

MR01

Particulars of a charge



Companies House



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

☒ **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 an instrument. Use form MR08.

FRIDAY



A18 *A7L9B4NT* #132
21/12/2018
COMPANIES HOUSE

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 the form is 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 6 3 0 7 8 0
Company name in full HILL & STANDARD DEVELOPMENTS LIMITED

For official use
3
→ **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 d 1 d 4 m 1 m 2 y 2 y 0 y 1 y 8

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 EVERLAND OPPORTUNITIES III LIMITED
(AS SECURITY TRUSTEE)

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	
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.	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.
	Land and buildings at Laisteridge Lane, Bradford forming part of the title number WYK 803835 (excluding therefrom Charles Morris House and Trinity C Hall being the land and buildings comprised in the Transfer.	
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. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge	
	Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> 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. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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. <input type="checkbox"/>	^① This statement may be filed after the registration of the charge (use form MR06).
9	Signature	
Signature	Please sign the form here. Signature X DWF(NI)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	BETH GARRETT
Company name	DWF (NORTHERN IRELAND) LLP
Address	42 QUEEN STREET
Post town	BELFAST
Country/Region	COUNTY ANTRIM
Postcode	B T 1 6 H L
Country	NORTHERN IRELAND
DX	439 NR BELFAST 1
Telephone	02890 230230



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 £23 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.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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



17X

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8630780

Charge code: 0863 0780 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th December 2018 and created by HILL & STANDARD DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st December 2018.

Given at Companies House, Cardiff on 3rd January 2019



Companies House



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

EXECUTION VERSION

Dated 14th December 2018

HILL & STANDARD DEVELOPMENTS LIMITED

(the Chargor)

and

EVERLAND OPPORTUNITIES III LIMITED

(the Security Trustee)

SECURITY AGREEMENT



DWF LLP
20 Fenchurch Street
London
EC3M 3AG



A18 *A7L9B401* #133
21/12/2018
COMPANIES HOUSE

We hereby certify that this
is a true copy of the original

Date: 19/12/2018

Signed: DWF(NI) LLP
DWF (NI) LLP

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THIS DEED is dated 14th December 2018 and made between

- (1) **HILL & STANDARD DEVELOPMENTS LIMITED** incorporated and registered in England and Wales with company number 08630780 whose registered office is at 115 Craven Park Road, London, N15 6BL (the "Chargor");
- (2) **EVERLAND OPPORTUNITIES III LIMITED** incorporated and registered in the British Virgin Islands with company number 1986389 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the "Lender"); and
- (3) **EVERLAND OPPORTUNITIES III LIMITED** incorporated and registered in the British Virgin Islands with company number 1986389 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands acting as security trustee and security agent for and on behalf of the Secured Parties pursuant to the Security Trust Deed (the "Security Trustee").

RECITALS

- (A) The Chargor is now or may become indebted to the Lender under or pursuant to the Finance Documents (as referred to in the Facility Agreement) whether as principal, surety or otherwise.
- (B) It has been agreed between the Chargor and the Security Trustee, as Security Trustee for the Lender, on the terms of the Facility Agreement that the Secured Obligations now owing or which shall become owing shall be secured by this Deed.

1 INTERPRETATION

1.1 Definitions

In this Deed, the following terms shall, unless the context otherwise requires, have the following meanings:

Act means the Law of Property Act 1925;

Account means

- (a) each account specified in Schedule 2 Part 1 (*Accounts*) with an Account Bank; and
- (b) all other current, deposit or other accounts with any bank or financial institution in which the Chargor now or in the future have an interest,

and any replacement, redesignation or reinstatement of any such account whether by current account or deposit account or otherwise;

Account Bank means any bank or financial institution with which the Chargor maintains an Account;

Ancillary Rights means all covenants, agreements, undertakings, warranties, bonds, guarantees, indemnities and other agreements the benefit of which is now or in the future vested in the Chargor in respect of the design, construction, fit out or maintenance of any building, structure or erection now or in the future on the Mortgaged Property or any other freehold or leasehold property secured hereby or of any roads, footpaths or utilities for services now or in the future abutting or serving the Mortgaged Property or any other freehold or leasehold property secured hereby or the taking in charge thereof or the paying of any charge or levy in respect thereof and all guarantees and indemnities in respect of any lessee's or licensee's obligations under any lease or licence of the Mortgaged Property or any other freehold or leasehold property secured hereby;

Arranger means Everland Partners Limited incorporated and registered in the British Virgin Islands with company number 1938408 whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands

Bhupinder Chohan means Bhupinder Chohan of 56 Keats Way, West Drayton, UB7 9DU

Building Insurance means in relation to the Mortgaged Property, all contracts of buildings insurance providing insurance against damage and other related perils from time to time in effect in relation to the Mortgaged Property (including all rights of the Chargor under the Criminal Damage Order and all rights to any compensation or other amounts due to or paid to the Chargor under the aforesaid Order (or any statutory successor scheme for the compensation of criminal damage to Mortgaged Property for the time being in force));

Companies Act means the Companies Act 2006;

Compensation Rights means all present and future rights of the Chargor to be paid or to receive compensation by reason of any compulsory acquisition, requisitioning or exercise of other compulsory powers in relation to the Mortgaged Property or any refusal, withdrawal or modification of planning permission or approval relative thereto or any control or limitation imposed upon or affecting the use of the Mortgaged Property;

Converted Assets means assets that were the subject of a floating charge that have been converted to a fixed charge pursuant to clause 3.7 (*Conversion of a floating charge*);

Criminal Damage Claim means a claim made by or on behalf of any Chargor under the Criminal Damage Order in relation to damage caused to the Secured Assets after the date hereof;

Criminal Damage Order means the Criminal Damage Act 1971 as amended (or any statutory successor scheme for the compensation of criminal damage to property for the time being in force);

Dangerous Substance means any substance of whatever kind and form and in whatever combination capable of causing harm to any lifeform or the Environment (other than such substances kept at the Mortgaged Property for use in the ordinary course of business);

Default Rate means the rate as set out in the Facility Agreement.

Delegate means any person appointed by the Security Trustee or any Receiver appointed pursuant to the provisions of clause 12.2 (*Delegation*);

Disposal means:

- (a) any sale, transfer, mortgage, assignment, grant of an option over, charge, pledge, loan or other disposal of Secured Assets, or an agreement to do any of the foregoing; and/or
- (b) entering into any transaction (including a derivative transaction) having an economic effect similar to any of the types of disposal described in sub-paragraph (a) above;

and **dispose** and shall be construed accordingly;

Dispute means any suit, action, proceedings and/or any dispute or difference which may arise out of or in connection with or which may relate in any way to any of the Finance Documents (including but not limited to any suit, action, proceedings, dispute or difference relating to the formation, interpretation or performance of any of the Finance Documents) or any dispute arising out of any non-contractual obligations of any nature (including those to which Regulation (EC) No. 864/2007 applies) arising between the parties;

Enforcement Event means the occurrence of any Event of Default;

Event of Default has the meaning ascribed to it in the Facility Agreement.

Facility Agreement means the facility agreement dated on or around the date hereof between, the Chargor, the Managing Agent, Yoel Orlinski the Lender and the Security Trustee.

Finance Documents as the meaning ascribed to it in the Facility Agreement;

Finance Party means, the Security Trustee, the Arranger or a Lender;

Insurances means all insurance policies now or at any time in the future taken out by the Chargor in respect of the Secured Assets (whether pursuant to the covenants contained in this Deed, the Finance Documents or otherwise) and all monies including returns of premium from time to time payable in respect of such Insurances and the benefit of all options, rights and claims devolving under or pursuant to such Insurances, including without limitation, the Insurances specified in Schedule 2Part 2 (*Insurances*);

Insurance Proceeds means all proceeds paid or payable to the Chargor under or in connection with the Insurances;

Intellectual Property means any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered and all rights or forms of protection having equivalent or similar effect anywhere in the world and includes, without limitation, such Intellectual Property as specified in Schedule 2Part 3 (*Intellectual Property*);

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

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

Lease means any lease, licence, agreement for lease, agreement for licence and other agreement for the occupation, possession or use of the whole or any part or parts of the Mortgaged Property subject to which the interest of the relevant Chargor in the Mortgaged Property is now or from time to time in the future held and includes, without limitation, the Permitted AST;

Lessee means a lessee, sub-lessee, tenant, licensee or any other party having a right of occupation under a Lease;

Managing Agent means Hill & Standard Student Property Management Limited, incorporated and registered in England and Wales with company number 09301405 whose registered office is at 80-83 Long Lane, London, EC1A 9ET

Mortgaged Property means:

- (a) the freehold land specified against its name in Schedule 2Part 5 (*Mortgaged Property*), together with all buildings, fixtures (including trade fixtures) and fixed plant and machinery from time to time thereon, all easements, rights and agreements and the benefit of all covenants given in respect thereof; and
- (b) any freehold and/or leasehold land (registered or unregistered) acquired by the Chargor after the date of this Deed together with all buildings, fixtures (including trade fixtures), and fixed plant and

machinery from time to time thereon, all easements, rights and agreements and the benefit of all covenants given in respect thereof;

Obligors means the Chargor, the Managing Agent, the Personal Guarantor and Bhupinder Chohan and "Obligor" shall be construed accordingly.

Party means a party or parties to this Deed;

Permitted AST means an assured shorthold tenancy of a unit at the Mortgaged Property, in the format approved by the Lender and set out in Schedule 2 of the Facility Agreement;

Personal Guarantor means Yoel Olinkski of Flat 26 Weissmandel Court, 76 Clapton Common, London, E5 9FA

Planning Act means the Town and Country Planning Act 1990 and any re-enactment, variation or modification of any of them and any orders, regulations or permissions made, issued or granted under or by virtue of the foregoing Act;

Plant and Equipment means

- (a) the plant, machinery, equipment, goods, chattels and other assets (if any) specified in Schedule 2 Part 4 (*Plant and Equipment*); and
- (b) all other plant, machinery, equipment, goods and chattels (including stock in trade) now or hereafter belonging to the Chargor together with all and any machines, equipment, goods, components, parts or other items whatsoever from time to time installed therein or used in replacement or by way of substitution for all or any part thereof, together with the full benefit of the insurances on the same;

Proceedings means suits, actions or proceedings arising out of or in connection with or relating in any way to all or any part of the Finance Documents or any dispute arising out of any non-contractual obligations of any nature (including those to which Regulation (EC) No. 864/2007 applies) arising between the Parties or any of them (including but not limited to any suits, actions or proceedings relating to the formation, interpretation or performance of all or any part of the Finance Documents);

Property Management Agreement: means the agreement dated 21st October 2016 made between Hill & Standard Student Property Management Limited and the Chargor relating to the management of the Mortgaged Property and includes any replacement of that agreement or supplement to it.

