the Secured Assets in such manner as he may think fit.

(p) Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on that Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver.

(q) Acquire land

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

(r) Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any

real property comprised in the Secured Property and do all acts and things incidental to the Secured Property

(s) Landlord's obligations

A Receiver may on behalf of a Chargor and without consent of or notice to that Chargor exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property

(t) Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of any relevant Chargor in respect of uncalled capital

(u) Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the relevant Chargor for all the purposes set out in this clause 14

14 4 Remuneration

The Security Agent may from time to time fix the remuneration of any Receiver appointed by it

15 Delegation

15 1 The Security Agent and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Agent and the Receiver (as appropriate) under this deed to any person or persons as it shall think fit Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Security Agent and Receiver (as appropriate) may think fit

15.2 The Security Agent and any Receiver will not be liable or responsible to any Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate

16 Application of monies

16 1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed

16 2 All monies received by the Security Agent or any Receiver under this deed shall be applied in accordance with the terms of the Loan Agreement

16 3 The Security Agent and any Receiver may place any money received, recovered or realised pursuant to this deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations

17 Remedies and waivers

- 17.1 No failure to exercise, nor any delay in exercising, on the part of the Security Agent or any Receiver, any right or remedy under this deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this deed. No election to affirm this deed on the part of the Security Agent or any Receiver shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.
- 17.2 A waiver given or consent granted by the Security Agent or any Receiver 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.

18 Protection of third parties

- 18.1 No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his agents has an obligation to enquire of the Security Agent, Receiver or others
- (a) whether the Secured Obligations have become payable,
 - (b) whether any power purported to be exercised has become exercisable,
 - (c) whether any Secured Obligations or other monies remain outstanding,
 - (d) how any monies paid to the Security Agent or to the Receiver shall be applied, or
 - (e) the status, propriety or validity of the acts of the Receiver or Security Agent
- 18.2 The receipt of the Security Agent or any Receiver 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 monies paid to or by the direction of the Security Agent or any Receiver.
- 18.3 In clauses 18.1 and 18.2 **purchaser** includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

19 Additional security

The Security created by or under this deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by any Finance Party.

20 Settlements conditional

- 20.1 If the Security Agent (acting reasonably) believes that any amount paid by a Chargor or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this deed, such amount shall not be considered to have been paid.
- 20.2 Any settlement, discharge or release between a Chargor and any Finance Party shall be conditional upon no Security or payment to or for that Finance Party by that Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

21 Subsequent Security

If the Security Agent or any Finance Party receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets it may open a new account or accounts for the relevant Chargor in its books. If it does not do so then, unless it gives express written notice to the contrary to the relevant Chargor, as from the time of receipt of such notice by the Security Agent, all payments made by that Chargor to the Security Agent or to any other Finance Party shall be treated as having been credited to a new account of that Chargor and not as having been applied in reduction of the Secured Obligations.

22 Set-off

A Finance Party may set off any matured obligation due from a Chargor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

23 Notices

Any communication under this deed or any other Security or Finance Document created by or under this deed, shall be made and given in accordance with the terms of clause 15 (Communications) of the Loan Agreement.

24 Partial invalidity

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

25 Assignment

The Security Agent may assign or otherwise transfer all or any part of its rights under this deed or any Security created by or under it in accordance with the terms of the Finance Documents.

26 Releases

Upon the expiry of the Security Period, the Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to release and reassign to each relevant Chargor

- (a) its rights arising under this deed,
 - (b) the Secured Assets from the Security created by and under this deed,
- and return all documents or deeds of title delivered to it under this deed.

27 Currency clause

If a payment is made to the Security Agent under this deed in a currency (**Payment Currency**) other than the currency in which it is expressed to be payable (**Contractual Currency**), the Security Agent may convert that payment into the Contractual Currency at the

rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Chargors will remain liable for such shortfall

28 Certificates and determinations

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

29 Counterparts

This deed or any Finance Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this deed or any such Finance Document entered into under or in connection with this deed by e-mail attachment or telecopy shall be an effective mode of delivery.

30 Governing law

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

31 Enforcement

31.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute relating to the existence, validity or termination of this deed or any non-contractual obligation arising out of or in connection with this deed) **(Dispute)**

31.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

31.3 This clause 31 is for the benefit of the Security Agent. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This Security Agreement has been executed as a deed and delivered on the date given at the beginning of this Security Agreement.

