

MR01

Particulars of a charge

Laserform

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

You can use the WebFiling service to file this form online.
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 there is no
instrument Use form MR08

FRIDAY



A34
20/06/2014
COMPANIES HOUSE
#62

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 8 5 8 6 3 5 7

Company name in full Stena Red Lion Limited

For official use

→ **Filing 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 d1 d6 m0 m6 y2 y0 y1 y4

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 Nykredit Bank A/S

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

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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

All that leasehold land and buildings known as 16 to 20 (even) Red Lion Street, London, WC1R 4PS as registered at the Land Registry with title number NGL777023

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 Taylor Wessing 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 JME

Company name Taylor Wessing LLP

Address 5 New Street Square

Post town London

County/Region

Postcode E C 4 A 3 T W

Country

DX 41 London London - Chancery Lane

Telephone +44 (0)207 300 7000



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: 8586357

Charge code: 0858 6357 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th June 2014 and created by STENA RED LION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th June 2014.

DT.

Given at Companies House, Cardiff on 25th June 2014



Companies House



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

Taylor Wessing LLP
Taylor Wessing LLP

DATED

16 JUNE

2014

STENA RED LION LIMITED
as Chargor

and

NYKREDIT BANK A/S
as Hedge Counterparty

DEBENTURE

5 New Street Square | London EC4A 3TW
Tel +44 (0)20 7300 7000
Fax +44 (0)20 7300 7100
DX 41 London
www.taylorwessing.com

TaylorWessing

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16 JUNE

THIS DEBENTURE is made on **2014**

BETWEEN

- (1) **STENA RED LION LIMITED** as **Chargor**, and
- (2) **NYKREDIT BANK A/S** as **Hedge Counterparty**

AGREED TERMS

1. Definitions and Interpretation

1.1 Definitions

Terms defined in the Agreement have the same meanings in this deed, unless the contrary intention appears, and

"Administrator" means any one or more persons appointed as an administrator of the Chargor by the Hedge Counterparty under paragraph 14 of schedule B1 to the Insolvency Act,

"Agreement" means a loan agreement dated 2014 made between Stena Red Lion Limited as Borrower, Nykredit Realkredit A/S as Original Lender and Security Trustee and Nykredit Bank A/S as Registration Guarantor and Hedge Counterparty,

"Charged Property" means the assets mortgaged, charged or assigned by the Chargor under this deed,

"Chargor" means Stena Red Lion Limited, a company incorporated in England and Wales with registration number 08586357 whose registered office is at 45 Albemarle Street, London W1S 4JL,

"Debts" means all book and other debts and rights to money and income (other than Rental Income, any rights assigned under clause 3(d) or 3(e), any Dividends and any Related Rights) liquidated and unliquidated due or owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but excluding cash at bank,

"Designated Account" means an account opened by the Chargor with the Account Bank on terms satisfactory to the Hedge Counterparty or any other account which is opened in place of such account at the request of or with the consent of the Hedge Counterparty,

"Disposals Account" means an interest bearing deposit account of the Chargor with the Account Bank and to be designated "Disposals Account" account number 39065978 or any replacement account opened by the Chargor at the request of or with the consent of the Lender,

"Dividends" means all dividends, interest and other money payable in respect of the Investments,

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 SI 2003/3226,

"Insolvency Act" means the Insolvency Act 1986,

"Intellectual Property" means all present and future rights of the Chargor in respect of any patent, copyright, trade mark, service mark, invention, design, knowhow, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing,

"Investment" means any

- (a) stock, share, bond or any form of loan capital of or in any legal entity,
- (b) unit in any unit trust or similar scheme,
- (c) warrant or other right to acquire any such investment,

and any offer, right or benefit in respect of any such investment other than Dividends,

"LPA" means the Law of Property Act 1925,

"Plant and Equipment" means any fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property which are not Real Property;

"Property" means the property described in schedule 1,

"Real Property" means

- (a) any freehold, leasehold or immoveable property (including the Property),
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property,

"Related Rights" means, in relation to an agreement, any guarantee or security for the performance of any such agreement, any money now or at any time in the future due or owing to the Chargor under or in connection with any such agreement, all claims for damages or other remedies in respect of any present or future breach of such agreement and all rights and remedies for enforcing such agreement,

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property, including each of the following amounts

- (a) rent, licence fees and equivalent amounts paid or payable,
- (b) any sum received or receivable from any deposit held as security for performance of a tenant's obligations,
- (c) a sum equal to any apportionment of rent allowed in favour of the Chargor,
- (d) any other moneys paid or payable in respect of occupation and/or usage of the Property and any fixture and fitting on that Property including any fixture or fitting on the Property for display or advertisement, on licence or otherwise,
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent,
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of any Lease,

- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease,
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease,
- (i) any Tenant Contributions, and
- (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by the Chargor,

"Rent Account" means an interest bearing deposit account of the Chargor maintained by the Chargor with the Account Bank and numbered 83424013 and designated "Rent Account" or any replacement account opened by the Chargor at the request of or with the consent of the Hedge Counterparty,

"Secured Liabilities" means all obligations of the Chargor owed or expressed to be owed to the Hedge Counterparty under or in connection with the Finance Documents whether owed jointly or severally, as principal or surety or in any other capacity, and