Receivables means all present and future book debts and other debts, rent, sales proceeds, revenues, royalties, fees, VAT and monetary claims and all other amounts at any time recoverable or receivable by, or due or owing to the Chargor (whether actual or contingent and whether arising under contract or in any other manner whatsoever) including:

- (a) the benefit of all rights, guarantees, encumbrances and remedies relating to any of the foregoing (including without limitation, negotiable and non-negotiable instruments, indemnities, reservations of property rights, rights of tracing and unpaid seller's liens and similar associated rights);
- (b) all things in action which may give rise to a debt, revenue or claim and all other rights and remedies of whatever nature in respect of the same; and
- (c) all proceeds of any of the foregoing;

Receiver means any receiver and/or receiver and manager appointed by the Security Trustee (whether pursuant to this Deed or otherwise) in respect of the Chargor or over all or any part of the Secured Assets;

Remedial Works means

- (a) any investigation, inspection, sampling or monitoring works; or
- (b) any works, steps or measures to treat, abate, remove, remedy, contain, control, manage or ameliorate the presence or actual or potential effect of any Dangerous Substance or any harm to the Environment or human health or pollution of the Environment.

Secured Assets mean all the assets of the Chargor which are the subject of the Security and **Secured Asset** means any secured asset;

Secured Obligations means all present and future obligations and liabilities (including in respect of principal, interest, break-costs, discount, commission, fees and expenses) of the Chargor and/or any of the Obligors to the Secured Parties (or any of them), actual or contingent, whether owed jointly or severally, whether as principal or as surety or in any other capacity whatsoever and in any currency, on any current or other account or otherwise in any manner whatsoever under or in connection with the Finance Documents from time to time and any reference to Secured Obligations means a reference to any of them;

Secured Party means a Finance Party, a Receiver or any Delegate;

Security means the security constituted or intended to be constituted by this Deed;

Security interest means any mortgage, charge (fixed or floating), pledge, lien, assignment, hypothecation, retention of title, flawed asset agreement, preferential right, trust arrangement or any security interest whatsoever or any other agreement or arrangement having the effect of conferring security, a priority of payment or a disposition contrary to the provisions of this Deed, howsoever created or arising;

Security Period means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that all of the Secured Obligations have been unconditionally and irrevocably paid and discharged in full or, if earlier, the date upon which the Security Trustee is satisfied that all of the Security shall have been unconditionally and irrevocably released and discharged and no Secured Party is under any further commitment, obligation or liability (actual or contingent) to the Chargor;

Subsidiary means a subsidiary within the meaning of Section 1159 of the Companies Act and/or a subsidiary undertaking within the meaning of section 1162 of the Companies Act;

Taxes means all forms of taxation, duties, imposts and levies whether of England and Wales or elsewhere, including (but without limitation) income tax, corporation tax, corporation profits tax, advance corporation tax, capital gains tax, capital acquisitions tax, residential property tax, wealth tax, value added tax, dividend withholding tax, deposit interest retention tax, customs and other import and export duties, excise duties, stamp duty, capital duty, social insurance, social welfare or other similar contributions and other amounts corresponding thereto whether payable in England and Wales or elsewhere, and any interest, surcharge, penalty or fine in connection therewith, and the word **taxation** shall be construed accordingly;

Transfer means transfer of even date (and made immediately prior to this Deed) and made between the Chargor (1) and Claremont Al Rajhi Limited (2); and

Transferee means Claremont Al Rajhi Limited Construction

- 1.1.1 Unless the context otherwise requires or this Deed provides otherwise, a term which is defined in the Facility Agreement shall have the same meaning (or be subject to the same construction) in this Deed.
- 1.1.2 Headings and the contents page are inserted for ease of reference only and do not affect the construction of this Deed.

1.1.3 If any action or duty to be taken or performed under any of the provisions of this Deed would fall to be taken or performed on a day which is not a Business Day, such action or duty shall be taken or performed on the Business Day next following such day.

1.1.4 Unless the context otherwise requires, any reference in this Deed to:

- (a) any provision of law is a reference to that provision as amended, substituted, extended or re-enacted and includes any subordinate legislation;
- (b) the singular includes the plural and vice versa and any gender includes the other gender;
- (c) a person includes that person's successors, personal representatives, permitted assignees and/or transferees, substitutes, executors, administrators, successors in title (as the case may be) whether direct or indirect or any person with whom they may from time to time merge or amalgamate;
- (d) **this Deed, the Facility Agreement, any Finance Document or any other agreement or instrument** is a reference to **this Deed, the Facility Agreement, any Finance Document or such other agreement or instrument as amended, restated, extended, varied, novated, substituted, replaced or supplemented in any manner from time to time, however fundamentally and which may include, without limitation, an increase in facilities provided under the Facility Agreement or any Finance Document, an increase in any interest rate applicable to facilities provided under the Facility Agreement or any Finance Document, an increase in the Secured Obligations and/or any rescheduling of Financial Indebtedness;**
- (e) a person includes any person, firm, partnership, company, corporation, association, trust, investment fund, government, state or agency (whether or not having a separate legal personality) or two or more of the foregoing but references to individuals are deemed to be references to natural persons only;
- (f) any phrase introduced by the terms **including or includes or in particular or any similar expression** is to be construed as **illustrative without limitation;**
- (g) costs, charges or expenses include any value added tax or similar tax charged or chargeable in respect of such cost, charges or expenses;
- (h) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (i) **assets** includes present and future properties, revenues and rights of every description; and
- (j) an **authorisation** means an authorisation, consent, approval, licence, resolution, filing or registration.

1.2 Third party rights

Unless expressly provided to the contrary herein, 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.

1.3 Finance Documents

This Deed is a Finance Document for the purposes of the Facility Agreement.

2 PAYMENT PROVISIONS

2.1 Covenant to Pay

The Chargor covenants with the Security Trustee (as trustee for itself and the other Secured Parties) to promptly pay, discharge and satisfy the Secured Obligations in accordance with their respective terms on their due date.

2.2 Default Interest

2.2.1 The Chargor hereby covenants in favour of the Security Trustee (as trustee for itself and the other Secured Parties) to pay interest on the Secured Obligations (both before and after judgment) from the date of demand to the date of payment calculated on a daily basis at the Default Rate.

2.2.2 Default interest shall accrue from day to day and will be compounded at such intervals as decided by the Security Trustee acting in its sole discretion.

2.3 Payment Free of Deduction

All payments to be made under this Deed by the Chargor shall be made free and clear of and without deduction for or on account of any set-off or counterclaim or any present or future Taxes, levies, imposts, charges, deductions or withholdings of any nature whatsoever. If the Chargor shall be compelled by law to make any deduction or withholding from any payment to the Security Trustee, the amount of the payment due from the Chargor shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Security Trustee (as trustee for itself and the other Secured Parties) receives and retains (free from any liability in respect of such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

2.4 Evidence and Calculation

Any certificate or determination by the Security Trustee of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

3 CHARGING PROVISIONS

3.1 Nature of Security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

3.1.1 in favour of the Lender;

3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and

3.1.3 as continuing security for payment of the Secured Liabilities.

3.2 Fixed Charges

The Chargor, as legal and beneficial owner to the intent that the charges contained in this Deed will be a continuing security for the payment and discharge of the Secured Obligations in favour of the Security Trustee:

3.2.1 by way of first legal mortgage:

(a) the Mortgaged Property; and

(b) all other real property (if any) at the date of this Deed vested in, or charged to, the Chargor (not charged by clause 3.2.1(a));

3.2.2 by way of first fixed charge:

(a) all other Mortgaged Property and all interests in the Mortgaged Property (not charged by clause 3.2.1(b));

(b) all licences to enter upon or use land and the benefit of all other agreements relating to land;

(c) the proceeds of sale of the Mortgaged Property; and

(d) the benefit of any rental deposit given or charged to the Chargor by any occupier of the Mortgaged Property;

(e) the benefit of the Property Management Agreement

3.2.3 by way of first fixed charge all Plant and Equipment (not charged by clause 3.2.1(a) or 3.2.1(b)) and the benefit of all contracts, licences and warranties relating to the same;

3.2.4 by way of first fixed charge:

(a) all computers, vehicles, office equipment and other equipment (not charged by clause 3.2.3); and

(b) the benefit of all contracts, licences and warranties relating to the same;

3.2.5 by way of first fixed charge:

(a) the Rent Account and all monies at any time standing to the credit of the Rent Account;

(b) the Borrower Accounts and all monies at any time standing to the credit of the Borrower Accounts;

(c) all other accounts of the Chargor with any bank, financial institution or other person at any time (not charged by clause 3.2.5(a) or 3.2.5(b)) and all monies at any time standing to the credit of such accounts;

In each case, together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;

3.2.6 by way of first fixed charge all of its present and future rights, title and interest in and to the Intellectual Property;

3.2.7 to the extent that any Assigned Asset is not effectively assigned under clause 3.4 (Security assignments), by way of first fixed charge such Assigned Asset;

3.2.8 by way of first fixed charge (to the extent not otherwise charged or assigned in this Deed):

(a) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of the Chargor or the use of any of its assets;

(b) all building contracts, appointments of professionals, collateral warranties and all rights in respect of any of them;

(c) any letter of credit issued in favour of the Chargor and all bills of exchange and other negotiable instruments held by it; and

3.2.9 by way of first fixed charge all of the goodwill, now or in the future, and uncalled capital of the Chargor.

3.2.10 by way of first fixed charge:-

- (a) all of its present and future Ancillary Rights and Compensation Rights;
- (b) each Account together with all monies at any time standing to the credit of each Account and all interest and other rights accruing or arising in connection with such Accounts or monies;
- (c) all of its present and future rights, title and interest in and to its uncalled capital and all rights and claims to which it is now or may hereafter become entitled as a result of any calls made in relation thereto;
- (d) all of its present and future rights, title and interest in and to the Insurances and the Insurance Proceeds (including without limitation all of its present and future rights title and interest in and to any Criminal Damage Claim and the proceeds thereof);
- (e) the Receivables; and
- (f) all of its present and future rights, title and interest in and to the Leases.

3.3 Attorns Tenant

The Chargor hereby attorns tenant to the Security Trustee of any part of the Secured Assets mortgaged or charged by clauses 3.1.1 and 3.1.2 at the yearly rent of £1 (if demanded) provided always that the Security Trustee may at any time without notice to the Chargor determine the tenancy hereby created and enter upon such Secured Assets but so that neither the receipt of the said rent nor the said tenancy shall render the Security Trustee liable to account to any person as mortgagee in possession.