Schedule 1

Property

Registered Land

Owner	Country and District (or Address or Description London Borough)	Title Number
2 Hardman Boulevard Investments Limited	2 Hardman Boulevard, Spinningfields, Manchester M3 3AQ	MAN166591

Schedule 2

Subsidiary Shares

Chargor	Name and registered number of Subsidiary	Number and class of shares
---------	---	----------------------------

None		
------	--	--

Schedule 3

Occupational Leases

Part 1 - Form of notice of assignment

To ♦

Dated ♦

Dear Sirs

The lease described in the attached schedule (the Lease)

We hereby notify you that we have assigned to ♦ **(Security Agent)** as security agent for itself and certain financial institutions all our right, title and interest in and to the Lease (including all rental income and other monies payable under the Lease)

We hereby irrevocably and unconditionally authorise and instruct you

- 1 without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to relating to the Lease, and
- 2 to pay all sums payable by you under the Lease directly to our account at

Bank ♦
Account number ♦
Sort code ♦,

or such other account as the Security Agent may specify from time to time

We remain liable to perform all our obligations [as landlord] under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Lease

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law

Yours faithfully

for and on behalf of
♦ **Limited**

Schedule

[Description of Lease]

[Attach form of acknowledgment]

Part 2 - Form of acknowledgement

To: [name of Security Agent]
[address]

To [name of Chargor] (Chargor)
[address]

We acknowledge receipt of the notice of assignment (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that

- (a) we will not agree to any amendment, waiver or release of any provision of the Lease without the prior written consent of the Security Agent,
- (b) we shall act in accordance with the Notice,
- (c) the Chargor will remain liable to perform all its obligations under the Lease and the Security Agent is under no obligation of any kind whatsoever under the Lease nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Lease,
- (d) as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Lease in favour of any other person, and
- (e) we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Lease

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law

For and on behalf of
[Tenant]

Schedule 4

Relevant Agreements

Part 1 - Form of notice of assignment

To ♦

Dated ♦

Dear Sirs

The agreement described in the attached schedule (Agreement)

We hereby notify you that we have assigned to ♦ (**Security Agent**) as security agent for itself and certain financial institutions all our right, title and interest in and to the Agreement

We hereby irrevocably and unconditionally authorise and instruct you

1 without notice or reference to, or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Agreement and any rights under or in connection with the Agreement, and

2 to pay all sums payable by you under the Agreement directly to our account at

Bank ♦

Account number ♦

Sort code ♦

or such other account as the Security Agent may specify from time to time

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law

Yours faithfully

for and on behalf of

♦ Limited

Schedule

Date	Parties	Description
◆	◆	◆

[Attach form of acknowledgment]

Part 2 - Form of acknowledgement

To [name of Security Agent]
[address]

To [name of Chargor] (**Chargor**)
[address]

We acknowledge receipt of the notice of assignment (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that

- (a) there has been no amendment, waiver or release of any rights or interests in the Agreement since the date of the Agreement,
- (b) we will not agree to any amendment, waiver or release of any provision of the Agreement without the prior written consent of the Security Agent,
- (c) we shall act in accordance with the Notice,
- (d) as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Agreement in favour of any other person,
- (e) as at the date of this acknowledgement, we are not aware of any breach by the Chargor of the terms of the Agreement, and
- (f) we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Agreement

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law

For and on behalf of

◆

Schedule 5

Relevant Policies

Part 1 - Form of notice of assignment

To [insurer]

Dated ♦

Dear Sirs

The insurance policies described in the attached schedule (Relevant Policies)

We hereby notify you that we have assigned to ♦ (**Security Agent**) as security agent for the benefit of itself and certain financial institutions all our right, title and interest in and to the Relevant Policies

We hereby irrevocably and unconditionally authorise and instruct you

- 1 without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Relevant Policies (or any of them), and
- 2 to pay all sums payable by you under the Relevant Policies (or any of them) into our account at

Bank ♦
Account number ♦
Sort code ♦,

or such other account as the Security Agent may specify from time to time

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law

Yours faithfully

for and on behalf of
♦ Limited

Schedule

Date of policy	Insured	Policy type	Policy number
♦	♦	♦	♦

[Attach form of acknowledgment]

Part 2 - Form of acknowledgement

To [name of Security Agent]
[address]

To [name of Chargor] (Chargor)
[address]

We acknowledge receipt of the notice of assignment (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that

- 1 there has been no amendment, waiver or release of any rights or interests in any Relevant Policy since the date of such policy,
- 2 we have noted the Security Agent's interest as mortgagee and first loss payee on each Relevant Policy,
- 3 we will not agree to any amendment, waiver or release of any provision of any Relevant Policy without the prior written consent of the Security Agent,
- 4 we shall act in accordance with the Notice,
- 5 as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in any Relevant Policy or the proceeds of any Relevant Policy in favour of any other person, and
- 6 we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to any Relevant Policy