"Tenant Contributions" means

- (a) any amount paid or payable to the Chargor by any tenant under a Lease or any other occupier of the Property
 - (i) by way of contribution to
 - (A) ground rent,
 - (B) insurance premia,
 - (C) the cost of an insurance valuation,
 - (D) a service or other charge in respect of the Chargor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, the Property, or
 - (E) a reserve or sinking fund,
 - (ii) by way of VAT, or
- (b) any other amount from time to time agreed between the Hedge Counterparty and the Chargor in writing

12 Interpretation

In this deed, unless a contrary indication appears

- (a) **"obligations"** means obligations and liabilities,
- (b) references to obligations and liabilities include the whole or any part of them, present and future, actual and contingent,
- (c) any reference to **"powers"** includes rights, powers, discretions and authorities, and

- (d) any reference to any asset includes any proceeds of sale of any such asset

1 3 Construction of charging clause

Each of the security interests created by clause 3 (Fixed Security) shall be construed as separate and distinct interests over the relevant assets so that the recharacterisation for any reason of any security interest over any one asset shall not affect the nature of the security interest created over any other asset.

1 4 Incorporation

This deed incorporates the terms of the Finance Documents and any side letters between the parties to the extent required to ensure the validity of any purported disposition under this deed of any freehold or leasehold property under s2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

2. Undertaking to Pay

The Chargor undertakes with the Hedge Counterparty to pay the Secured Liabilities to the Hedge Counterparty when due

3. Fixed Security

As continuing security for the payment of the Secured Liabilities the Chargor with full title guarantee

- (a) charges to the Hedge Counterparty by way of legal mortgage all Real Property owned by the Chargor at the date of this deed including the Property,
- (b) charges to the Hedge Counterparty by way of equitable mortgage any Real Property acquired by the Chargor after the date of this deed,
- (c) assigns to the Hedge Counterparty by way of fixed security its rights and interest in all present or future Rental Income,
- (d) assigns to the Hedge Counterparty by way of fixed security its rights and interest in any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any Real Property,
- (e) assigns to the Hedge Counterparty by way of fixed security its rights and interest in any claim against the provider of any certificate of or report on title or the provider of any other due diligence report (in its capacity as provider of the same) in connection with the acquisition, development, financing or refinancing of any Real Property,
- (f) assigns to the Hedge Counterparty by way of fixed security its rights and interest in
 - (i) any present or future right to occupy any Real Property under licence;
 - (ii) rights under any present or future contract for the purchase of any Real Property and any Related Rights,
- (g) assigns to the Hedge Counterparty by way of equitable mortgage its rights and interest in

- (i) any present or future Investments,
 - (ii) any present or future Dividends in respect of any such Investments,
- (h) charges to the Hedge Counterparty by way of fixed charge its rights and interest in
 - (i) any Plant and Equipment listed in schedule 2,
 - (ii) its present or future goodwill and uncalled capital,
 - (iii) any present or future Debts owing to the Chargor,
 - (iv) any money now or at any time after the date of this deed standing to the credit of any Designated Account,
 - (v) any present or future Intellectual Property,
- (i) charges to the Hedge Counterparty by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Rent Account,
- (j) charges to the Hedge Counterparty by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Disposals Account,
- (k) charges to the Hedge Counterparty by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Remedy Account,
- (l) charges to the Hedge Counterparty by way of fixed charge its rights and interest in any present or future contract of insurance effected by or for the benefit of the Chargor and any Related Rights,
- (m) assigns to the Hedge Counterparty by way of fixed security its rights and interest in any present or future Hedge Document and any Related Rights including any amount payable to the Chargor as a result of a termination or closing out under a Hedge Document,
- (n) assigns to the Hedge Counterparty by way of fixed security its rights and interest in any agreements listed in schedule 3 and any Related Rights to the extent capable of assignment without infringing any provision of such agreement and if the terms of any agreement listed in schedule 3 require the consent of any party to such agreement to the assignment to the Hedge Counterparty which consent has not been obtained at the date of this deed such assignment shall take effect immediately on such consent being obtained,
- (o) to the extent that any agreement listed in schedule 3 is not capable of assignment without infringing any provision of such agreement but is capable of being charged, charges to the Hedge Counterparty by way of fixed security its rights and interest in such agreement and any Related Rights,
- (p) to the extent that any agreement listed in schedule 3 is not capable of assignment or charge without infringing any provision of such agreement, charges to the Hedge Counterparty the proceeds of any Related Rights in respect of such agreement

4. Floating Security

4.1 Floating charge

As continuing security for the payment of the Secured Liabilities the Chargor charges to the Hedge Counterparty by way of floating charge with full title guarantee the whole of its present or future assets to the extent that such assets are not effectively mortgaged, charged or assigned to the Hedge Counterparty by way of fixed security under clause 3 (Fixed Security).