3.4 Security Assignments

The Chargor, as legal and beneficial owner and as security for the payment and discharge of the Secured Obligations in favour of the Security Trustee, hereby assigns and agrees to assign absolutely (in each case insofar as the same are capable of assignment):

- 3.4.1 the Insurances and the Insurance Proceeds;
- 3.4.2 the Intellectual Property;
- 3.4.3 the Accounts together with all monies at any time standing to the credit of the Accounts and all interest and other rights accruing or arising in connection with such Accounts or monies;
- 3.4.4 the Leases;
- 3.4.5 the Receivables;
- 3.4.6 the benefit of all Ancillary Rights;
- 3.4.7 any bill of exchange or other negotiable instrument held by it;
- 3.4.8 the Property Management Agreement.

subject in each case to the right of such Chargor to redeem this Deed as contained in clause 20 (Release of Security).

3.5 Floating Charge

- 3.5.1 The Chargor hereby charges unto the Security Trustee by way of first floating charge, all of its assets and undertaking whatsoever and wheresoever, both present and future and the property and assets referred to in clauses 3.2 to 3.4 above (if and in so far as such mortgages, charges and/or assignments in this Deed shall be ineffective as fixed charges/security assignments).
- 3.5.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986).

3.6 Leasehold Lands

The Chargor ~~HEREBY DECLARES~~ that in respect of all or any leasehold lands, hereditaments and premises referred to in clause 3.2 (*Real Property*) they will stand possessed of the reversion or respective reversions hereby reserved of the term or several terms of years for which the same are held ~~IN TRUST~~ for the Security Trustee (subject to any equity of redemption subsisting under this Deed) and will dispose of the same as the Security Trustee may direct and ~~HEREBY AUTHORISE~~ the Security Trustee to appoint a new trustee or trustees of such reversion or respective reversions in place of the Chargor or any trustee or trustees appointed under this power as if it, he, she or they were incapable of acting in the trusts hereby declared and the Chargor ~~HEREBY IRREVOCABLY APPOINTS~~ the Security Trustee the attorney of the Chargor to assign the said reversion or respective reversions in the name of the Chargor and on its behalf to the Security Trustee or as it may direct subject to such equity of redemption (if any), as may for the time being be subsisting and to execute and do all deeds, documents and acts necessary or proper for that purpose.

3.7 Conversion of a Floating Charge

3.7.1 *Conversion by Notice*

- (a) The Security Trustee may, by notice in writing to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of the Chargor if:
- (i) an Enforcement Event has occurred;
 - (ii) the Security Trustee considers that the Secured Assets (or any of them) are in danger of being seized or sold under or pursuant to any form of distress, attachment, execution or other legal process or otherwise to be in jeopardy; or
 - (iii) the Security Trustee considers such conversion to be necessary or desirable to protect the priority of the Security,

and such fixed charge shall apply to all assets the subject of the floating charge as specified in the notice.

3.7.2 *Automatic conversion*

- (a) The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically be converted into a fixed charge (without notice) as regards all assets which are subject to the floating charge if:
- (i) the Chargor creates (or attempts or purports to create) any Security Interest on or over any of the Secured Assets without the prior written consent in writing of the Security Trustee;

- (ii) any person levies or attempts to levy any distress, execution, sequestration, attachment or other legal process against the Secured Assets (or any of them);
- (iii) if a receiver and/or manager is appointed over the Chargor or any of the Chargor's assets or the Security Trustee receives notice of an intention to appoint an administrator in respect of the Chargor;
- (iv) if a petition is presented for the appointment of a liquidator, administrator or other analogous insolvency official to, or the protection of the court is sought by, the Chargor;
- (v) if any meeting of the directors or members of the Chargor is convened for the purposes of considering any resolution for its winding-up or liquidation or for appointing an administrator to the Chargor or other analogous insolvency procedure or with a view to a composition, assignment or arrangement with its creditors generally (or any class of its creditors) or any meeting is convened for the purposes of considering any event similar or analogous to the foregoing and such a resolution is passed; or
- (vi) if the Chargor ceases to carry on business as a going concern.

3.7.3 Partial conversion

The giving of notice by the Security Trustee pursuant to clause 3.7.1 (*Conversion by notice*) in relation to any assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Trustee to serve similar notices in respect of any other assets or of any of the other rights of the Security Trustee.

3.7.4 Treatment of floating charge assets post conversion

- (a) The Chargor undertakes to the Security Trustee that, following the occurrence of any of the events set out in this clause 3.7 (*Conversion of a Floating Charge*), they:
 - (i) shall not sell, transfer, convey, lease, licence, assign (or enter into any agreement in connection thereto) or otherwise deal with or dispose of the Converted Assets;
 - (ii) shall deliver as soon as possible to the Security Trustee or otherwise as agreed with the Security Trustee in writing, such information as the Security Trustee shall require to identify the Converted Assets including, for the avoidance of doubt, a full description (including serial/identification numbers in respect of plant and equipment and other tangible assets, account numbers, contract details etc) of all of the assets comprised in the Converted Assets; and
 - (iii) shall deliver as soon as possible to the Security Trustee or otherwise as agreed with the Security Trustee in writing, all documents of title relating to such Converted Assets.

3.8 Perfection of Security

3.8.1 Insurances, Accounts, Leases,

- (a) Immediately upon execution of this Deed, the Chargor shall deliver to the Security Trustee or procure the delivery to the Security Trustee:
 - (i) of a notice in respect of each of the Insurances, in the form set out in Schedule 4Part 1 (*Form of Notice of Assignment of Insurances and Acknowledgement*) duly executed by the Chargor or on its behalf and shall use all reasonable endeavours to procure that such notice is acknowledged in the form set out in Schedule 4Part 2 (*Form of Notice of*

Assignment of Insurances and Acknowledgement) (or in such other form as the Security Trustee may agree) by the relevant insurer;

(ii) of a notice in respect of the Accounts, in the form set out in Schedule 5Part 1 (*Form of Notice of Assignment of Account and Acknowledgement*) duly executed by the Chargor or on its behalf and shall use all reasonable endeavours to procure that such notice is acknowledged in the form set out in Schedule 5Part 2 (*Form of Notice of Assignment of Account and Acknowledgement*) (or in such other form as the Security Trustee may agree) by the relevant Account Bank;

(iii) of a notice in the form set out in Schedule 6Part 1 (*Form of Notice of Assignment of Lease*) duly executed by the Chargor or on its behalf which can be served in respect of each Lease and shall use all reasonable endeavours to procure that such notice is acknowledged in the form set out in Schedule 6Part 2 (*Form of Notice of Assignment of Lease and Acknowledgement*) (or in such other form as the Security Trustee may agree) by the relevant tenant of such Lease or Leases;

3.8.2 Mortgaged Property

The Chargor hereby covenants and undertakes to deposit with the Security Trustee, on the date of execution of this Deed, or if later, on the date of acquisition by the Chargor of any Mortgaged Property, all deeds, certificates and other documents constituting or evidencing title to the Mortgaged Property.

3.8.3 Accounts

The Chargor covenants and undertakes with the Security Trustee that during the Security Period it shall promptly deliver to the Security Trustee on the date of this Deed (and, if any material change occurs thereafter, promptly after the date of such change), details of each Account maintained by it with an Account Bank (other than the Security Trustee).

4 CONTINUING SECURITY

4.1 Continuing Security

4.1.1 The Security is a continuing security and will extend to the ultimate balance of the Secured Obligations until released or discharged by the Security Trustee in accordance with the terms of this Deed.

4.1.2 The Security will not be considered satisfied or discharged by any intermediate repayment or satisfaction of all or any part of the Secured Obligations.

4.1.3 If upon final repayment and satisfaction of the Secured Obligations there shall exist any right on the part of the Chargor or any other person to draw funds or otherwise which, if exercised, would or might cause the Chargor to become actually or contingently liable to the Security Trustee, whether as principal debtor or as surety for another person, then the Security Trustee will be entitled to retain the Security and all rights, remedies and powers conferred by this Deed and the Secured Assets for so long as shall or might be necessary to secure the discharge of such actual or contingent liability.

4.2 Additional Security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security Interest which the Security Trustee may at any time hold for any of the Secured Obligations.

4.3 Right To Enforce

This Deed may be enforced against the Chargor without the Security Trustee first having recourse to any other right, remedy, guarantee or Security Interest held by or available to it, irrespective of any law or any provision of this Deed to the contrary.

4.4 Waiver of Defences

The obligations of the Chargor under this Deed and the Security shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to impair, affect or discharge such obligations, in whole or in part, including without limitation, and whether or not known to or discoverable by the Chargor, the Security Trustee or any other person:

- 4.4.1 any time, indulgence or waiver granted to or composition with any person whatsoever;
- 4.4.2 the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against or granted by any person whatsoever;
- 4.4.3 any legal limitation, disability, incapacity or other circumstances relating to any such party or any other person;
- 4.4.4 any amendment, novation, supplement, variation, restatement, replacement of or extension (in each case however fundamental and of whatsoever nature and whether or not more onerous) of any term of this Deed or any other Finance Document or any increase in the Secured Obligations to the intent that this Deed shall apply to such term as varied or in respect of the extended due date or such increase;
- 4.4.5 any judgment obtained against the Chargor;
- 4.4.6 the dissolution, liquidation, administration, amalgamation, reconstruction or reorganisation of the Chargor or any other person; or
- 4.4.7 any irregularity, unenforceability, invalidity or frustration of any obligations of any person whatsoever under any agreement or any other document or security, or any present or future law or order of any government or authority purporting to produce or otherwise effect any such obligations, to the intent that this Deed shall remain in full force and be construed accordingly as if there were no such irregularity, unenforceability, invalidity, frustration, law or order.

4.5 No Competition

- 4.5.1 Until the Secured Obligations have been unconditionally and irrevocably satisfied and discharged in full to the satisfaction of the Security Trustee, the Chargor shall not by virtue of any payment made hereunder on account of the Secured Obligations or by virtue of any enforcement by the Security Trustee of its rights under this Deed or the Security:
 - (a) exercise any rights of subrogation in relation to any rights, security or moneys held or received or receivable by the Security Trustee or any person;
 - (b) exercise any right of contribution or indemnity from any co-surety liable in respect of such moneys and liabilities under any other guarantee, security or agreement;
 - (c) exercise any right of set-off or counterclaim against any borrower, any obligor or any co-surety;
 - (d) receive, claim or have the benefit of any payment, distribution, security or indemnity from any borrower, any obligor or any such co-surety; or

- (e) claim, rank, prove or vote as a creditor of any borrower, any obligor or any such co-surety in competition with the Security Trustee.