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law

For and on behalf of
[insurance company]

Schedule 6

Blocked Accounts

Part 1 - Form of notice of charge

To *[insert name and address of Account Bank]*

Dated ♦

Dear Sirs

Account number. ♦ **(Blocked Account)**

Sort code: ♦

Account holder: ♦ **Limited**

We hereby notify you that we have charged by way of first fixed charge to ♦ **(Security Agent)** as security agent for itself and certain financial institutions all our right, title and interest in and to the monies from time to time standing to the credit of the Blocked Account

We hereby irrevocably and unconditionally authorise and instruct you

- 1 to hold all monies from time to time standing to the credit of the Blocked Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect, and
- 2 to disclose to the Security Agent such information relating to us and the Blocked Account as the Security Agent may from time to time request you to provide.

We also advise you that

- (a) we may not withdraw any monies from the Blocked Account without first having obtained the prior written consent of the Security Agent, and
- (b) the provisions of this notice may only be revoked or varied with the prior written consent of the Security Agent

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law

Yours faithfully

for and on behalf of
♦ **Limited**

[Attach form of acknowledgment]

Part 2 - Form of acknowledgement

To *[name of Security Agent]*
 [address]

To *[name of Chargor]* (**Chargor**)
 [address]

We acknowledge receipt of the notice of charge (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that

- (a) we shall act in accordance with the Notice,
- (b) as at the date of this acknowledgement we have not received any notice of assignment or charge over the Chargor's interest in the Blocked Account in favour of any other person, and
- (c) we will not exercise any right of combination of accounts, set-off or lien over any monies standing to the credit of the Blocked Account.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of
[account holding institution]

Schedule 7

Charged Accounts

Part 1 - Form of notice of charge

To *[insert name and address of account holding institution]*

Account number: ♦ **(Charged Account)**
Sort code: ♦
Account holder: ♦ **Limited**

We hereby notify you that we have charged by way of first fixed charge to ♦ **(Security Agent)** as security agent for itself and certain financial institutions all our right, title and interest in and to the monies from time to time standing to the credit of the Charged Account

We hereby irrevocably and unconditionally authorise and instruct you:

- 1 to hold all monies from time to time standing to the credit of the Charged Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect, and
- 2 to disclose to the Security Agent such information relating to us and the Charged Account as the Security Agent may from time to time request you to provide

By countersigning this notice, the Security Agent authorises you to permit us to withdraw and otherwise deal with funds standing to the credit of the Charged Account until

- (a) you receive a notice in writing to the contrary from the Security Agent,
- (b) a petition is presented for a winding up order in respect of us or an application is made for an administration order in respect of us,

(whichever occurs first)

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Security Agent and the other copy to us

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law

Yours faithfully

for and on behalf of ♦ Limited

Countersigned for and on behalf of
the Security Agent

[Attach form of acknowledgment]

Part 2 - Form of acknowledgement

To *[name of Security Agent]*
 [address]

To *[name of Chargor]* (**Chargor**)
 [address]

We acknowledge receipt of the notice of charge (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that

- (a) we shall act in accordance with the Notice,
- (b) as at the date of this acknowledgement we have not received any notice of assignment or charge or other security over the Chargor's interest in the Charged Account in favour of any other person, and
- (c) we will not exercise any right of combination of accounts, set-off or lien over any monies standing to the credit of the Charged Account.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of
[account holding institution]

SIGNATORIES TO THE DEBENTURE

The Borrower

Executed as a deed by)
2 Hardman Boulevard Investments Limited)
 acting by a director in the presence of) Director

Signature of witness

Name *M CASEY*

Address

Address: c/o Capital Properties (UK)
 Limited
 Level 5, Tower 12
 18-22 Bridge Street
 Spinningfields
 Manchester M2 3BZ

Fax No 0207 255 7821
 Attention Freddie Graham-Watson

The Developer

Executed as a deed by)
2 Hardman Boulevard Developments Limited)
 acting by a director in the presence of) Director

Signature of witness

Name *M CASEY*

Address

Address: c/o Capital Properties (UK)
 Limited
 Level 5, Tower 12
 18-22 Bridge Street
 Spinningfields
 Manchester M2 3BZ

Fax No 0207 255 7821
 Attention Freddie Graham-Watson

The Security Agent

Executed as a deed)
 by)
 as duly authorised attorney)
 for and on behalf of **CBRE Loan Servicing**)
Limited in the presence of)

..

..
 Signature of witness

Name

Address

.
 Address: Henrietta House, Henrietta
 Place, London W1G 0NB
 Fax No 020 7499 9624
 Attention Andrew Antoniadis