4.2 Conversion

Subject to clause 4.3 (Moratorium under Insolvency Act), the Hedge Counterparty may at any time by written notice to the Chargor convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as regards any assets specified in the notice if

- (a) an Event of Default has occurred and is continuing, or
- (b) in the opinion of the Hedge Counterparty (acting reasonably) such assets are at risk of becoming subject to any Security (other than a Permitted Security) or are otherwise at risk of ceasing to be within the ownership or control of the Chargor

4.3 Moratorium under Insolvency Act

The Hedge Counterparty shall not be entitled to convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under s1A of and schedule A1 to the Insolvency Act

4.4 Qualifying floating charge

Paragraph 14(2)(a) of schedule B1 to the Insolvency Act applies to the floating charge created by clause 4.1 (Floating Charge) which is a "qualifying floating charge" for the purpose of paragraph 14(1) of schedule B1 to the Insolvency Act

6. Notices of Assignment

5.1 Notice of assignment of Rental Income and acknowledgement

The Chargor shall, if required by the Hedge Counterparty, give notice of assignment of the Rental Income in the form set out in part 1 of schedule 4 to each tenant of the Property and shall use reasonable endeavours to procure that each such tenant executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 2 of schedule 4

5.2 Notice of charge of Accounts other than General Account and Rent Account

The Chargor shall, if required by the Hedge Counterparty, give notice of the charge of each of the Accounts other than the General Account and the Rent Account in the form set out in part 1 of schedule 5 to the Account Bank (if not the Hedge Counterparty) and shall procure that the Account Bank executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 2 of schedule 5. If the Remedy Account is opened, the Chargor shall, immediately upon such account being opened, give notice of the charge of the Remedy Account in the form set out in part 1 of schedule 5 to the Account Bank (if not the Hedge Counterparty) and shall procure

that the Account Bank executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 2 of schedule 5

5.3 *Notice of charge of General Account*

The Chargor, if required by the Hedge Counterparty, shall give notice of the charge of the General Account in the form set out in part 3 of schedule 5 to the Account Bank (if not the Hedge Counterparty) and shall procure that the Account Bank executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 4 of schedule 5

5.4 *Notice of charge of Rent Account*

The Chargor, if required by the Hedge Counterparty, shall give notice of the charge of the Rent Account in the form set out in part 5 of schedule 5 to the Account Bank (if not the Hedge Counterparty) and shall procure that the Account Bank executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 6 of schedule 5

5.5 *Notice of assignment of agreements*

The Chargor shall, if required by the Hedge Counterparty, give notice of the assignment of any agreement assigned to the Hedge Counterparty under clause 3(n) in the form set out in part 1 of schedule 6 to the other party or parties to such agreement and shall use reasonable endeavours to procure that such party or parties executes and delivers to the Hedge Counterparty an acknowledgement of such notice in the form set out in part 2 of schedule 6

5.6 *Hedge Counterparty may give notice*

Nothing in this clause 5 shall prevent the Hedge Counterparty from giving any notice it considers necessary or desirable in relation to the Security created over any Charged Property

5.7 *Assignment of Hedge Document*

The assignment of any Hedge Document in this deed is without prejudice to, and after giving effect to, the operation of any payment or close-out netting in respect of amounts owing under such Hedge Document

6. Debts

6.1 *Dealings with Debts*

The Chargor shall

- (a) use its best endeavours (having regard exclusively to the interests of the Hedge Counterparty) to realise the Debts and not give any release or waiver or do anything which may prejudice the collection and recovery of any of the Debts,
- (b) from time to time if required by the Hedge Counterparty provide the Hedge Counterparty with the names and addresses of the debtors of the Chargor and the amount of the Debts owing from each of them and such other information relating to the Debts as the Hedge Counterparty may require,

- (c) pay the proceeds of realisation of any Debt into the Designated Account and not withdraw any money from the Designated Account without first obtaining the consent in writing of the Hedge Counterparty, and
- (d) permit the Account Bank (if not the Hedge Counterparty) to disclose to the Hedge Counterparty from time to time upon request full details of all the Chargor's accounts with such bank and any other information relating to the Chargor held by such bank

6.2 Notice of charge of Designated Account

If the Account Bank is not the Hedge Counterparty the Chargor shall give notice of the charge of the Designated Account to the Account Bank in the form set out in part 1 of schedule 5 and shall procure that the Account Bank executes and delivers to the Hedge Counterparty an acknowledgement of the rights of the Hedge Counterparty in respect of such account in the form set out in part 2 of schedule 5

7. Investments

7.1 Deposit of certificates

The Chargor shall deposit with the Hedge Counterparty

- (a) on or before the date of this deed, the certificates or other documents of title to each Investment owned by the Chargor on such date,
- (b) as soon as practicable after the date of the acquisition of any Investment acquired by the Chargor after the date of this deed or on the withdrawal of any Investment owned by the Chargor from any clearance system, the certificates or other documents of title to each such Investment,
- (c) together with the certificates or other documents of title referred to in paragraphs (a) and (b) above, duly executed undated blank transfers in respect of each such Investment and forms of waiver of any pre-emption rights necessary to enable such transfers to be registered

7.2 Payment of money due

The Chargor shall promptly pay all money which may from time to time be due in respect of any Investment forming part of the Charged Property

7.3 Nominees

If any Investment forming part of the Charged Property is registered in the name of a nominee the Chargor shall on demand provide to the Hedge Counterparty an equitable mortgage over such Investment or power of attorney or acknowledgement of the rights created by this deed over such Investment in favour of the Hedge Counterparty in such terms as the Hedge Counterparty may require duly executed by or on behalf of such nominee

7.4 Completion of transfers

The Hedge Counterparty may at any time after this deed has become enforceable complete any transfers of any Investment delivered to it under clause 7.1(c) in favour of itself or any nominee for it as transferee and may present the same for registration