The Chargor will hold in trust for and forthwith pay or transfer to the Security Trustee any payment or distribution or benefit of security received by it contrary to the above. If the Chargor exercises any right of set-off contrary to the above, they will forthwith pay an amount equal to the amount set-off to the Security Trustee.

5 REPRESENTATIONS AND WARRANTIES

5.1 Nature of Security

5.1.1 The Chargor represents and warrants to the Security Trustee that:

- (a) it is duly incorporated and validly existing under the laws of its place of incorporation and is a separate legal entity capable of suing and being sued;
- (b) it has the necessary power and authority, and all necessary corporate and other action has been taken, to enable it to execute, deliver and perform the obligations undertaken by it under the Finance Documents to which it is party;
- (c) the obligations under this Deed are legally and validly binding on it and are enforceable in accordance with the terms of this Deed;
- (d) the execution of this Deed, the creation of the Security or the performance of its obligations hereunder will not contravene its constitutional documents, any applicable law or regulation or any agreement to which it is a party or which is binding on it or the Secured Assets;
- (e) it is and will at all times during the Security Period, be the sole lawful and beneficial owner of the Secured Assets;
- (f) on the date of execution of this Deed and on each date hereafter until the Security is released by the Security Trustee, the Secured Assets are free from any mortgage, charge or any other Security interest and the Security constitutes a first priority Security interest over the Secured Assets enforceable against it, and its creditors; and
- (g) its obligations under this Deed rank and will rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally;
- (h) it has not taken any corporate action nor have any other steps been taken or legal proceedings been instituted or (to the best of its knowledge and belief having made all reasonable enquiries) threatened against it for its winding up or re-organisation or to appoint an administrator, or receiver or any such analogous steps in relation to it or any of its assets; and
- (i) there is no litigation, arbitration, insolvency or other proceeding taking place, pending, or, to its knowledge, threatened against it or any of its assets which are reasonably likely to be adversely determined and if so adversely determined are reasonably likely to have a Material Adverse Effect.

5.2 Intellectual Property

5.2.1 The Chargor represents and warrants to the Security Trustee that:

- (a) it is the sole legal and beneficial owner of or has validly licensed to it the Intellectual Property and it does not have any rights to any other Intellectual Property other than as disclosed under this Deed;
- (b) all applications, fees, costs and charges relating to the Intellectual Property have been paid and are up to date; and
- (c) no licence to use any of the Intellectual Property have been given to any third party.

5.3 Mortgaged Property

5.3.1 The Chargor represents and warrants to the Security Trustee that:

- (a) it is the legal and beneficial owner of all of the Mortgaged Property specified in Schedule 2 Part 5 (Mortgaged Property);
- (b) it has have good and marketable title to the Mortgaged Property;
- (c) the Mortgaged Property is free from any Security Interest and restrictions and onerous covenants;
- (d) there are no covenants, agreements, stipulations, reservations, conditions or other matters whatsoever adversely affecting all or any part of the Mortgaged Property;
- (e) it has obtained all consents including the consent of any landlord or superior landlord (as required) under any lease or agreement for lease under which the Mortgaged Property is held to ensure that no other party to any agreement entered into by it becomes entitled to terminate such agreement or arrangement as a result of it entering into this Deed;
- (f) it is performing all the terms on its part contained in any lease, agreement for lease, licence or other agreement which gives the Security Trustee a right to occupy or use property comprised in the Mortgaged Property and is not doing or allowing to be done any act as a result of which any lease under which it holds any Mortgaged Property may become liable to forfeiture or otherwise be terminated; and
- (g) save as may have been disclosed to the Security Trustee in writing prior to the date of this Deed, it has not, prior to the date of this Deed carried out or permitted to be carried out any development as defined in the within the meaning of the Planning Act upon the Mortgaged Property in respect of which any requisite permission has not been obtained and that all conditions subject to which such permissions have been granted have been duly complied with.

5.3.2 Except as disclosed in the Property Report relating to the Mortgaged Property:

- (a) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of the Mortgaged Property;
- (b) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting all or any part of the Mortgaged Property;
- (c) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over the Mortgaged Property;

- (d) all facilities necessary for the enjoyment and use of the Mortgaged Property (including those necessary for the carrying on of its business at the Mortgaged Property) are enjoyed by the Mortgaged Property;

5.3.3 Information for Property Reports

- (a) The information supplied by the Chargor or on its behalf to the lawyers who prepared any Property Report for the purpose of that Property Report was true and accurate as at the date of the Property Report or (if appropriate) as at the date (if any) at which it is stated to be given.
- (b) The information referred to in clause 5.3.3 was at the date it was expressed to be given complete and did not omit any information which, if disclosed would make that information untrue or misleading in any material respect.
- (c) Nothing has occurred since the date of any information referred to in clause 5.3.3 which, if disclosed, would make that information untrue or misleading in any material respect.

5.4 Repetition

- 5.4.1 The representations and warranties set out in this clause 5 (*Representations and Warranties*) shall be given on the date of this Deed and shall be deemed repeated on the first day of each Interest Period (as defined in the Facility Agreement).
- 5.4.2 When a representation and warranty is deemed to be repeated, it is deemed to be made by reference to the facts and circumstances existing at the time of repetition.

6 UNDERTAKINGS

6.1 Negative Pledge

- 6.1.1 The Chargor will not do or agree to do any of the following:
 - (a) create or permit to subsist any Security Interest on any of the Secured Assets; or
 - (b) save as permitted by the provisions of the Facility Agreement, sell, transfer, lease, licence, lend or otherwise Dispose of all or any part of its interest in the Secured Assets.
- 6.1.2 The foregoing provisions of this clause 6.1 (*Negative Pledge*) shall not be construed as limiting any powers exercisable by any Receiver appointed by the Security Trustee under or pursuant to this Deed.

6.2 Secured Assets Generally

- 6.2.1 The Chargor covenants and undertakes to the Security Trustee that at all times during the continuance of the Security it will:
 - (a) *General compliance*
 - (i) conduct and carry on its business in a proper and efficient manner and procure that no substantial change is made to the general nature of its business taken as a whole from that carried on at the date of this Deed;
 - (ii) comply with and observe all of the terms, conditions and obligations in relation to the Secured Assets under any present or future law, regulation, license or consent and to comply with all covenants and obligations affecting any of the Secured Assets;

- (iii) comply and observe all terms and conditions of the Finance Documents and of all other contracts, agreements and security to which it is a party relating to the Secured Assets;
- (iv) not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value (whether monetary or otherwise) or marketability of the Secured Assets (or any of them);
- (v) not take any action which would cause any of the representations made in clause 5 (*Representations and Warranties*) to be untrue or incorrect in any respect during the Security Period;
- (vi) not enter into any onerous or restrictive covenants or obligations affecting any part of the Secured Assets;
- (vii) not take any corporate action or other steps or legal proceedings for the winding up or re-organisation of any Company or to appoint an administrator or receiver or any such analogous steps in relation to a Company in any jurisdiction; and
- (viii) enforce the covenants of the Transferee (and any successors of the Transferee) set out in the Transfer.

6.2.2 **Information**

at its cost, provide the Security Trustee with such information relating to its business and the Secured Assets as the Security Trustee may reasonably request in writing from time to time;

6.2.3 **Repair**

maintain the Secured Assets in good and substantial repair and condition and in good working order;

6.2.4 **Inspection**

permit any person authorised by the Security Trustee free access at all reasonable times on reasonable prior notice to view the state and condition of the Secured Assets without becoming liable to account as mortgagee in possession;

6.2.5 **Pay outgoings**

pay all rents, rates, Taxes, assessments, impositions and outgoings whatsoever, whether governmental, municipal or otherwise as may be imposed upon or payable in respect of the Secured Assets as and when they shall become payable and on demand, produce the receipt for such payments;

6.2.6 **VAT**

ensure that all value added tax (within the meaning of the Value Added Tax Act, 1994 and any subsequent re-enactment, modification or amendment thereof) liabilities which if unpaid would or might with the service of any notice or otherwise have priority over the Security hereby created or require payment by the Security Trustee shall be paid and discharged when the same must be paid;

6.2.7 **Notice**

immediately notify the Security Trustee in writing of the occurrence of an Enforcement Event or of the occurrence of any event which with the lapse of time, giving of notice or determination of materiality (or any combination of the foregoing) will or may constitute an Enforcement Event.

6.3 Insurances

6.3.1 Undertakings

(a) The Chargor covenants and undertakes to the Security Trustee that at all times during the continuance of the Security Period that it will insure and keep insured all parts of the Secured Assets as are of an insurable nature with such insurance company as the Security Trustee shall from time to time approve in writing in accordance with the provisions of the Facility Agreement.

(b) If the Chargor defaults in complying with clause 6.3.1 (*Insurances – Undertakings*), the Security Trustee may effect or renew any insurances on such terms, in such name(s) and in such amount(s) as it considers appropriate, and all monies expended by the Security Trustee in doing so shall be reimbursed by the Chargor to the Security Trustee on demand and shall carry interest from the date of payment by the Security Trustee until reimbursed at the Default Rate.

6.3.2 Application of Insurance Proceeds

(a) All Insurance Proceeds shall (subject to the rights and claims of any person having prior rights to such monies), prior to the occurrence of an Enforcement Event be applied on and subject to such terms and conditions as the Security Trustee may impose to meet the costs of repairing, reconstructing or replacing the property damaged or destroyed.

(b) After the occurrence of an Enforcement Event, the Chargor shall hold such monies upon trust for the Security Trustee pending payment to the Security Trustee for application in accordance with clause 9 (*Application of Proceeds*) and the Chargor waive any right they may have to require that any such monies are applied in reinstatement of any part of the Secured Assets.

6.3.3 Criminal Damage Claims

(a) The Chargor shall:

(i) notify the Security Trustee in writing as soon as practicable after becoming aware of any event or circumstance which will or is likely to give rise to a Criminal Damage Claim specifying in reasonable detail the nature of the event or circumstance which will or is likely to give rise to the claim and the extent of the damage to the Secured Assets located in England and Wales;

(ii) institute a claim under the Criminal Damage Order and take all steps required to obtain payment of the maximum amount of compensation possible under the Criminal Damage Order;

(iii) apply all monies received pursuant to a Criminal Damage Claim in accordance with clause 6.3.2 (*Application of Insurance Proceeds*);

(iv) pay all monies received in relation to or arising out of any Criminal Damage Claim to the Security Trustee (or if not paid directly to the Security Trustee) hold or procure that such monies shall be held on trust for the Security Trustee; and

(v) should the Criminal Damage Order ever be repealed in England and Wales, ensure that the Mortgaged Property located in England and Wales is properly insured with the appropriate terrorism insurance, but only to the extent that such insurance cover is commercially available without onerous terms (including, without limitation, the payment of any unreasonable premium) and that the insurance obligation validly falls to it, and notify the Security Trustee immediately upon having put such insurance in place.

6.4 Mortgaged Property Undertakings

The Chargor covenants and undertakes to the Security Trustee that at all times during the continuance of the Security that it will:

6.4.1 Protection of Mortgaged Property

not, without the previous consent in writing of the Security Trustee remove or destroy any of the buildings, plant, machinery, fixtures, fittings, vehicles, computers and office and other equipment or any structure whatsoever now or in the future owned by it unless that property is worn out or rendered unfit for use or unless such removal or destruction shall be with a view immediately to replacing that property by other property of a more useful or convenient character and of at least equal value or utility;

6.4.2 Compliance with covenants

- (a) do, observe and perform all its obligations and all matters and things necessary or expedient to be done, observed and performed under or by virtue of every lease, licence, agreement or other instrument relating to the Mortgaged Property and every other lease, licence and agreement to which it is party so as to preserve, protect and maintain all its rights in them;
- (b) not suffer or permit any default for which any of the same may be terminated or as a result of which any party thereto may be relieved of any liability or obligation but, on the contrary, exercise and enforce from time to time all its rights and remedies;
- (c) if and when entitled to do so, renew all such leases, licences and agreements so long as the same have utility or commercial value;
- (d) on the expiration of any such leases, licences and agreements, use its best endeavours to obtain new leases, licences or agreements as the case may be on the most favourable terms available so long as the same have utility or commercial value;

6.4.3 Not lease

- (a) Not to lease or agree to lease or accept or agree to accept surrenders without the prior written consent of the Security Trustee, save in relation to Permitted ASTs in accordance with the provisions of the Facility Agreement;
- (b) not without such written consent either in the purported exercise of the said statutory powers or otherwise grant or agree to grant or accept or agree to accept a surrender of any lease, licence or tenancy of the Mortgaged Property or any part of thereof;
- (c) not cause any person to become a protected or statutory tenant of any of the Mortgaged Property or any part of the Mortgaged Property under The Rent Act 1977, The Housing Act 1988, the Landlord and Tenant Act 1954, and any re-enactment, variation or modification of any of them and any orders, regulations or permissions made, issued or granted under or by virtue of the foregoing acts or any of them;

6.4.4 Planning Act

- (a) not carry out any development within the meaning of the Planning Act in or upon the Mortgaged Property without first obtaining such permission as may be required under or by virtue of the Planning Act;
- (b) within seven days after the receipt of any notice or proposal for a notice or order or proposal for an order given, issued or made to it by a planning authority under or by virtue of the Planning

Act in respect of the Mortgaged Property (or any part thereof), give full particulars of the notice, proposal or order to the Security Trustee;

- (c) if so required by the Security Trustee, produce the notice, proposal or order;
- (d) without delay take all reasonable or necessary steps to comply with such notice or order; and
- (e) at the request of the Security Trustee, make or join with the Security Trustee in making such application, appeal or representations against or in respect of any proposal for such notice or order as the Security Trustee may deem expedient;

6.4.5 Future acquisitions

Promptly inform the Security Trustee upon acquiring any additional estate or interest in the Mortgaged Property or otherwise and deposit with the Security Trustee and permit the Security Trustee to retain as part of the Security hereby constituted the deeds and documents of title thereof and if required by the Security Trustee, execute in favour of the Security Trustee a supplemental charge over the same in similar form hereto with any modifications as the Security Trustee may require;

6.4.6 Power to remedy

In case of default by the Chargor in performing any material obligation or other covenant affecting the Mortgaged Property within a reasonable period having regard to the covenant or obligation concerned, and after the occurrence of an Enforcement Event, the Chargor shall permit the Security Trustee and contractors:

- (a) to enter on the Mortgaged Property;
- (b) to comply with or object to any notice served on the Chargor relating to the Mortgaged Property; and
- (c) to take any action the Security Trustee may consider expedient to prevent or remedy any breach of any such term or to comply with or object to any such notice,

provided that nothing in this clause 6.4.6 (*Power to remedy*) (or otherwise in this Deed) shall entitle the Security Trustee or its contractors to any action (including any Remedial Works) relating to any notice served under or breach of any Environmental Law;

6.4.7 Land Registration

The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Lender) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*] 2018 in favour of Everland Opportunities III Limited referred to in the charges register or their conveyancer."

6.4.8 After Acquired Real Property

- (a) If after the date hereof the Chargor acquires any real property:
 - (i) title to which is, or is required to be, registered under the Land Registration Act 1925, the Chargor shall, promptly thereafter, notify the Security Trustee in writing of the title

number(s) of the property and, at the time it applies to the HM Land Registry to be registered as the registered owner of the property, apply to the HM Land Registry to register a new mortgage or supplemental mortgage as a burden on the title number(s) of the property;

- (ii) title to which is unregistered, the Chargor shall submit an application for first registration to the HM Land Registry ensuring the Chargor is registered as registered owner of the title number(s) and the new mortgage or supplemental mortgage is registered as a burden on the title number(s).

6.5 Accounts and Receivables

6.5.1 General

- (a) The Chargor covenants and undertakes with the Security Trustee that during the Security Period
- (b) it shall not, without the Security Trustee's prior written consent, permit or agree to any material variation of the rights attaching to an Account which is likely to prejudice the rights of the Security Trustee or close an Account. Save as permitted under the Facility Agreement, the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account except with the prior written consent of the Security Trustee.

6.5.2 Receivables

- (a) The Chargor covenants and undertakes with the Security Trustee that at all times during the continuance of the Security, it will:
- (i) collect all Receivables promptly in the ordinary course of business and procure that such Receivables are paid into the Accounts;
- (ii) immediately remit to the Security Trustee any monies in respect of such Receivables which are received by it for payment into an Account and, until so remitted, hold such monies on trust for the Security Trustee;
- (iii) not, without the prior written consent of the Security Trustee, purport to charge, sell, assign, factor, transfer, discount or otherwise dispose of, or permit to subsist, any charge or lien over the Receivables or any Account or any interest therein in favour of any other person;
- (iv) not, without the prior written consent of the Security Trustee, permit or agree to any variation of the rights attaching to the Receivables or any of them;
- (v) not, without the prior written consent of the Security Trustee, release, exchange, compound, set-off, grant time or indulgence in respect of or in any other manner deal with all or any of the Receivables save as expressly provided in this Deed; and
- (vi) at its own expense institute, continue or defend all such proceedings in connection with the Receivables as the Security Trustee may require.

6.6 Intellectual Property

- 6.6.1 The Chargor covenants and undertakes with the Security Trustee that during the Security Period, it shall:

(a) *Information*

- (i) promptly deliver to the Security Trustee on the date of this Deed (and, if any material change occurs thereafter and new Intellectual Property come into existence, promptly after the date of such change), details of all Intellectual Property granted to or held by it or on its behalf;
- (ii) maintain such registrations to keep those registered Intellectual Property which are material to its business in force and to record its interest in those Intellectual Property;

6.6.2 Protection

take such steps at its own expense as are within its power (including, without limitation, the institution of legal proceedings) to prevent third parties infringing the Intellectual Property and procure that any further Intellectual Property licensed to it are freely assignable and chargeable to the Security Trustee;

6.6.3 Registration

if requested to do so by the Security Trustee from time to time, make entries in any appropriate public register (in England and Wales or elsewhere) of the Intellectual Property which record the existence of this Deed;

6.6.4 No prejudice

- (a) not without the prior written consent of the Security Trustee:
- (i) sell, assign, transfer, mortgage, licence or otherwise dispose of or encumber all or any part of its Intellectual Property;
 - (ii) permit any such Intellectual Property to be abandoned or cancelled, to lapse or to be liable to any claim of revocation for non-use or otherwise; or
 - (iii) apply to amend the specification or drawings referred to in any of the Intellectual Property or in any registration of such Intellectual Property.

7 ENFORCEMENT OF SECURITY

7.1 When Enforceable

- 7.1.1 The Security shall become enforceable immediately upon the occurrence of an Enforcement Event and the Secured Obligations will be deemed to have become due and payable.
- 7.1.2 After the Security has become enforceable the Security Trustee may in its absolute discretion enforce all or any part of the Security in such a manner as it sees fit and the Security Trustee shall cease to be under any further commitment to the Chargor.

7.2 Statutory Powers

- 7.2.1 At any time after the Security has become enforceable (in accordance with this clause 7 (*Enforcement of Security*)) the statutory power of sale conferred by section 101 of the Act shall immediately arise and be exercisable by the Security Trustee and/or any Receiver.
- 7.2.2 The statutory powers of leasing and accepting surrenders of leases conferred on the Security Trustee and any Receiver by the Acts shall apply to this Deed and the Security Trustee and any Receiver may exercise the powers conferred by the Acts to accept surrenders of leases for any

purpose that it or he thinks fit and are extended so as to authorise the Security Trustee and any Receiver to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee and any Receiver may think fit and without the need to comply with section 99 or 100 of the Act.

7.2.3 The Security Trustee and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Acts.

7.2.4 All of the powers, authorities and discretions which are conferred by this Deed upon a Receiver (either expressly or impliedly) may be exercised after the Security becomes enforceable by the Security Trustee in relation to all or any part of the Secured Assets both before and after the appointment of a Receiver.

7.3 Mortgagee in Possession

7.3.1 In addition to the statutory powers incidental to the estate or interest of mortgagees contained in the Acts as more particularly detailed in clause 7.2 (*Statutory powers*) and at any time after the Security has become enforceable, the Security Trustee may, without further notice or demand and without the need to obtain the consent of the Chargor, enter into possession of the Secured Assets.

7.3.2 After the Security Trustee, in accordance with the provisions of this Deed, enters into possession of the Mortgaged Property, the Security Trustee will have power to:

- (a) effect and carry out upon any building or erection for the time being comprised in such part of the Mortgaged Property of which the Security Trustee is in possession any such repairs, amendments, alterations and additions as the Security Trustee may consider necessary or desirable for the maintenance or protection of all or any part of the Mortgaged Property;
- (b) charge or agree to charge any or part of the Mortgaged Property of which the Security Trustee is in possession for such period at such rent and upon such terms with or without a premium or fine in all respects as the Security Trustee may from time to time think fit; and
- (c) perform or cause to be performed all acts and things requisite or desirable according to the law of the country in which the Mortgaged Property or any part thereof of which the Security Trustee is in possession is situate for the purpose of giving effect to the exercise of any of the said powers, authorities and discretions.

7.4 No Liability

7.4.1 Neither the Security Trustee nor any Receiver will be liable for any loss or damages which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct) in relation to all or any part of the Secured Assets.