7.5 *Dividends and voting rights before Event of Default*

The Chargor shall be entitled to exercise each of the following rights until this deed becomes enforceable and the Hedge Counterparty gives notice of its intention to exercise any of such rights:

- (a) to receive all Dividends in respect of any Investment free from the security created by this deed, and
- (b) to exercise all voting rights attached to any Investment and if the Hedge Counterparty is registered as the holder of any such Investment it will exercise all voting rights attached to it as directed by the Chargor

7.6 *Dividends and voting rights after Event of Default*

The Hedge Counterparty shall be entitled to exercise each of the following rights at any time after this deed becomes enforceable and the Hedge Counterparty gives the Chargor notice of its intention to exercise such right itself

- (a) to receive all Dividends and apply them in reduction of the Secured Liabilities whether or not any Investment is registered in the name of the Hedge Counterparty or any nominee for the Hedge Counterparty or in the name of the Chargor or any nominee for the Chargor,
- (b) at its discretion to exercise or procure the exercise of all voting rights attached to any Investment registered in the name of the Hedge Counterparty or any nominee for the Hedge Counterparty for the purpose only of preserving the value of such Investment or realising the security over such Investment created by this deed; and
- (c) to require the Chargor to exercise any voting rights attached to any Investment registered in the name of the Chargor or any nominee for the Chargor as directed by the Hedge Counterparty for the purpose mentioned in paragraph (b) above

7.7 *Hedge Counterparty may give up voting rights*

The Hedge Counterparty may at any time by giving notice to the Chargor give up any right it may have under clause 7.6(b) or clause 7.6(c) in relation to any of the Investments specified in such notice (the "Notified Shares") whereupon the Chargor may exercise all voting rights in relation to the Notified Shares subject to the terms of the Finance Documents

7.8 *Dematerialisation*

The Chargor must promptly take all action required for the rematerialisation of any Investment forming part of the Charged Property held in dematerialised form in a clearance system.

8. **Negative Undertakings**

8.1 *Negative pledge*

The Chargor shall not create or permit to subsist any Security over any of the Charged Property other than a Permitted Security

8.2 *Disposals*

The Chargor shall not sell, transfer, lease or otherwise dispose or purport or agree to dispose of

- (a) any of its assets which are expressed to be mortgaged by way of legal or equitable mortgage, assigned by way of security or charged by way of fixed security or charge to the Hedge Counterparty under clause 3 (Fixed Security),
- (b) any of its other assets other than on arm's length terms in the ordinary course of its trading,

except as expressly permitted under the Agreement

9. **Undertakings relating to the Charged Property**

9.1 *Proprietorship*

The Chargor shall not permit any person

- (a) to be registered as proprietor under the Land Registration Act 2002 of any Charged Property nor create or permit to arise any interest referred to in schedule 1 or schedule 3 of such Act affecting any Charged Property; or
- (b) to become entitled to any proprietary right or interest which might affect the value of any Charged Property

9.2 *Powers of leasing*

The Chargor's statutory and any other powers of entering into Leases and accepting or agreeing to accept surrenders of Leases are excluded except to the extent (if any) specifically provided in the Agreement

9.3 *Identification plate*

The Chargor shall if so requested by the Hedge Counterparty

- (a) place and maintain on any Plant and Equipment forming part of the Charged Property, in a conspicuous place, a clearly legible identification plate containing the following wording

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge in favour of []",

- (b) obtain from any landlord of premises on which any such Plant and Equipment is located a waiver of such landlord's rights of distress in form and substance satisfactory to the Hedge Counterparty

9.4 *Failure to comply*

If the Chargor fails to comply with any of its obligations under this deed the Hedge Counterparty may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Chargor.

10 Enforcement of Security

10 1 *Hedge Counterparty's powers*

On the occurrence of an Event of Default or if the Chargor requests that the Hedge Counterparty exercises any of its powers under this clause 10 1, this deed shall become enforceable and the Hedge Counterparty may immediately or at any time thereafter:

- (a) appoint one or more persons as an Administrator of the Chargor in accordance with schedule B1 to the Insolvency Act,
- (b) exercise the power of sale and all other powers conferred by s101 of the LPA as varied or extended by this deed,
- (c) subject to clause 4 3 (Moratorium under Insolvency Act), by written notice to the Chargor convert the floating charge created by clause 4 1 (Floating Charge) into a fixed charge as regards any assets specified in the notice,
- (d) make any lease or agreement for lease or accept surrenders of leases and grant options on such terms as it thinks fit without needing to comply with sections 99 and 100 of the LPA,
- (e) subject to s72A of and paragraph 43 of Schedule A1 to the Insolvency Act, appoint one or more persons as a Receiver of any Charged Property,
- (f) exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act,
- (g) by notice to the Chargor end the Chargor's right to possession of all or any Real Property forming part of the Charged Property and enter into possession of all or such part of such Real Property,
- (h) secure and perfect its title to all or any part of the Charged Property and/or transfer any asset into the name of its nominee;
- (i) to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Charged Property which constitutes "financial collateral" as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Liabilities and the Hedge Counterparty shall value such Charged Property by reference to an independent valuation or other procedure selected by the Hedge Counterparty acting reasonably

10 2 *Powers under the LPA*

- (a) Section 103 of the LPA will not apply to this deed
- (b) The power of sale and all other powers conferred by s101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Chargor.

10 3 *Administrators*

If the Hedge Counterparty appoints two or more persons as Administrator of the Chargor, the appointment may specify whether those persons are to act jointly or concurrently.

10 4 Receivers

- (a) The Hedge Counterparty may appoint any Receiver upon such terms as to remuneration and otherwise as the Hedge Counterparty thinks fit and the maximum rate specified in s109(6) of the LPA shall not apply
- (b) Any Receiver will be the agent of the Chargor for all purposes and the Chargor will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Hedge Counterparty.
- (c) Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally
- (d) The Hedge Counterparty may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Hedge Counterparty appoints any other person as Receiver in his place

11. Powers of Receiver and Hedge Counterparty

11 1 Statutory powers

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by Schedule 1 to the Insolvency Act which powers are incorporated in this deed

11 2 Additional powers

By way of addition to and without limiting any other powers referred to in this clause a Receiver shall have power (both before and after the commencement of any liquidation of the Chargor) to do every act and thing and exercise every power

- (a) which the Chargor would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Charged Property, and/or
- (b) which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Charged Property,

and may use the name of the Chargor in connection with any exercise of such powers

11 3 Consideration

The receipt of the Hedge Counterparty or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Charged Property the Hedge Counterparty or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

11.4 *Prior encumbrances*

At any time after the security given by this deed has become enforceable, the Hedge Counterparty may redeem any prior Security against the Charged Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on the Chargor. Any money paid by the Hedge Counterparty in connection with a redemption or transfer of any prior Security will form part of the Secured Liabilities.

11.5 *Possession*

If the Hedge Counterparty, any Receiver or any Delegate takes possession of any Charged Property it may go out of possession at any time.

12. Exclusion of Liability

12.1 *No obligation to recover*

Neither the Hedge Counterparty nor any Receiver is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

12.2 *Liability as mortgagee in possession*

If the Hedge Counterparty or any Receiver takes possession of any Charged Property, it will not be liable to account to the Chargor for anything except actual receipts or be liable to the Chargor for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable.

12.3 *Losses on enforcement*

Neither the Hedge Counterparty nor any Receiver will be liable to the Chargor for any loss or damage arising from

- (a) any sale of any Charged Property,
- (b) any act, default or omission of the Hedge Counterparty or any Receiver in relation to any Charged Property, or
- (c) any exercise or non-exercise by the Hedge Counterparty or any Receiver of any power conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of the Hedge Counterparty or that Receiver.

13. Application of Proceeds

13.1 *Order of application*

Subject to clause 13.2 (Prospective liabilities) and to claims having priority to the Security created by this deed and by way of variation to the provisions of the LPA, all amounts from time to time received or recovered by the Hedge Counterparty in connection with the realisation or enforcement of all or any part of the Security constituted by this deed (for the purposes of this clause the "Recoveries") shall be

held by the Hedge Counterparty to apply them at any time as the Hedge Counterparty (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause), in the following order.

- (a) in payment of all costs and expenses incurred by the Hedge Counterparty and/or any Receiver in connection with any realisation or enforcement of this deed and of all outgoings properly payable by the Hedge Counterparty and/or any Receiver,
- (b) in payment of remuneration to any Receiver;
- (c) for application in accordance with clause 28.2 (Partial Payments) of the Agreement, and
- (d) the balance (if any) will be applied as required by law.

13.2 *Prospective liabilities*

The Hedge Counterparty may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Hedge Counterparty with such financial institution (including itself) and for so long as the Hedge Counterparty shall think fit (the interest being credited to the relevant account) for later application under clause 13.1 (Order of Application) in respect of

- (a) any sum owing to the Hedge Counterparty, any Receiver or any Delegate, and
- (b) any part of the Secured Liabilities,

that the Hedge Counterparty reasonably considers, in each case, might become due or owing at any time in the future

13.3 *Investment of proceeds*

Prior to the application of the proceeds of the Recoveries in accordance with clause 13.1 (Order of Application) the Hedge Counterparty may (unless such proceeds would discharge the Secured Liabilities in full), in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Hedge Counterparty with such financial institution (including itself) and for so long as the Hedge Counterparty shall think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Hedge Counterparty's discretion in accordance with clause 13.1 (Order of Application)

13.4 *Currency Conversion*

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities the Hedge Counterparty may convert any moneys received or recovered by the Hedge Counterparty from one currency to the currency in which the Secured Liabilities are denominated, at a market rate of exchange
- (b) The obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion

13.5 *Permitted Deductions*

The Hedge Counterparty shall be entitled, in its discretion

- (a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this deed, and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties, or by virtue of its capacity as Hedge Counterparty under any of the Finance Documents or otherwise.

14. Protection of Persons Dealing with Hedge Counterparty or Receiver

No person dealing with the Hedge Counterparty or any Receiver will be concerned to enquire

- (a) whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable,
- (b) otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers, or
- (c) whether any Secured Liabilities remain owing

15. Notice of Subsequent Charge

If the Hedge Counterparty receives notice of any Security or other interest affecting any Charged Property

- (a) it may open a new account for the Chargor in its books and may transfer any outstanding balance owing by the Chargor to such new account,
- (b) if it does not open a new account then, unless it gives express written notice to the contrary to the Chargor, all payments made by the Chargor to it will as from the time of receipt of such notice be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities

16. Further Assurance

When required by the Hedge Counterparty or any Receiver the Chargor shall, at its own cost

- (a) execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of the Chargor and such legal mortgage, assignment or charge shall secure the Secured Liabilities and contain a power of sale which arises immediately upon execution, provisions excluding s93 of the LPA and the restrictions contained in s103 of the LPA and such other provisions including any similar to those in this deed as the Hedge Counterparty may reasonably require,
- (b) execute any documents or do any other thing which the Hedge Counterparty or any Receiver may require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Hedge Counterparty or any Receiver under this deed, and

- (c) convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Hedge Counterparty or any Receiver may require in connection with any enforcement of any Security created by this deed

17. Power of Attorney by Chargor

The Chargor irrevocably and by way of security appoints each of the Hedge Counterparty, any person selected by the Hedge Counterparty and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which

- (a) the Chargor is entitled to execute or do in relation to the Charged Property including giving a receipt for any money and exercising any rights or remedies forming part of the Charged Property, or
- (b) the Chargor is obliged to execute or do under this deed

18. Discharge of Security

18.1 *Discharge conditional*

Any discharge of the Chargor by the Hedge Counterparty in reliance on a payment or security received by the Hedge Counterparty will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Hedge Counterparty will be entitled to recover from the Chargor on demand the amount of the Secured Liabilities discharged by such payment or security

18.2 *Retention of security*

Following any discharge of the Chargor made by the Hedge Counterparty in reliance on a payment or security the Hedge Counterparty may retain the security constituted by this deed (and all documents of title or other documents necessary to protect such Security) until the expiry of the maximum period within which such payment or security can be avoided, reduced or invalidated for any reason. If the person making such payment or giving such security goes into liquidation or administration or equivalent proceedings in any foreign jurisdiction within that period the Hedge Counterparty may retain the security constituted by this deed for as long as it thinks fit

19. Redemption

If the Hedge Counterparty determines that all of the Secured Liabilities have been fully and finally discharged and it is not under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents the Hedge Counterparty shall release

- (a) without recourse or warranty, all of the Security constituted by this deed, and
- (b) the rights of the Hedge Counterparty under this deed

20. Miscellaneous

20.1 Possession

The Chargor shall be entitled to possession of any Real Property forming part of the Charged Property until termination of such right by the Hedge Counterparty under clause 10.1 (Hedge Counterparty's powers)

20.2 Third Party Rights

- (a) Unless expressly provided to the contrary, a person who is not a party to this deed has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this deed
- (b) Notwithstanding any term of this deed, the consent of any person other than the Chargor and the Hedge Counterparty is not required to rescind or vary this deed at any time
- (c) A Secured Party may, subject to this clause 20.2 and the Third Parties Act, rely on any provision of this deed which expressly confers rights on it

20.3 Continuing Security

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of the Secured Liabilities

20.4 Other Security

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Hedge Counterparty or any other person of any other security at any time held by the Hedge Counterparty

20.5 Consolidation

The restrictions on the right of consolidating mortgage securities contained in s93 of the LPA will not apply to this deed

20.6 Land Registry Consent

By executing this deed the Chargor consents to the entry of the following restriction against any registered titles (and any unregistered properties subject to compulsory first registration) which are at any time subject to this deed

"No [disposition or specify type of disposition] of the registered estate [(other than a charge)] by the proprietor of the registered estate[, or by the proprietor of any registered charge, not being a charge registered before the entry of the restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge [date] in favour of [chargee] referred to in the charges register [or [their conveyancer or specify appropriate details]]".

21. Law

This deed and any non-contractual obligations arising out of or in connection with this deed shall be governed by English law

22. Jurisdiction

22.1 *Junsdiction of English courts*

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non-contractual obligation referred to in clause 21 (Law)) (a "Dispute")
- (b) The Hedge Counterparty and the Chargor agree that the courts of England are the most appropriate and convenient courts to settle Disputes. The Chargor will not argue to the contrary.
- (c) This clause is for the benefit of the Hedge Counterparty only. As a result, the Hedge Counterparty shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Hedge Counterparty may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by the Chargor and signed on behalf of the Hedge Counterparty on the date shown at the beginning of this deed.

SCHEDULE 1

The Property

All that leasehold land and buildings known as 16 to 20 (even) Red Lion Street, London, WC1R 4PS as registered at the Land Registry with title number NGL777023

SCHEDULE 3

List of Agreements

- 1 Contractor's Collateral Warranty dated 28 August 2013 made between Woodvalley Builders Limited (1) and the Chargor (2)
- 2 Consultant's Collateral Warranty dated 28 August 2013 made between Hurley Palmer Limited (1) and the Chargor (2)
- 3 Lead Consultant's Warranty dated 28 August 2013 made between IG9 Limited (1) and the Chargor (2)
- 4 The agreement for the purchase of the Property dated 28 August 2012 made between the Vendor (1) and the Chargor (2)
- 5 The Property Management Agreement dated 28 August 2013 (as amended from time to time) made between the Managing Agent (1) and the Chargor (2)
- 6 All building contracts, appointment contracts and sub-contractor appointment contracts in respect of the construction and/or refurbishment of the Property and any related collateral warranties granted in favour of the Chargor
- 7 Any other present or future agreement relating to the acquisition, construction, design, development, refurbishment, repair, letting, marketing, management, operation, servicing and use of the whole or any part of the Property

SCHEDULE 4

Part 1

Notice of Assignment to Tenant

To []

[Date]

Dear Sirs

We refer to a lease dated [] (the "Lease") between us and you in respect of [] (the "Demised Property")

We give you notice by a debenture dated [] entered into between us and [] (the "Lender"), we have assigned to the Lender all our rights and interest in all amounts now or at any time in the future payable to us under or in connection with the Lease including but not limited to each of the following amounts.

1. rent, licence fees and equivalent amounts paid or payable;
2. any sum received or receivable from any deposit held as security for performance of your obligations,
3. a sum equal to any apportionment of rent allowed in our favour,
4. any other moneys paid or payable in respect of occupation and/or usage of the Demised Property and any fixture and fitting on the Demised Property including any fixture or fitting on the Demised Property for display or advertisement, on licence or otherwise;
5. any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement or extension of the Lease,
6. any sum paid or payable in respect of a breach of covenant or dilapidations under the Lease,
7. any sum paid or payable by or distribution received or receivable from any guarantor of your obligations under the Lease,
8. any amount paid or payable to us by you by way of contribution to ground rent, insurance premia, the cost of an insurance valuation, a service or other charge in respect of our costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, the Demised Property or a reserve or sinking fund or by way of VAT, and
9. any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above,

(together the "Rental Income")

We irrevocably instruct and authorise you notwithstanding any previous instructions which we may have given to you to the contrary to pay all Rental Income to our account at [] (Account No []) under reference [] (the "Rent Account")

or to such other account and/or bank as may from time to time be notified to you by the Lender all moneys forming part of the Rental Income and otherwise to act in accordance with the instructions of the Lender in connection with the Rental Income

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England

Would you please acknowledge receipt of this notice and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at []

Yours faithfully,

[]

Part 2
Acknowledgement

To []

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [] and addressed to us by [] (the "**Chargor**") Expressions defined in such notice have the same meanings in this acknowledgement

We acknowledge and confirm that

- 1 we will pay the Rental Income into the Rent Account or to such other account and/or bank as the Lender may from time to time notify to us,
- 2 we have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Rental Income

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England and in connection with any proceedings with respect to this acknowledgement and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit

Yours faithfully,

[]

SCHEDULE 5

Part 1

Form of notice to Account Bank (Accounts other than Rent Account and General Account)

To [insert name and address of Account Bank] (the "Account Bank")

Dated []

Dear Sirs

We refer to the account of [] (the "Chargor") with you numbered []

We give you notice that, by a debenture dated [] the Chargor has charged to [] (the "Lender") by way of fixed charge its interest in and to the money from time to time standing to the credit of the account referred to above (the "Charged Account") and to all interest (if any) accruing on the Charged Account

We irrevocably authorise and instruct you until you receive written notice from the Lender, signed by one of the Lender's authorised signatories from time to time, to the contrary

- 1 to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect,
- 2 to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide, and
- 3 not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at [].

Yours faithfully,

[]

Part 2
Acknowledgement

To []

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [] and addressed to us by [] (the "**Chargor**"). Expressions defined in such notice have the same meanings in this acknowledgement

We acknowledge and confirm that:

- 1 we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Lender notifies us in writing that the notice is revoked,
- 2 we have not received notice that any third party has any interest in the Charged Account,
- 3 we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England [and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit]

Yours faithfully,

[]

Part 3

Form of notice to Account Bank (General Account)

To [insert name and address of Account Bank] (the "Account Bank")

Dated []

Dear Sirs

We refer to the account of [] (the "Chargor") with you numbered []

We give you notice that, by a debenture dated [] the Chargor has charged to [] (the "Lender") its interest in and to the money from time to time standing to the credit of the account referred to above (the "Charged Account") and to all interest (if any) accruing on the Charged Account

We irrevocably authorise and instruct you

1. to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide,
2. with effect from your receiving written notice from the Lender, signed by one of the Lender's authorised signatories from time to time, that it intends to operate the Charged Account
 - (a) to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender, signed by one of the Lender's authorised signatories from time to time, to that effect, and
 - (b) not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at []

Yours faithfully,

[]

Part 4
Acknowledgement

To []

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [] and addressed to us by [] (the "**Chargor**") Expressions defined in such notice have the same meanings in this acknowledgement

We acknowledge and confirm that

- 1 we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Lender notifies us in writing that the notice is revoked,
- 2 we have not received notice that any third party has any interest in the Charged Account;
- 3 we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England [and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit]

Yours faithfully,

[]

Part 5

Form of notice to Account Bank (Rent Account)

To. [insert name and address of Account Bank] (the "Account Bank")

Dated []

Dear Sirs

We refer to the account of [] (the "Chargor") with you numbered []

We give you notice that, by a debenture dated [] the Chargor has charged to [] (the "Lender") its interest in and to the money from time to time standing to the credit of the account referred to above (the "Charged Account") and to all interest (if any) accruing on the Charged Account

We irrevocably authorise and instruct you

- 1 to disclose to the Lender any information relating to the Chargor and the Charged Account which the Lender may from time to time request you to provide,
- 2 with effect from your receiving written notice from the Lender, signed by one of the Lender's authorised signatories from time to time, that it intends to operate the Charged Account and to exclude the Chargor from the operation of the Charged Account
 - (a) to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender, signed by one of the Lender's authorised signatories from time to time, to that effect, and
 - (b) not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Lender

This notice and any non-contractual obligations arising out of or in connection with this notice are governed by the law of England

Would you please acknowledge receipt of this letter and your acceptance of the above by signing the attached form of acknowledgement and returning it to the Lender at []

Yours faithfully,

[]

Part 6
Acknowledgement

To. []

[Date]

Dear Sirs

We acknowledge receipt of a notice (a copy of which is attached) dated [] and addressed to us by [] (the "Chargor") Expressions defined in such notice have the same meanings in this acknowledgement

We acknowledge and confirm that

1. we accept the instructions in the notice and will act in accordance with the provisions of such notice until the Lender notifies us in writing that the notice is revoked,
2. we have not received notice that any third party has any interest in the Charged Account,
3. we have not claimed or exercised, nor will we claim or exercise against the Chargor, any right of set-off, lien, combination of accounts, counterclaim or other right relating to the Charged Account

This acknowledgement and any non-contractual obligations arising out of or in connection with this acknowledgement are governed by the law of England [and in connection with any proceedings with respect to this acknowledgment and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit]

Yours faithfully,

[]

SCHEDULE 6

Part 1

Notice of Assignment

To: []

[Date]

Dear Sirs,

We refer to an agreement dated [] (as such agreement may be amended or supplemented, the "**Assigned Agreement**") between us and you a copy of which is attached

We give you notice that by a debenture dated [] (the "**Debenture**") entered into between us and [] (the "**Lender**") we have assigned to the Lender all our present and future rights and interest in.

- 1 the Assigned Agreement and any money now or at any time in the future due or owing to us under or in connection with the Assigned Agreement, and
- 2 all guarantees, indemnities, mortgages, charges and other security of whatever nature now or in the future held by us in respect of the Assigned Agreement including all money now or at any time in the future due or owing to us under or in connection with the same and all rights and remedies for enforcing the same,

(together the "**Assigned Assets**")

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

- (a) to pay to the Lender at its account at [] (Account No []) under reference [] (or to such other account or accounts and/or bank or banks as may from time to time be notified to you by the Lender) all moneys forming part of the Assigned Assets and otherwise to act in accordance with the instructions of the Lender in connection with the Assigned Assets,
- (b) to comply with the terms of any written notice, statement or instructions in any way relating or purporting to relate to the Assignment and/or the Assigned Assets which you receive at any time from the Lender, and
- (c) to disclose to the Lender, such information relating to the Assigned Assets as the Lender may, at any time request

In each case without any reference to or further authority from us and without any enquiry by you as to the justification for such instructions, notice, statement, instructions or disclosure

The instructions and authorisations which are contained in this letter will remain in full force and effect until the Lender gives you notice in writing revoking them

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by the law of England

Would you please acknowledge receipt of this letter and your acceptance of the instructions and authorisations contained in it by signing the attached form of acknowledgement and returning it to the Lender at []

Yours faithfully,

[]

Part 2
Acknowledgement

To []

[Date]

Dear Sirs,

We acknowledge receipt of a letter (a copy of which is attached) dated [] and addressed to us by [] (the "**Chargor**") with respect to the Debenture Expressions defined in such letter have the same meanings in this acknowledgement

We acknowledge and confirm that

- 1 we have not claimed or exercised, have no outstanding right to claim or exercise and will not exercise, any right of set-off, counterclaim or other right relating to any payments to be made by it in respect of our indebtedness under the Assigned Agreement,
2. we have not received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Assigned Agreement, and
- 3 we agree that you do not have any obligations, liabilities or responsibilities under or in respect of the Assigned Agreement

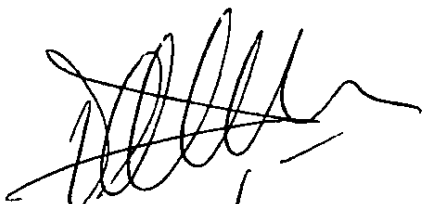
We have made the acknowledgements and confirmations and have given the undertakings set out in this letter in the knowledge that they are required by you in connection with the security which is to be constituted by the Chargor in your favour under the Debenture [(a copy of which has been furnished to us)]

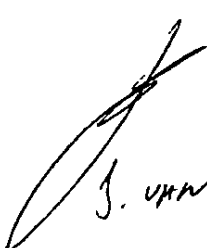
This letter and any non-contractual obligations arising out of or in connection with this letter are governed by the law of England [and in connection with any proceedings with respect to this letter and any such non-contractual obligations we submit to the jurisdiction of the Courts of England for your exclusive benefit]

Yours faithfully,

[]

**EXECUTED by STENA
RED LION LIMITED**
acting by a director
in the presence of

) 
) R. Visser
)
)


J. van den Bosch

Director

Name of witness.

Address of witness

**SIGNED for and on behalf of
NYKREDIT BANK A/S**

)
)

EXECUTED by STENA
RED LION LIMITED
acting by a director
in the presence of

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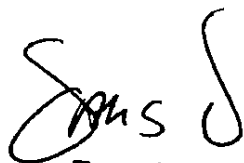
Director

Name of witness

Address of witness

SIGNED for and on behalf of
NYKREDIT BANK A/S

)
)



Tom Ahrenst
Executive Vice President



Karsten Glenstrup