7.4.2 Without prejudice to the generality of clause 7.4.1 above, neither the Security Trustee nor any Receiver will be liable to account as mortgagee in possession in respect of the Secured Assets or any part thereof nor be liable for any loss on realisation or in connection with the Secured Assets or for any default or omission for which a mortgagee in possession might be liable.

7.5 Protection of Third Parties

7.5.1 No person (including a purchaser) dealing with the Security Trustee or a Receiver or its or his agents will be concerned to enquire:

- (a) whether the Secured Obligations have become payable;

- (b) whether any power which the Security Trustee or a Receiver is purporting to exercise has become exercisable;
- (c) whether any of the Secured Obligations remain outstanding; or
- (d) how any money paid to the Security Trustee or a Receiver is to be applied,

and all protections to purchasers contained in sections 101 and 103 of the Act shall apply to all persons (including a purchaser) dealing with the Security Trustee or any Receiver in like manner as if the statutory powers of sale and appointing a receiver had not been varied or extended by this Deed.

7.6 Appointment of Administrator

After the Security hereby constituted has become enforceable as herein provided, the Security Trustee shall be entitled to appoint an administrator of any Chargor as contemplated by paragraph 14 of Schedule B1 to the Insolvency Act 1986, and for this purpose the Chargor shall provide to the Security Trustee and to the proposed administrator all such information and opinions as it or he may require in the circumstances (having regard in particular to the requirements of paragraph 8 of the Schedule).

8 RECEIVERS

8.1 Appointment of A Receiver

- 8.1.1 At any time after any Chargor so requests or the Security becomes enforceable, the Security Trustee may appoint under seal or under the hand of a duly authorised officer of the Security Trustee, any person or persons considered by it to be competent to be a Receiver of all or any part of the Secured Assets and shall be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Acts.
- 8.1.2 If at any time there is more than one Receiver of all or part of the Secured Assets, each such Receiver may, unless otherwise stated in any appointment document exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of each other Receiver.
- 8.1.3 All of the powers, authorities and discretions which are conferred by this Deed, either expressly or impliedly, upon any Receiver may be exercised by the Security Trustee after the Security becomes enforceable in relation to all or part of the Secured Assets without first appointing a Receiver or notwithstanding the appointment of a Receiver of the Secured Assets, or any part thereof.

8.2 Receiver As Agent

Any Receiver so appointed shall be the agent of the Chargor and the Chargor will be solely responsible for his remuneration, acts, defaults, omissions and losses and for all costs, expenses, liabilities incurred by him. The Security Trustee shall not incur any liability by reason of the appointment of a Receiver or for any other reason.

8.3 Remuneration

A Receiver shall be entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time and the provisions of Section 109 of the Act (as modified by the provisions of this Deed) with the exception of sub-paragraphs 6 and 8 will apply hereto.

8.4 Removal of A Receiver

The Security Trustee may in writing remove any Receiver so appointed and appoint another person or persons as Receiver either in place of a Receiver whose appointment has been terminated or in addition to any Receiver already appointed.

8.5 Powers of A Receiver

A Receiver so appointed will have and be entitled to exercise, in addition to all powers conferred by the Acts (except where expressly disappplied in this Deed), all the powers of an administrative receiver set out in Schedule 1 of the Insolvency Act 1986 (whether or not the receiver is an administrative receiver) and each of the additional powers, rights and obligations as set forth in Schedule 1.

9 APPLICATION OF PROCEEDS

- 9.1 Any monies received by the Security Trustee and/or any Receiver after the Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to the Security and notwithstanding the provisions of the Acts) be applied in the following order:

- 9.1.1 in or towards payment of all costs, charges and expenses of and incidental to the appointment of any Receiver and the exercise of all or any of the above powers and of all outgoings properly paid by the Receiver and of all remuneration due to any Receiver under or in connection with this Deed or the Secured Assets; and
- 9.1.2 in payment in or towards the balance of the Secured Obligations in accordance with the terms of the Facility Agreement;

This clause is without prejudice to the right of the Security Trustee to recover any shortfall from the Chargor.

10 CONSOLIDATION OF ACCOUNTS AND SET-OFF

10.1 Consolidation

The Chargor agrees that the Security Trustee may at any time without notice and notwithstanding any settlement of account or other matter whatsoever, combine or consolidate all or any of its existing accounts wheresoever located (including accounts in the name of the Chargor jointly with others and including each Account together with any credit balance) whether such accounts are current, deposit, loan or of any other nature whatsoever, whether they are subject to notice or not and in any currency.

10.2 Set-Off

The Security Trustee and any Secured Party may set off any matured obligation due from the Chargor against any matured obligation owed by the Security Trustee and any Secured Party to the Chargor, regardless of the place of payment or currency of either obligation. If the obligations are in different currencies, the Security Trustee and any Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of set off.

11 FURTHER ASSURANCES

- 11.1 The Chargor shall, at its own expense, promptly take whatever action as may be required by the Security Trustee:

- 11.1.1 to perfect or protect the Security intended to be created by this Deed; and

11.1.2 to confer on the Security Trustee a Security Interest over any property and/or assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and

11.1.3 to facilitate the realisation of the Secured Assets or the exercise of any right, power or discretion exercisable by the Security Trustee or any such Receiver in respect of the Secured Assets,

including the execution, acknowledgement or delivery of any agreement, transfer, mortgage, charge or assignment, notice, or the making of a registration, in each case as the Security Trustee may direct.

12 POWER OF ATTORNEY

12.1 Power of Attorney

12.1.1 The Chargor, by way of security, hereby irrevocably appoints the Security Trustee, each Receiver and any of their Delegates, jointly and also severally, to be its attorney:

(a) to take any action which it is obliged to take under this Deed, including under clause 11 (*Further Assurances*);

(b) to do all such acts or things as may be required by the Security Trustee or any Receiver under this Deed in exercise of any of their powers.

12.1.2 The Chargor ratifies and confirms all things done by any attorney appointed under this clause in the exercise or purported exercise of all or any of such attorney's powers.

12.2 Delegation

The Security Trustee or any Receiver may delegate by power of attorney or in any other manner, to any person, any right, power or discretion exercisable by it under this Deed upon any terms (including the power to sub-delegate) as it may deem fit but no such delegation shall preclude the subsequent exercise of such power by the Security Trustee or any Receiver itself or himself or preclude the Security Trustee or the Receiver from making a subsequent delegation thereof to some other person. Any such delegation may be revoked by the Security Trustee or the Receiver at any time.

12.3 Liability

Neither the Security Trustee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such Delegate.

13 COSTS AND EXPENSES

13.1 Transaction Expenses

The Chargor shall promptly on demand reimburse the Security Trustee (and every Receiver and Delegate) the amount of all reasonable costs and expenses (including legal fees) incurred by it in connection with:

13.1.1 the negotiation, preparation, execution and perfection of this Deed and any documents referred to in this Deed; and

13.1.2 a request for a waiver, amendment or consent, the evaluation, negotiation or implementation of that waiver, amendment or consent.

13.2 Taxes

The Chargor shall promptly pay all stamp, registration and other Taxes to which this Deed or any judgment given in connection with this Deed is or at any time may be subject and shall indemnify the Security Trustee

against any liabilities, reasonable costs, claims and expenses resulting from any failure to pay or delay in paying any such Taxes.

13.3 Indemnity

The Chargor shall promptly indemnify the Security Trustee and every Receiver and Delegate against any reasonable cost, loss or expenses (including legal fees) and liabilities (including VAT thereon) incurred by any of them as a result of:

13.3.1 the taking, holding, protection or enforcement of this Deed and the Security;

13.3.2 anything done in the exercise of any of the rights, powers, discretions and remedies vested in the Security Trustee and each Receiver and Delegate by this Deed or by law.

14 CURRENCY CONVERSION AND INDEMNITY

14.1 Currency Conversion

All monies received or held by the Security Trustee or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Trustee or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the then prevailing spot rate of exchange (as conclusively determined by the Security Trustee) for purchasing the currency to be acquired with the existing currency.

14.2 Currency Indemnity

No payment to the Security Trustee (whether under any judgment or court order or otherwise) will discharge the obligation or liability of the Chargor in respect of which it was made unless and until the Security Trustee receives payment in full in the currency in which such obligation or liability was incurred, and to the extent that the amount of any such payment, on actual conversion into such currency, falls short of such obligation or liability expressed in that currency, the Chargor shall indemnify and hold harmless the Security Trustee from and against any loss it suffers or incurs as a result of any such shortfall.

15 MISCELLANEOUS PROVISIONS

15.1 Suspense Account

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may, at the discretion of the Security Trustee, be credited to any interest-bearing suspense account for so long as the Security Trustee may determine (with interest accruing thereon) without the Security Trustee having any obligation to apply the same or any part thereof in or towards the discharge of any of the Secured Obligations.

15.2 New Accounts

15.2.1 If the Security Trustee receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security Interest affecting any Secured Asset and/or the proceeds of sale of any Secured Asset:

(a) the Security Trustee may open a new account for any Chargor; and

(b) if the Security Trustee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice,

and as from that time, all payment made to the Security Trustee shall be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

15.3 Amendments

Any provision of this Deed may be amended, supplemented, varied, modified, released or discharged only if the Security Trustee and the Chargor so agrees in writing.

15.4 Unfettered Discretion

Save as otherwise stated in this Deed, any liability or power which may be exercised or any determination which may be made under this Deed by the Security Trustee may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

15.5 Severability

All the terms and provisions of this Deed are distinct and severable, and if any term or provision is held unenforceable, illegal or void in whole or in part (or any of the Security intended to be created by or pursuant to this Deed is ineffective) by any court, regulatory authority or other competent authority it shall to that extent be deemed not to form part of this Deed, and the enforceability, legality and validity of the remainder of this Deed will not be affected.

16 RIGHTS AND REMEDIES

16.1 Waiver and Forebearance

16.1.1 No failure or delay by the Security Trustee or any Receiver to exercise any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. A waiver or consent by the Security Trustee 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.

16.1.2 The rights of the Security Trustee or any Receiver under this Deed will not be prejudiced or restricted by any indulgence or forbearance extended to any Chargor or other parties including a release of any person or persons (whether or not a party hereto and whether or not such person or persons are jointly and/or severally liable with the Chargor) in respect of the Secured Liabilities or of any other security without prejudice either to the Security or to the liability of the Chargor for the Secured Liabilities.

16.2 Remedies Cumulative

The rights and remedies of the Security Trustee and any Receiver under this Deed are cumulative and not exclusive of any rights or remedies provided by law.

16.3 Chargor Intent

The Chargor expressly confirms that it intends that the Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and any/or any facility or amount made available or owing by any Chargor to the Security Trustee for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any increase in any interest rate; any other variation or extension of the purposes for which any such facility or amount might be available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

17 ASSIGNMENT

- 17.1 The Chargor may not assign or transfer all or any of their rights, benefits or obligations under this Deed.
- 17.2 The Security Trustee may assign or transfer all or any part of its rights under this Deed to any person and the Chargor hereby consents to any such assignment. The Security Trustee will be entitled to impart any information concerning the Chargor to any assignee or successor in title.
- 17.3 This Deed shall be binding upon and inure to the benefit of the Chargor and its respective successors and permitted assigns and references in this Deed to any of them shall be construed accordingly.

18 NOTICES

18.1 Communications in Writing

Any notice or other communication to be made under, or in connection with, this Deed shall be in writing, in the English language addressed to the relevant party.

18.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

The Chargor

Name: Hill & Standard Developments Limited

Address: 80-83 Lang Lane, London, EC 1A

Attention: Yael Orlinksy /Bhupinder Chohan

Email Address: goestatesltd@gmail.com and bup@hillandstandardpm.com

The Security Trustee

Name: Everland Opportunities III Limited

Address: Unit 1302 Prosperity Tower, 39 Queens Road Central, Hong Kong **Attention:** The Directors

Email Address: ~~number.secret@everlandpartners.com~~ and project.baseball@everlandpartners.com

or to such other address or fax number as may be notified to the Security Trustee by not less than five Business Days' notice.

18.3 Delivery

18.3.1 Any such notice or other communication made or delivered by one party to another under or in connection with this Deed will only be effective:

- (a) If delivered by hand, on delivery;
- (b) if sent by fax, upon transmission, subject to the correct code or facsimile number being received on the transmission report;

- (c) in the case of posting, 48 hours after posting (and proof that the envelope containing the notice or communication was properly addressed, prepaid registered and posted will be sufficient evidence that the notice or other communication has been duly served or given);

18.3.2 Any notice or other communication to be made or delivered to the Security Trustee will be effective only if it is marked for the attention of the department or officer of the Security Trustee referred to in clause 18.2 above (~~Addresses~~) (or any substitute department or officer as the Security Trustee shall specify for this purpose).

18.4 **Electronic Communication**

18.4.1 Any communication to be made between the Chargor and the Security Trustee under or in connection with this Deed may be made by electronic mail or other electronic means, and the Chargor and the Security Trustee:

- (a) agree that, unless and until notified to the contrary, this is to be an accepted form of communication; and shall

- (b) notify each other of any change to their address or email address or any other such information supplied by them.

18.4.2 Any electronic communication made between the Chargor and the Security Trustee will be effective only when actually received in readable form and if properly addressed as specified.

19 **COUNTERPARTS**

This Deed may be executed in counterparts and each such counterpart taken together shall be deemed to constitute one and the same instrument.

20 **RELEASE OF SECURITY**

20.1 **Release of Security**

Subject to and without prejudice to clause 20.2 (*Retention of security*), upon the expiry of the Security Period, the Security Trustee shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign and discharge the Secured Assets from the Security.

20.2 **Retention of Security**

If any payment or discharge of the Secured Obligations is, in the reasonable opinion of the Security Trustee, liable to be avoided or invalidated under any enactment relating to insolvency, liquidation or otherwise (without limitation), the Security Trustee may refuse to grant any release of the Security for such further period as the risk of such avoidance or invalidity continues.

20.3 **Reinstatement**

Where any discharge in respect of the Secured Obligations is made, in whole or in part or any arrangement is made on faith of any payment, security, assurance or otherwise is avoided or must be restored on insolvency, liquidation or otherwise, the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred.

21 GOVERNING LAW

21.1 Governing Law

This Deed and all relationships created by it and arising out of or in connection with it, together with all Disputes, will in all respects be governed by and construed in accordance with the laws of England and Wales.

22 ENFORCEMENT

22.1 Jurisdiction

22.1.1 Subject to clause 22.1.2 below, the Parties agree that the courts of England and Wales shall have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Deed. The Parties agree that the courts of England and Wales are the most appropriate and convenient courts to settle disputes and accordingly no party will argue to the contrary.

22.1.2 The Parties agree that, for the benefit of the Security Trustee only, nothing in this Deed shall limit the right of the Security Trustee to bring any legal action against any Chargor in any other court of competent jurisdiction.

22.2 Without prejudice to any other mode of service allowed under any relevant law:

22.2.1 the Chargor agrees that failure by a process agent to notify it of the process will not invalidate the proceedings concerned; and

22.2.2 the Chargor agrees that if any person appointed as process agent is unable for any reason to act as agent for service of process, it must immediately (and in any event within seven days of such event taking place) appoint another agent on terms acceptable to the Security Trustee. Failing this, the Security Trustee may appoint another agent for this purpose.

IN WITNESS whereof this Deed has been duly executed by the parties to it on the date set out at the beginning of this Deed.

SCHEDULE 1

POWERS OF A RECEIVER

1 Possession

to take immediate possession of, get in and collect the property in respect of which the Receiver is appointed and to make such demands and take such proceedings as may seem expedient for that purpose, and to take possession of the property over which the Receiver is appointed with like rights;

2 Realisation

to sell, realise or otherwise dispose of the Secured Assets and to make substitutions of, or improvements to, the Chargor's plant and machinery as the Receiver thinks fit;

3 Manage

to carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying any business of any Chargor in any manner the Receiver thinks fit;

4 Appoint Advisers

to appoint and discharge managers, officers, agents, professional advisers, consultants, servants, workmen, employees, managing agents and others for the purposes specified in this Schedule upon such terms as to remuneration or otherwise as the Receiver thinks fit and to remove any person so appointed to any such position by the Chargor, including without prejudice to the generality of the foregoing, the Managing Agent;

5 Borrow Money/Lend Money

to raise and borrow money or incur any other liability, either unsecured or on the security of any Secured Asset or otherwise and generally on any terms and for whatever purpose the Receiver thinks fit and to lend money or advance credit to any customer of any Chargor;

6 Sell

to grant rights, options or easements over, dispose of, convert into money and realise any Secured Asset by public auction or private contract and generally in any manner and on any terms the Receiver thinks fit. The consideration for any such transaction may consist of cash, debentures 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 any period he or she thinks fit. Fixtures, plant and machinery may be severed and sold separately from the property containing them without the consent of the Chargor;

7 Lease

to let, hire, lease, licence or grant any interest in any Secured Asset for any term and at any rent (with or without a premium) the Receiver thinks fit and to vary the terms, surrender or accept a surrender of any lease or tenancy of any Secured Asset on any terms which the Receiver thinks fit (including the payment of money to a lessee or tenant on a surrender) and to exercise on behalf of the Chargor, and without the consent of or notice to the Chargor, all the powers conferred on a landlord or a tenant by any legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the secured assets.

8 Share Calls

where the Chargor is a company, to require such Chargor, or the directors of such Chargor, to make calls conditionally or unconditionally upon the shareholders of such Chargor in respect of any of its uncalled capital and enforce payment of any call so made by action (in the name of such Chargor or the Receiver as the Receiver may think fit) or otherwise;

9 Receivables

to sell or assign all or any of the Receivables in respect of which the Receiver is appointed in such manner, and generally on such terms and conditions, as the Receiver thinks fit.

10 Voting Rights

to exercise in respect of any Secured Asset all voting or other powers or rights in such manner as the Receiver thinks fit;

11 Land Registry

to exercise on behalf of the Chargor and in the name of the Chargor all powers and rights of the Chargor relevant to effecting and necessary to effect the registration in the Land Registry of any fixed or specific charge created on any registered land, of the crystallisation of any floating charge or his or her appointment as Receiver;

12 Compromise

to settle, adjust, refer to arbitration, allow time for payment, compromise and arrange any claim, contract, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset;

13 Legal Actions

to bring, prosecute, enforce, defend and abandon any action, suit or proceedings both in the Receiver's own name and in the name of any Chargor in relation to any Security Asset which the Receiver thinks fit including, for the avoidance of doubt and without limitation, all enforcement action against the Obligors and any enforcement relating to a Finance Documents;

14 Receipts

to give a valid receipt for any money and execute any assurance or thing that may be necessary or desirable for realising any Secured Asset;

15 Company Reorganisation

where the Chargor is a company, to form a subsidiary of such Chargor, arrange for any such subsidiary to trade or cease to trade as the Receiver sees fit, in his or her capacity as shareholder and transfer to that subsidiary any secured asset and sell or otherwise dispose of any such subsidiary;

16 Delegation

to delegate the Receiver's powers;

17 Insurances

to effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurances required to be maintained under any Finance Document entered into by the Chargor;

18 Taxes

to make any election for value-added tax purposes that the Receiver thinks fit and to run the tax affairs of any Chargor in any manner that the Receiver thinks fit;

19 Intellectual Property

to take all steps necessary to effect any registration, renewal, application or notification that the Receiver thinks fit to maintain in force or protect any Intellectual Property;

20 Settle Accounts

to redeem any prior Security interest and to settle and pass the accounts to which that Security interest relates. Any accounts so settled and passed are conclusive and binding on the Chargor, and any money so paid shall be taken to be an expense properly incurred by him or her;

21 Protect and Manage

to effect any repair or insurance, and incur any capital expenditure required to complete any remediation works to the Property, and do any other act which the Chargor might do in the ordinary conduct of its business to protect or improve any Secured Asset and to arrange for or provide any service proper for the efficient use or management of the Secured Assets;

22 Planning/Building

to apply for and maintain any planning permission, building regulation approval or any other authorisation and to commence and complete any building operation, and to complete any building operation already begun;

23 Use the Chargor's Name

to use the name of the Chargor when exercising any of the rights, powers or discretions conferred on the Receiver;

24 Company Seal

where the Chargor is a company, to use such Chargor's seal (if relevant);

25 Insolvency

to rank and claim in the bankruptcy, insolvency, sequestration or liquidation of any person indebted to any Chargor and to receive dividends, and to accede to the trust deeds for the creditors of any such person;

26 Payments

to make any payment which is necessary or incidental to the performance of his or her functions;

27 Other Rights

27.1 to do all other acts and things which he or she may consider desirable or necessary for realising any Secured Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver;

27.2 to exercise in relation to a Secured Asset all the rights, powers and authorities that he or she could exercise if he or she were the absolute beneficial owner of the Secured Asset;

27.3 to do all acts and to execute in the name and on behalf of the Chargor any deed, receipt or other document;

27.4 to draw, accept, make or endorse any bill of exchange or promissory note in the name of and on behalf of the Chargor.

SCHEDULE 2

Part 1

Accounts¹

Hill & Standard Developments Limited (the "Chargor")			Business Bank Account		

Part 2 Insurance

Date of Policy	Amount	No of Policy	Name of Company	Insured	Premium
06.12.2018	Buildings – declared value £31,000,000 Contents - £100,000 Contents of Common Areas - £100,000 Gross Rentals - £3,300,000 (Indemnity Period 36months) Property Owners		Aviva Insurance Limited	Hill and Standard Developments Ltd	

¹ [] to confirm rent account details – [

]

	Liability - £10,000,000				
03.12.2018	Buildings – declared value £31,000,000 Contents - £100,000 Loss of Rent Value(s) - £3,300,000 (Indemnity Period 36months) Rent / Alt Accomm Value(s) - £15,345,000		Angel Risk Management Limited	Hill and Standard Developments Ltd	

Part 3 Intellectual Property

None at the date hereof

Part 4 Plant and Equipment

None at the date hereof

Part 5 Mortgaged Property

Land and buildings at Laisteridge Lane, Bradford forming part of title number WYK 803835 (excluding therefrom Charles Morris House and Trinity C Hall being the land and buildings comprised the Transfer

SCHEDULE 4

FORM OF NOTICE OF ASSIGNMENT OF INSURANCES AND ACKNOWLEDGEMENT

Part 1 - Notice of Assignment

[Date]

To: [Insert Insurer Addressee details]

Attention: []

Re: [Insert Insurances details] (the Insurances)

Dear Sirs,

We hereby give you notice that we have assigned to Everland Opportunities III Limited (the Security Trustee) pursuant to a Security Agreement entered into by us in favour of the Security Trustee on [] all our right, title and interest in and to the proceeds of the Insurances.

We hereby irrevocably authorise and instruct you to:

- 1 make all payments and claims under or arising from the Insurances to the Security Trustee or to its order to such account as it may specify in writing from time to time;
- 2 note the interest of the Security Trustee on the Insurances; and
- 3 disclose to the Security Trustee, without further approval from us, such information regarding the Insurances as the Security Trustee may from time to time request and to send it copies of all notices issued by you in relation to the Insurances.

You will give notice to the Security Trustee in writing:

- 1 if we propose to cancel or give notice of cancellation of any Insurances at least 30 days before such cancellation is to take effect;
- 2 of any material alteration or, the termination or expiry of any such Insurances at least 30 days before such alteration, termination or expiry is to take effect; and
- 3 promptly of any default in the payment of any premium or failure to renew any such Insurances and shall give the Security Trustee not less than 30 days in which to pay the defaulted premium without cancelling the policy during such 30 days period.

With effect from your receipt of this notice, all rights, interest and benefits whatsoever accruing to or for the benefit of ourselves arising from the Insurances (including all rights to compel performance) belong to and are exercisable by the Security Trustee.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and return the same to the Security Trustee at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands marked for the attention of

This letter is governed by, and shall be construed in accordance with English law.

Yours faithfully,

.....
Authorised Signatory

Part 2 Acknowledgment of Assignment

(On headed notepaper of relevant Insurance Company)

[Date]

To: [Insert addressee details]

Re: [Insert insurance details] (the Insurances)

In the name of Hill & Standard Developments Limited (the Chargor)

Everland Opportunities III Limited (the Security Trustee)

Dear Sirs,

We acknowledge receipt of a notice in the terms set out above and confirm that we have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in such notice and that we will comply with the terms of that notice.

We further confirm that no amendment or termination of the Insurances shall be effective unless we have given the Security Trustee thirty (30) days written notice of such amendment or termination.

Yours faithfully,

.....
for and on behalf of [INSURER]

SCHEDULE 5

FORM OF NOTICE OF CHARGE OF ACCOUNT AND ACKNOWLEDGEMENT

Part 1 – Notice of Charge

[Date]

To: [Insert Addressee details]

Attention: []

Re: Our Account(s) numbered [] (the Accounts)

Dear Sirs,

We hereby give you notice that by a Security Agreement (the Deed) dated [], (a copy of which is attached hereto) we have charged in favour of Everland Opportunities III Limited (the Security Trustee, which term includes its successors and assigns) all our rights, title and interest in the Account(s) together with all monies standing to the credit of the Account(s) from time to time.

Please note that the Security Trustee has been irrevocably appointed by ourselves as our true and lawful attorney to do (inter alia) all acts and things which we could do and to act in relation to the administration or enforcement or attempted enforcement of the Deed and you are required to follow all instructions that the Security Trustee may give to you in accordance with the terms of the Deed.

We hereby irrevocably authorise and instruct you:

- 1 To disclose to the Security Trustee without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to the Account(s) and the sums therein as the Security Trustee may at any time and from time to time request;
- 2 To hold all sums from time to time standing to the credit of the Account(s) to the order of the Security Trustee;
- 3 To pay or release all or any part of the sums from time to time standing to the credit of the Account(s) in accordance with the written instructions of the Security Trustee at any time or times;
- 4 To comply with the terms of the written notice or instructions in any way relating to, or purporting to relate to the Deed, the sums standing to the credit of the Account(s) from time to time or the debts represented thereby which you receive at any time from the Security Trustee without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instructions.

Please note that we are not permitted to withdraw any amount from the Account(s) without the prior written consent of the Security Trustee.

Please also note that these instructions are not to be revoked or varied without the prior written consent of the Security Trustee.

This letter is governed by, and shall be construed in accordance with, English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Trustee with a copy to ourselves.

Yours faithfully,

Part 2 Acknowledgment of Charge

(On headed notepaper of relevant Account Bank)

[Date]

To: Everland Opportunities III Limited

Re: Account(s) numbered [] (the Account(s))

In the name of Hill & Standard Developments Limited (the Chargor)

Dear Sirs,

We confirm receipt from Hill & Standard Developments Limited of a notice (Notice) dated [] with respect to the charge over the Chargor's rights, title and interest in and to the Account(s).

Terms not defined in this letter shall have the meanings given to them in the Notice.

- 1 We accept the instructions and authorisations contained in the Notice and we undertake to act in accordance and comply with the terms of that Notice;
- 2 We are not aware of any interest of any third party in the Account(s) and will notify you if we become aware of any such interest;
- 3 We have neither claimed nor exercised nor will claim nor exercise any security interest, set-off, counterclaim or other rights in respect of the Account(s) the sums therein or the debts represented thereby; and
- 4 We shall not permit any amount to be withdrawn from the Account(s) without your prior written consent, save as we otherwise agree with you.

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully,

Authorised Signatory

For and on behalf of [Account Bank]

SCHEDULE 6

FORM OF NOTICE OF ASSIGNMENT OF LEASE AND ACKNOWLEDGEMENT

Part 1 – Notice of Assignment

[Date]

To: the Occupier
[the Property]

Attention: the Occupier

Re: Lease dated [] made between you and Hill & Standard Developments Limited (the Leases), for a term commencing on []

Dear Sirs,

We hereby give you notice that by a Security Agreement dated [], (a copy of which is attached hereto) (the Security Agreement) we have assigned in favour of Everland Opportunities III Limited (the Security Trustee) all our right, title and interest in and to the Lease(s) including all rental and such other monies payable in respect of the same.

- 1 We irrevocably and unconditionally instruct and authorise you to pay any rent payable by you under the Lease to our Managing Agent's account with [] to the credit of the Hill & Standard Student Property Management Limited, Account Number [] (IBAN: []) (the Rent Account).
- 2 This letter supersedes any instructions previously given to you and you are hereby notified and authorised to disregard any letter notice or instruction purporting to countermand or supersede or vary the instructions herein contained unless such letter notice or instruction is given or sent by the Security Trustee.

Please also note that these instructions are not to be revoked or varied without the prior written consent of the Security Trustee.

This letter is governed by, and shall be construed in accordance with, English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Trustee with a copy to ourselves.

Yours faithfully,

Authorised Signatory

For and on behalf of

Hill & Standard Developments Limited

Part 2 Acknowledgment of Assignment

(From relevant tenant)

[Date]

To: Everland Opportunities III Limited

Re: Lease dated 15th September 2018 made between [] and Hill & Standard Developments Limited (the Leases(s))

In the name of Hill & Standard Developments Limited (the Chargor)

Dear Sirs,

We confirm receipt from the Chargor of a notice (Notice) dated [] with respect to the assignment of the Chargor's rights, title and interest in and to the Lease(s).

Terms not defined in this letter shall have the meanings given to them in the Notice.

- 1 We accept the instructions and authorisations contained in the Notice.**
- 2 We have not received any other notices of charge or assignment regarding the rent and other moneys payable by us under the Lease.**
- 3 We shall pay all rent and other moneys payable by us under the Lease to the Rent Account in accordance with the Notice until we receive your written instructions to the contrary.**

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully,

Authorised Signatory

For and on behalf of [tenant]

SCHEDULE 8

NOTICE TO OBLIGOR

Part 1 - Form of Notice to Obligors

To: []

From: **Hill & Standard Developments Limited (Assignor)** and

Everland Opportunities III Limited (Assignee)

Date: []

Dear Sirs

Facility Agreement dated [] and made between [] and []

Deed of assignment dated [] and made between the Assignor and the Assignee (the Deed of Assignment, copy appended hereto)

- 1 We hereby notify you that as of the date hereof the Assignor has assigned to the Assignee all of its rights, title and interest to the Facilities (as defined in the Deed of Assignment) pursuant terms of the Deed of Assignment.
- 2 Please acknowledge this notice by signing and returning to the Assignor and the Assignee the attached acknowledgment.

This notice and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of England and Wales.

HILL & STANDARD DEVELOPMENTS LIMITED	EVERLAND OPPORTUNITIES III LIMITED
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Part 2 - Form of Acknowledgement of Notice of Assignment

To: **Hill & Standard Developments Limited (Assignor) and**

Everland Opportunities III Limited (Assignee)

From: []

Date: []

Dear Sirs

Facility Agreement dated [] and made between [] and []

Deed of assignment dated [] and made between the Assignor and the Assignee (the Deed of Assignment, copy appended hereto)

We refer to the above and acknowledge receipt of the notice of assignment from the Assignor and the Assignee dated [] 201[].

This acknowledgment and any non-contractual obligations arising out of or in connection with it shall be governed by the laws of England and Wales.

Yours faithfully

[]

SIGNATORIES TO DEBT ASSIGNMENT DEED

Assignor

Assignee

EXECUTION PAGE

EXECUTED AS A DEED by **HILL &
STANDARD DEVELOPMENTS LIMITED**
acting by []
a Director in the presence of:

W. Onkingsi
Director


Signature of Witness

Martyn GOLD
Name of Witness

424 St Kilbuck rd
Address of Witnesses

London N1C5B2

SIGNED on behalf of the Security Trustee

In the presence of:
