

MR01

Particulars of a charge

055603 / 26

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

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

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



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

THURSDAY



A3BUIBC1

A29

10/07/2014

#29

COMPANIES HOUSE

1 Company details

Company number 0 8 8 9 4 5 0 2

Company name in full UPP (Cartwright Gardens) Holdings Limited

2 For official use

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

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 0 d 4 m 0 m 7 y 2 y 0 y 1 y 4

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

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

Name Pension Insurance Corporation PLC (Company Number 05706720) ✓

Name

Name

Name

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

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

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4

Brief description

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

Brief description

None

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

Please limit the description to the available space

5

Other charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement¹

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

☐

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

9

Signature

Please sign the form here

Signature

Signature

X

Wagge Lawrence Graham & Co 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 SOPHIE JOHNSON/2099993/ELH2

Company name WRAGGE LAWRENCE GRAHAM & CO

LLP

Address 4 MORE LONDON RIVERSIDE

Post town LONDON

County/Region

Postcode S E 1 2 A U

Country UNITED KINGDOM

DX 132076 London Bridge 4

Telephone +44 (0)20 7379 0000



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

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

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

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



Further information

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

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

Dx



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8894502

Charge code: 0889 4502 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 4th July 2014 and created by UPP (CARTWRIGHT GARDENS) HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th July 2014.

Given at Companies House, Cardiff on 17th July 2014



Companies House



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

Dated 4 July 2014

UPP (CARTWRIGHT GARDENS) HOLDINGS LIMITED
as Chargor

PENSION INSURANCE CORPORATION PLC
as Security Trustee

DEBENTURE

I certify that, save for material redacted pursuant to
s.859G of the Companies Act 2006, this copy instrument
is a correct copy of the original instrument.

Signed Stratton Lawrence Date 9 July 2014
Graham & Co LLP

ADDLESHAW GODDARD

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This Debenture is made on 4 July 2014

Between

- (1) **UPP (Cartwright Gardens) Holdings Limited** (No 8894502) whose registered office is at 40 Gracechurch Street, London EC3V 0BT (**Chargor**), and
- (2) **Pension Insurance Corporation PLC** (No 05706720) whose registered office is at 14 Cornhill, London EC3V 3ND as security trustee for the Finance Parties (**Security Trustee**)

It is agreed

1 Definitions and Interpretation

1.1 Definitions

In this Debenture and any Mortgage (as defined below)

Account means any account of the Chargor that may be from time to time identified in writing as an Account by the Security Trustee, the debt or debts represented thereby and all Related Rights and Accounts means all of these accounts

Assigned Account means each of the Accounts (and any renewal or redesignation of such Account) and any other account that may be from time to time identified in writing as an Assigned Account by the Security Trustee

Assigned Agreements means each of the following

- (a) the Holdco Shareholders' Agreement
- (b) the Insurance Policies
- (c) the Management Services Agreement

Borrower means UPP (Cartwright Gardens) Limited (No 8188779) whose registered office is at 40 Gracechurch Street, London EC3V 0BT

Charged Property means all the property, assets and income of the Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Security Trustee by or pursuant to this Debenture and any Mortgage

Collateral Rights means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Debenture or any Mortgage or by law

Dangerous Material means any element or substance, whether consisting of gas, liquid, solid or vapour which is identified by any Environmental Law to be, to have been, or to be capable of being or becoming harmful to mankind or any living organism or damaging to the Environment

Deed of Subordination means the deed of subordination entered into between, amongst others, the Chargor and the Security Trustee and dated on or about the date of this Debenture

Default Rate means the rate interest determined in accordance with clause 7.2 (Default interest) of the Facility Agreement

Enforcement Event means an Event of Default which is continuing

Environment means

- (a) land including any natural or man-made structures
- (b) water including ground waters and waters in drains and sewers
- (c) air, including air within buildings and other natural or man-made structures above or below ground

Facility Agreement means the facility agreement dated on or about the date hereof between the Borrower as borrower, the Chargor as holdco and Pension Insurance Corporation PLC as Original Lender, Facility Agent and Security Trustee for the development of student accommodation at Cartwright Gardens, Bloomsbury, London WC1

Holdco Shareholders' Agreement means the shareholders' agreement dated on or about the date of this Debenture between the Chargor, the University and UPP Group for the issue of, inter alia, Holdco Subordinated Loan Notes

Holdco Subordinated Loan Notes means the secured subordinated loan notes issued or to be issued by the Chargor,

- (a) to UPP Group and pursuant to the terms of the relevant Holdco Subordinated Loan Note Instrument
- (b) to the University and pursuant to the terms of the relevant Holdco Subordinated Loan Note Instrument

Holdco Subordinated Loan Note Instrument means each subordinated secured loan note instrument entered into or to be entered into by the Chargor pursuant to which the Holdco Subordinated Loan Notes were to be issued

Insurance Policy means any policy of insurance relating to the Project Property or the Development in which the Chargor may from time to time have an interest in and all Related Rights

Intellectual Property means

- (a) any patents, trademarks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered and
- (b) the benefit of all applications and rights to use such assets

Investments means

- (a) any stocks, shares, debentures, securities, debt securities and certificates of deposit, (but not including the Shares), interests in collective investment schemes
- (b) all warrants, options and other rights to subscribe or acquire any of the investments described in (a)

in each case whether held directly by or to the order of the Chargor or by any trustee, nominee, fiduciary or clearance system on its behalf and all Related Rights (including all rights against any such trustee, nominee, fiduciary or clearance system)

Management Services Agreement means the Management and Secretarial Services Agreement entered into between the Borrower and the FM Contractor and dated on or around the date of this Debenture

Monetary Claims means any book and other debts and monetary claims owing to the Chargor relating to the Project and any proceeds thereof (including any claims or sums of money deriving from or in relation to the proceeds of any Insurance Policy, any court order or judgment, any contract or agreement to which the Chargor is a party and any other assets, property, rights or undertaking of the Chargor or the Chargor's right now or hereafter to recover any VAT on any supplies made to it and any sums so recovered)

Mortgage means a supplemental legal mortgage in respect of the Real Property in accordance with clause 6.1 (Further Assurance General) substantially in the form of schedule 3 (Form of mortgage)

Notice of Assignment means a notice of assignment in substantially the form set out in schedule 1 (Forms of Notice of Assignment) (or in such other form as the Chargor and the Security Trustee (both acting reasonably) may agree from time to time)

Notice of Charge and Assignment of Accounts means a notice of charge and assignment of account in substantially the form set out in schedule 2 (Form of Notice of Charge and Assignment of Accounts) (or in such other form as the Chargor and the Security Trustee (both acting reasonably) may agree from time to time)

Planning Acts means the Town and Country Planning Act 1990, Planning (Listed Buildings and Conservation Areas) Act 1990, Planning (Hazardous Substances) Act 1990, Planning (Consequential Provisions) Act 1990 and Planning and Compensation Act 1991 and all regulations, orders and subsidiary legislation made pursuant thereto

Real Property means

- (a) any freehold, leasehold or immovable property (save for the property comprised in the Skinners Headleases and the Headleases together the **Excluded Property**)
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time, situated on or forming part of such freehold or leasehold property

and includes all Related Rights

Receiver means a receiver or receiver and manager or, where permitted by law, an administrative receiver (as the Security Trustee may specify at any time in any relevant appointment) of the whole or any part of the Charged Property, and will include any appointee made under a joint and/or several appointments

Related Rights means, in relation to any asset

- (a) the proceeds of sale of any part of that asset
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset

- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset
- (d) any monies and proceeds paid or payable in respect of that asset

Secured Obligations means all obligations covenanted to be discharged by the Chargor in clause 2 (Payment of Secured Obligations)

Security means any mortgage, pledge, lien, hypothecation, security interest or other charge or encumbrance and any other agreement or arrangement having substantially the same economic effect (including any holdback or flawed asset arrangement)

Shares means all shares held by the Chargor from time to time

Tangible Moveable Property means any plant, machinery, office equipment, computers, vehicles and other chattels on the Real Property and includes all Related Rights

UPP Group means UPP Group Limited (No 06218832) whose registered office is at 40 Gracechurch Street, London EC3V 0BT

1 2 Interpretation

In this Debenture

- (a) terms defined in the Facility Agreement shall, unless otherwise defined herein, bear the same meaning herein and the rules of construction and interpretation contained in clauses 1 3 (Construction of Certain References) to 1 5 (Interpretation) of the Facility Agreement shall apply to this Debenture and the Mortgage as though they were set out in full in this Debenture or any Mortgage (as applicable), except that references to "this Agreement" will be construed as references to this Debenture or any Mortgage (as applicable),
- (b) any reference to the **Senior Finance Parties** or the **Security Trustee** or the **Chargor** shall be construed so as to include its and any subsequent successors and any transferees in accordance with their respective interests, and
- (c) references in this Debenture to any clause or schedule shall be to a clause or schedule contained in this Debenture

1 3 Third Party Rights

A person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Debenture

1 4 Duplication

To the extent that the provisions of the Debenture duplicate those of any Mortgage the provisions of that Mortgage shall prevail

1 5 Incorporation of provisions into any Mortgage

Clauses 1 (Definitions and Interpretation), 2 1 (Covenant to Pay), 5 3 (Documents of Title), 6 1 (Further Assurance General), 6 4 (Implied Covenants for Title), 7 (Negative Pledge and Disposals), 11 (Insurances), 12 (Real Property), 13 2 (Repair) to 13 12 (To Pay Costs and Expenses) (inclusive), 13 13 (Compensation Payments), 14 (Enforcement of Security), 15

(Extension and variation of the Law of Property Act 1925), 16 (Receiver), 17 (Powers of Receiver), 19 (Protection of Purchasers), 20 (Power of Attorney), 21 (Effectiveness of Security), 24 (Subsequent Security Interests), 26 (Assignment), 27 (Notices), 29 (Payments free of deduction), 30 (Discretion and Delegation) and 31 (Governing law) of this Debenture are incorporated into any Mortgage as if expressly incorporated into that Mortgage, as if references in those clauses to this Debenture were references to that Mortgage and as if all references in those clauses to Charged Property were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to the Security Trustee by or pursuant to that Mortgage

1 6 Mortgage

It is agreed that each Mortgage is supplemental to this Debenture

2 Payment of Secured Obligations

2 1 Covenant to Pay

The Chargor covenants with the Security Trustee as security trustee for the Senior Finance Parties that it shall on demand of the Security Trustee discharge all obligations owing to the Security Trustee (whether for its own account or as security trustee for the Senior Finance Parties) or any of the other Senior Finance Parties by the Chargor under or pursuant to the Senior Finance Documents (including this Debenture) and any Mortgage including any liability in respect of any further advances made under the Senior Finance Documents, whether present or future, actual or contingent (and whether incurred solely or jointly and whether as principal or as surety or in some other capacity) and the Chargor shall pay to the Security Trustee when due and payable every sum at any time owing, due or incurred by the Chargor to the Security Trustee (whether for its own account or as security trustee for the Senior Finance Parties) or any of the other Senior Finance Parties in respect of any liabilities. Provided that neither such covenant nor the security constituted by this Debenture or any Mortgage shall extend to include any liability or sum which would, but for this provision, cause such covenant or security to be unlawful or prohibited by any applicable law

2 2 Interest on Demands

If the Chargor fails to pay any sum on the due date for payment of that sum the Chargor shall pay interest on any such sum (before and after any judgment and to the extent interest at a default rate is not otherwise being paid on such sum) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with the provisions of clause 7 2 (Default interest) of the Facility Agreement

3 Fixed Charges, Assignments and Floating Charge

3 1 Fixed Charges

The Chargor hereby charges with full title guarantee in favour of the Security Trustee as security trustee for the Senior Finance Parties as continuing security for the payment and discharge of the Secured Obligations, by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor at the date hereof shall be a charge by way of legal mortgage) all the Chargor's right, title and interest from time to time in and to each of the following assets

- (a) the Real Property,

- (b) the Tangible Moveable Property,
- (c) the Accounts,
- (d) the Insurance Policies,
- (e) the Shares, all dividends, interest and other monies payable in respect of the Shares and all other Related Rights (whether derived by way of redemption, bonus, preference, option, substitution, conversion or otherwise),
- (f) the Investments including all Related Rights,
- (g) all Monetary Claims including all Related Rights,
- (h) all its Intellectual Property, and
- (i) any goodwill and rights in relation to the uncalled capital of the Chargor

3.2 Assignments

The Chargor hereby assigns with full title guarantee to the Security Trustee as security trustee for the Senior Finance Parties by way of first assignment as continuing security for the payment and discharge of the Secured Obligations all the Chargor's right, title and interest from time to time in and to each of the following assets,

- (a) the benefit of (severally) any agreements, contracts, deeds, undertakings, guarantees, warranties or other documents entered into by or given to or to be entered into or to be given to the Chargor at any time in respect of the Real Property (save for the Development and Lease Agreement) and all documents now or hereafter in existence necessary to enable the Security Trustee (for itself and on behalf of the Senior Finance Parties) to perfect the same and all the proceeds of any payment of any claims, awards or judgments paid or payable to the Chargor under or in respect of the same (including but without limitation all liquidated and ascertained damages payable to the Chargor thereunder) and all the Chargor's rights or remedies now or hereafter in existence arising thereunder,
- (b) the benefit of the Assigned Agreements and all the proceeds of any payment of any claims, awards, judgments, sums or damages arising out of such agreements payable to the Chargor thereunder and all the Chargor's rights or remedies now or hereafter in existence arising thereunder,
- (c) Save in so far as the same relates to the Excluded Property or to the Development and Lease Agreement, the benefit of all tenant covenants and of all landlord covenants and of all covenants, agreements, undertakings or obligations entered into or to be entered into by any other party to any of the Assigned Agreements or to any licences, deeds, rent deposit agreements, or other deeds or documents supplemental or collateral to any lease and of all guarantees or indemnities in any of the aforesaid,
- (d) the benefit of all rights and claims to which the Chargor is now or may hereafter become entitled in relation to the Real Property (including those against all persons who now or may at any time be in occupation of the Real Property under any of the Assigned Agreements and all guarantors and sureties for the obligations of such persons),

- (e) the benefit of all guarantees, warranties and representations given or made now or hereafter by, and any rights or remedies against, all or any of the designers, builders, contractors, professional advisers, sub-contractors, manufacturers, suppliers and installers of any fixtures including, without limitation, any such guarantees, warranties and representations given pursuant to or in connection with the Assigned Agreements,
- (f) all rights to which the Chargor is now or may hereafter become entitled in respect of the proceeds of any order of the Court made pursuant to Section 238(3), 239(3) or 244 of the Insolvency Act 1986,
- (g) all rights and claims in relation to any Assigned Account and the proceeds of each such Assigned Account,
- (h) all Investments to which the Chargor is now or may hereafter become entitled,
- (i) the proceeds of any Insurance Policy and all Related Rights,
- (j) all chattels on the Real Property now or at any time hereafter hired, leased or rented by the Chargor to any other person together in each case with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other security for the performance of the obligations of any person under or in respect of such contract, and
- (k) the benefit of all present and future licences held in connection with the business carried on upon the Real Property or any part thereof and also the right to recover and receive all compensation which may at any time become payable to the Chargor under the Licensing Act 1964

3 3 Floating Charge

- (a) The Chargor hereby charges with full title guarantee in favour of the Security Trustee as security trustee for the Senior Finance Parties as continuing security for the payment and discharge of the Secured Obligations by way of floating charge all present and future assets and undertakings of the Chargor, excluding the Chargor's right, title and interest from time to time in the Excluded Property and the Development and Lease Agreement
- (b) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to this clause 3 3 (Floating Charge)

4 Crystallisation

4 1 Crystallisation: By Notice

The Security Trustee may at any time by notice in writing to the Chargor convert the floating charge created by clause 3 3 (Floating Charge) with immediate effect into a fixed charge as regards any property or assets specified in the notice if

- (a) an Enforcement Event has occurred, or
- (b) the Security Trustee reasonably considers that any of the Charged Property, may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process; or

- (c) the Security Trustee reasonably considers that it is desirable in order to protect the priority of the Security

4.2 Crystallisation: Automatic

Notwithstanding clause 4.1 (Crystallisation By Notice) and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if

- (a) the Chargor creates or attempts to create any Security (other than as permitted by the Facility Agreement or Deed of Subordination) over any of the Charged Property, or
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Property, or
- (c) a resolution is passed or any order is made for the winding-up, dissolution, administration or re-organisation of the Chargor or an administrator is appointed to the Chargor

5 Perfection of Security

5.1 Notices of Assignment

The Chargor shall deliver to the Security Trustee (or procure delivery of) Notices of Assignment duly executed by, or on behalf of, the Chargor in respect of any asset which is the subject of an assignment pursuant to clause 3.2 (Assignments)

- (a) In existence at the date of this Debenture, within 10 Business Days of the date of this Debenture, and
- (b) Which comes into existence after the date of this Debenture, promptly upon the request of the Security Trustee from time to time,

and shall use all reasonable endeavours to procure that each notice is acknowledged by the obligor or debtor specified by the Security Trustee

5.2 Notices of Charge and Assignment

- (a) The Chargor shall, on the date of this Debenture, deliver to the Security Trustee (or procure delivery of) Notices of Charge and Assignment of Accounts duly executed by, or on behalf of, the Chargor in respect of each Account operated by the Chargor on such date and in respect of any other Account that the Chargor is permitted to open after such date, in accordance with the terms of the Facility Agreement, the Chargor shall deliver to the Security Trustee a Notice of Charge and Assignment of Accounts, duly executed by, or on behalf of the Chargor in respect of such Account, at the time of the opening of such Account. The Chargor shall use its reasonable endeavours to procure that any such notice shall be duly acknowledged by the relevant bank where such Account is held or maintained
- (b) The execution of this Debenture by the Chargor and the Security Trustee shall constitute notice to the Security Trustee of the charge created over any Account opened or maintained with the Security Trustee

5 3 Documents of Title

The Chargor shall upon the execution of this Debenture deliver (or procure delivery) to the Security Trustee of all deeds, certificates and other documents of title relating to the Charged Property charged in favour of the Security Trustee under this Debenture (or otherwise, with the prior written consent of the Security Trustee, procure that such deeds, certificates and other documents of title are held to the order of the Security Trustee on terms acceptable to the Security Trustee)

5 4 Delivery of Share Certificates

The Chargor shall

- (a) on the date of this Debenture and following the acquisition of any Shares, deposit with the Security Trustee (or procure the deposit of) all certificates or other documents of title to the Shares, and stock transfer forms (undated and executed in blank by or on behalf of the Chargor), and
- (b) promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares, notify the Security Trustee of that occurrence and procure the delivery to the Security Trustee of (a) all certificates or other documents of title representing such items and (b) such stock transfer forms or other instruments of transfer (undated and executed in blank on behalf of the Chargor) in respect thereof as the Security Trustee may request

6 Further Assurance**6 1 Further Assurance: General**

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in clause 6 1(b) below
- (b) The Chargor shall promptly at its own cost enter into a Mortgage over any Real Property and do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s))
 - (i) to perfect the security created or intended to be created in respect of the Charged Property (which may include the execution by the Chargor of a mortgage, charge or assignment over all or any of the assets constituting, or intended to constitute, Charged Property) or for the exercise of the Collateral Rights,
 - (ii) to confer on the Security Trustee Security over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be conferred by or pursuant to this Debenture and each Mortgage, and/or
 - (iii) to facilitate the realisation of the Charged Property

6.2 Necessary Action

The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any security conferred or intended to be conferred on the Security Trustee by or pursuant to this Debenture and any Mortgage

6.3 Consents

The Chargor shall use all reasonable endeavours to obtain (in form and content reasonably satisfactory to the Security Trustee) as soon as possible any consents necessary including any consents necessary for any Mortgage to enable the assets of the Chargor to be the subject of an effective fixed charge or assignment pursuant to clause 3 (Fixed Charges, Assignments and Floating Charge) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such Security and the Chargor shall promptly deliver a copy of each consent to the Security Trustee

6.4 Implied Covenants for Title

The obligations of the Chargor under this Debenture and any Mortgage shall be in addition to the covenants for title deemed to be included in this Debenture and any Mortgage by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994

6.5 Land Registry

In relation to land and buildings situated in England and Wales, title to which is registered or is to be registered at the Land Registry, save in relation to the property comprised in the Skinners Headleases the Chargor consents to an application being made to the Chief Land Registrar for registration of the following restriction on the register of title of all present and future registered freehold, leasehold or commonhold property (and any unregistered properties subject to compulsory first registration at the date of this Deed)

"No disposition (in particular no transfer, charge, mortgage or lease) of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated ♦ in favour of Pension Insurance Corporation PLC referred to in the charges register or their conveyance "

7 Negative Pledge and Disposals

7.1 Negative Pledge

The Chargor undertakes that it shall not, at any time during the subsistence of this Debenture or any Mortgage, create or permit to subsist any Security over all or any part of the Charged Property, other than Security permitted pursuant to the terms of the Facility Agreement. The Chargor further undertakes that it shall not, at any time during the subsistence of this Debenture or any Mortgage, create or permit to subsist any Security over the Chargor's right title and interest from time to time in the Excluded Property and the Development and Lease Agreement

7.2 No Disposal of Interests

The Chargor undertakes that it shall not (and shall not agree to) at any time during the subsistence of this Debenture or any Mortgage, except as permitted pursuant to the terms of the Senior Finance Documents or by this clause 7

- (a) execute any conveyance, transfer, lease or assignment of, or other right to use or occupy, all or any part of the Charged Property,
- (b) create any legal or equitable estate or other interest in, or over, or otherwise relating to, all or any part of the Charged Property,
- (c) (i) grant or vary, or accept any surrender, or cancellation or disposal of, any lease, tenancy, licence, consent or other right to occupy in relation to any of the Charged Property or (ii) allow any person any right to use or occupy or to become entitled to assert any proprietary interest in, or right over, the Charged Property, which may, in each case, adversely affect the value of any of the Charged Property or the ability of the Security Trustee to exercise any of the Collateral Rights, or
- (d) assign or otherwise dispose of any interest in any Account and no right, title or interest in relation to any Account, or the credit balance standing to any such Account shall be capable of assignment or other disposal

8 Shares

8.1 Shares: Before Enforcement Event

- (a) Prior to the occurrence of an Enforcement Event, the Chargor shall pay or procure to be paid all dividends, interest and other monies arising from the Shares into the Receipts Account or otherwise in accordance with the Facility Agreement and/or the Deed of Subordination
- (b) Prior to the occurrence of an Enforcement Event, the Chargor shall be entitled to exercise all voting rights in relation to the Shares provided that the Chargor shall not exercise such voting rights in any manner, or otherwise permit or agree to any (i) variation of the rights attaching to or conferred by all or any part of the Shares, or (ii) increase in the issued share capital of any Chargor whose shares are charged pursuant to this Debenture, which in the opinion of the Security Trustee would prejudice the value of, or the ability of the Security Trustee to realise, the security created by this Debenture

8.2 Shares: After Enforcement Event

- (a) Upon the occurrence of an Enforcement Event, the Security Trustee may, at its discretion, (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor)
 - (i) apply all dividends, interest and other monies arising from the Shares as though they were the proceeds of sale under this Debenture,
 - (ii) transfer the Shares (whether with or without the voting rights in relation to the Shares) into the name of such nominee(s) of the Security Trustee as it shall require, and
 - (iii) exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares (excluding the voting rights in relation to the Shares), including the right, in relation to any Chargor whose shares or other securities are included in the Shares, to concur or participate in

- (A) the reconstruction, amalgamation, sale or other disposal of such Chargor or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence thereof),
- (B) the release, modification or variation of any rights or liabilities attaching to such shares or securities, and
- (C) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in the manner and on the terms the Security Trustee thinks fit, and the proceeds of any such action shall form part of the Shares

- (b) Upon the occurrence of an Enforcement Event, the Security Trustee may, at its discretion, (in the name of the Chargor or otherwise and without any further consent or authority from the Chargor), exercise (or refrain from exercising) any voting rights in respect of the Shares

8.3 Shares: Notice

- (a) The Security Trustee may, in its absolute discretion and without any consent or authority from the Senior Finance Parties or the Chargor, by notice to the Chargor (which notice shall be irrevocable) elect to give up the right to exercise (or refrain from exercising) voting rights in respect of the Shares conferred or to be conferred on the Security Trustee pursuant to clause 8.2 (Shares After Enforcement Event) and the Senior Finance Parties unconditionally waive any rights they may otherwise have to require the Security Trustee not to make election or to indemnify, compensate or otherwise make them good as a consequence of making such election
- (b) Once a notice has been issued by the Security Trustee under clause 8.3(a), the Chargor shall be entitled on and from the date of such notice, to exercise all voting rights in relation to the Shares subject only to the proviso contained in clause 8.3(b)

9 Accounts

9.1 Accounts: Notification and Variation

The Chargor during the subsistence of this Debenture

- (a) shall promptly deliver to the Security Trustee on the date of this Debenture (and, if any change occurs thereafter, on the date thereof), details of each Account maintained by it with any bank or financial institution, and
- (b) shall not, without the Security Trustee's prior written consent, permit or agree to any variation of the rights attaching to any Account or close any Account

9.2 Accounts: Operation Before Enforcement Event

The Chargor shall prior to the occurrence of an Enforcement Event be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account or Assigned Account subject to the terms of the Senior Finance Documents

9 3 Accounts: Operation After Enforcement Event

After the occurrence of an Enforcement Event the Chargor shall not be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Account or Assigned Account except with the prior consent of the Security Trustee

9 4 Accounts: Application of Monies

The Security Trustee shall, upon the occurrence of an Enforcement Event, or as the case may be, outstanding unremedied or unwaived in accordance with the Facility Agreement, be entitled without notice to apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Obligations in accordance with clause 18 (Application of Monies)

10 Monetary claims

10 1 Dealing with Monetary Claims

The Chargor shall not at any time during the subsistence of this Debenture, without the prior written consent of the Security Trustee

- (a) deal with the Monetary Claims except by getting in and realising them in the ordinary and usual course of its business (on behalf of the Security Trustee) and paying the proceeds of those Monetary Claims into the relevant Account in accordance with the Facility Agreement or, after the occurrence of an Enforcement Event, as the Security Trustee may require (and such proceeds shall be held upon trust by the Chargor for the Security Trustee on behalf of the Senior Finance Parties prior to such payment in),
- (b) factor or discount any of the Monetary Claims or enter into any agreement for such factoring or discounting, or
- (c) be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any of the Accounts otherwise than in accordance with the Facility Agreement and Deed of Subordination

10 2 Release of Monetary Claims: Before Enforcement Event

Prior to the occurrence of an Enforcement Event, the proceeds of the realisation of the Monetary Claims shall (subject to any restriction on the application of such proceeds contained in this Debenture or in the Facility Agreement), upon such proceeds being credited to an Account in accordance with the Facility Agreement, be released from the fixed charge created pursuant to clause 3 1 (Fixed Charges) and the Chargor shall be entitled to withdraw such proceeds from such Account provided that such proceeds shall continue to be subject to the floating charge created pursuant to clause 3 3 (Floating Charge) and the terms of this Debenture

10 3 Release of Monetary Claims: After Enforcement Event

After the occurrence of an Enforcement Event the Chargor shall not, except with the prior written consent of the Security Trustee, be entitled to withdraw or otherwise transfer the proceeds of the realisation of any Monetary Claims standing to the credit of any Account

11 Insurances

The Chargor shall at all times during the subsistence of this Debenture keep the Charged Property insured in accordance with the terms of the Facility Agreement

12 Real Property

12.1 Property. Notification

The Chargor shall promptly notify the Security Trustee of any contract, conveyance, transfer or other disposition for the acquisition by the Chargor (or its nominee(s)) of the Real Property

12.2 Lease Covenants

The Chargor shall, in relation to any lease, agreement for lease or other right to occupy to which all or any part of the Charged Property is at any time subject

- (a) pay the rents (if the lessee) and observe and perform in all material respects the covenants, conditions and obligations imposed (if the lessor) on the lessor or, (if the lessee) on the lessee, and
- (b) not do any act or thing whereby any lease or other document which gives any right to occupy any part of the Charged Property becomes or may become subject to determination or any right of re-entry or forfeiture prior to the expiration of its term

12.3 General Property Undertakings

The Chargor shall, in all material respects, comply with and observe and perform (a) all applicable requirements of all planning and environmental legislation, regulations and bye-laws relating to the Real Property, (b) any conditions attaching to any planning permissions relating to or affecting the Real Property and (c) any notices or other orders made by any planning, environmental or other public body in respect of all or any part of the Real Property

12.4 Entitlement to Remedy

If the Chargor fails to comply with any of the undertakings contained in this clause 12 (Real Property) and the failure to comply results in a Material Adverse Effect, the Security Trustee shall be entitled (with such agents, contractors and others as it sees fit), to do such things as may in the reasonable opinion of the Security Trustee be required to remedy such failure and all monies spent by the Security Trustee in doing so shall be reimbursed by the Chargor on demand with interest from the date of payment by the Security Trustee until reimbursed in accordance with the terms of the Facility Agreement

13 General Undertakings

The Chargor hereby covenants with the Security Trustee that the Chargor will at all times while there shall subsist any Security constituted by or pursuant to this Debenture

13.1 Book and Other Debts

- (a) get in and realise its Monetary Claims in the ordinary and usual course of business on behalf of the Security Trustee, not deal with its Monetary Claims otherwise than by such getting in and realisation and, without prejudice to the generality of the foregoing, not factor or discount or enter into any agreement to factor or discount any of its Monetary Claims,

- (b) unless the Security Trustee otherwise agrees in writing (and then only on such terms and in such manner as the Security Trustee may require) pay the proceeds of such getting in and realisation into the Accounts specified in the Facility Agreement and, until such payment, hold the same upon trust for the Security Trustee,

13 2 Repair

save for the purposes of carrying out the Development repair and keep in good and substantial repair and condition the Charged Property and any other machinery and equipment forming part of the Charged Property and when necessary replace the same by others of similar quality and value and permit the Security Trustee its officers, advisors and employees free access at all reasonable times to view the state and condition of the foregoing without becoming liable to account as mortgagee in possession,

13 3 Wants of Repair

forthwith after being required to do so by the Security Trustee (acting on behalf of the Senior Finance Parties) acting reasonably, make good any want of repair in the Charged Property and any other machinery and equipment forming part of the Charged Property,

13 4 Alterations

save in respect of carrying out the Development not at any time without the prior written consent of the Security Trustee

- (a) effect, carry out or permit any demolition, reconstruction or rebuilding of or any structural alteration to or material change in the use of the Charged Property, or
- (b) sever, unfix or remove any of the material fixtures (except for the purpose and in the course of effecting necessary repairs thereto or of replacing where necessary the same with new or improved models or substitutes) thereon belonging to or in use by the Chargor,

13 5 Statutes

- (a) perform all of its material duties and material obligations under all applicable laws and Directives and obtain, and
- (b) maintain in full force and effect all governmental and other consents necessary for the performance of its obligations under, and, subject to the Legal Reservations for the validity of, or enforceability of its obligations under the Relevant Documents and comply in all material respects with all conditions and obligations to which such consents may be subject,

so far as any of the same shall relate to the Charged Property and the occupation and use of the Real Property,

13 6 Planning

- (a) comply with and observe and perform all requirements of the Planning Acts or Directive and all building and other regulations and bye-laws so far in each case as the same affect the Real Property or its use,
- (b) comply with any conditions attached to any planning permissions relating to or affecting the Real Property and not (save for any development permitted under the

Town and Country Planning General Development Order 1988) carry out any development (as defined in the Planning Acts) on or of the Real Property or make any material change in its use,

- (c) save in respect of the planning permission relating to the Development not make any application for planning permission without the prior consent of the Security Trustee or implement any planning permission obtained nor enter or agree to enter into any agreement under Section 106 of the Town and Country Planning Act 1990 or Section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or Section 38 of the Highways Act 1980 or any other similar act or acts,

13 7 Notices

on the request of the Security Trustee (acting reasonably), give full particulars (and if requested a copy of any written particulars received by the Chargor) to the Security Trustee of any notice, order, direction, designation, resolution or proposal having application to the Real Property or to the area in which it is situated by any planning authority or other public body or authority whatever under or by virtue of the Planning Acts or any other statutory power whatever or in pursuance of the powers conferred by any other statute and if so required by the Security Trustee, the Security Trustee may at the cost of the Chargor take all reasonable or expedient steps (in the name of the Chargor or otherwise) to procure compliance with any such notice or order and may at the cost of the Chargor make such objection or objections or representations against or in respect of any proposal for such a notice or order as the Security Trustee shall deem expedient,

13 8 Title

observe and perform all restrictive and other covenants, stipulations and obligations now or hereafter affecting the Real Property insofar as the same are subsisting and capable of being enforced and duly and diligently enforce all restrictive or other covenants, stipulations and obligations benefiting the Real Property and not waive, release or vary (or agree so to do) the obligations of any other party thereto,

13 9 Assigned Agreements

In relation to each of the Assigned Agreements

- (a) observe and perform all covenants, stipulations and obligations on the part of the Chargor,
- (b) diligently enforce all covenants and obligations of the other parties thereto,
- (c) not without the prior written consent of the Security Trustee vary, waive release (or agree so to do) any of the terms of obligations of such document,
- (d) forthwith notify the Security Trustee of any matter or event by reason of which the provisions of such document have or may become subject to determination (in whole or part),

13 10 Value Added Tax

not without the prior written consent of the Security Trustee exercise any option, election or discretion to transfer the right to recover any Value Added Tax nor without the written consent of the Security Trustee exercise any option or right to elect or discretion which now may or hereafter be available to it to levy Value Added Tax on any supplies made by it,

13 11 Pay Rents Charges and Taxes

- (a) punctually pay or cause to be paid and indemnify the Security Trustee on demand (and as a separate covenant any Receiver or Receivers appointed by it) against all properly incurred existing and future rents, taxes, duties, fees, renewal fees, charges, assessments, impositions and outgoings whatsoever whether imposed by deed or statute or otherwise and whether in the nature of capital or revenue and even though of a wholly novel character which now or at any time during the continuance of the security hereby constituted are payable in respect of the Charged Property or any part thereof,
- (b) pay interest on all and any sums due to the Security Trustee and any Receiver or Receivers pursuant to paragraph (a) above at the Default Rate from the date of expenditure until repayment thereof (as well after as before judgment),

13 12 To Pay Costs and Expenses

- (a) pay and indemnify the Security Trustee and any Receiver on demand against all properly incurred money, fees, remuneration, costs, charges, expenses and other sums on a full indemnity basis paid or incurred by the Security Trustee or any Receiver, agent or delegate in
 - (i) procuring the performance of any of the Chargor's covenants or obligations hereunder, or
 - (ii) in the exercise of any of the powers, rights or remedies available to it or them hereunder or at law, or
 - (iii) in the protection, realisation or enforcement of the Security hereby created, or
 - (iv) in the recovery of any monies secured hereunder or under any security collateral or supplemental hereto,
- (b) pay all properly incurred stamp duty, registration fees and any taxes to which this Debenture and the Security constituted or to be constituted by it is or may at any time be subject to and shall indemnify the Security Trustee against any liabilities, costs, claims and expenses relating thereto and resulting from any failure to pay or delay in paying any such tax, and
- (c) pay interest on all and any sums due to the Security Trustee pursuant to paragraphs (a) and (b) above at the Default Rate from the date of expenditure until repayment thereof (as well after as before judgment),

13 13 Compensation Payments

if any monies become payable to the Chargor by way of compensation under the provisions of any legislation including but not limited to the Planning Acts, the Law of Property Act 1969 and the Landlord and Tenant Act 1954 or otherwise howsoever such compensation shall be held either as security for the Secured Obligations upon such terms as the Security Trustee may direct or (at the Security Trustee's discretion) applied in or towards satisfaction of the Secured Obligations unless the Security Trustee shall otherwise specify in writing and the following provisions shall apply

- (a) the Security Trustee shall be entitled and is hereby irrevocably authorised by the Chargor and appointed the attorney of the Chargor to give a good receipt on behalf of

the Chargor for any monies received and such monies shall be applied in the manner aforesaid, and

- (b) if any such monies shall actually be received by the Chargor they shall be held on trust for the Security Trustee to be applied in the manner provided in this clause 13 13 and in accordance with clause 20 (Project Accounts) of the Facility Agreement

14 Enforcement of Security

14 1 Enforcement

At any time after the occurrence of an Enforcement Event, or if the Chargor requests the Security Trustee to exercise any of its powers under this Debenture, or if a petition or application is presented for the making of an administration order in relation to the Chargor, or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of the Chargor or files such a notice with the court, the security created by or pursuant to this Debenture is immediately enforceable and the Security Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion

- (a) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Charged Property, and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Debenture and each Mortgage) on mortgagees and by this Debenture and each Mortgage on any Receiver or otherwise conferred by law on mortgagees or Receivers

14 2 No Liability as Mortgagee in Possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Property, or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Charged Property to which a mortgagee in possession might otherwise be liable

14 3 Financial Collateral

To the extent that any of the Charged Property constitutes Financial Collateral (as defined in the Financial Collateral Arrangements (No 2) Regulations 2003 (S I 2003/3226) (**Financial Collateral Regulations**)), the Chargor agrees that such Charged Property shall be held or designated so as to be under the control of the Security Trustee (or by a person acting on its behalf) for the purposes of the Financial Collateral Regulations. To the extent that the Charged Property constitutes Financial Collateral and is subject to a Security Financial Collateral Arrangement (as defined in the Financial Collateral Regulations) created by or pursuant to this Deed, the Security Trustee shall have the right, following the occurrence of an Enforcement Event, to appropriate all or any part of that Charged Property in or towards the payment or discharge of the Secured Obligations. The value of any Charged Property appropriated in accordance with this clause shall be (a) in the case of cash, the amount standing to the credit or any Account together with accrued but unposted interest, at the time the right of appropriation is exercised, and (b) in the case of Investments, the market price of that Charged Property at the time the right of appropriation is exercised, as listed on any recognised market index, or as determined by such other method as the Security Trustee may select (acting reasonably). The Chargor agrees that the methods of valuation provided

for in this clause are commercially reasonable for the purposes of Regulation 18 of the Financial Collateral Regulations

15 Extension and variation of the Law of Property Act 1925

15.1 Extension of Powers

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Debenture and each Mortgage shall operate as a variation and extension of the statutory power of sale under Section 101 of the Law of Property Act 1925 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on execution of this Debenture and each Mortgage

15.2 Restrictions

The restrictions contained in Sections 93 and 103 of the Law of Property Act 1925 shall not apply to this Debenture and each Mortgage or to the exercise by the Security Trustee of its right to consolidate all or any of the Security created by or pursuant to this Debenture and each Mortgage with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to the Chargor on or at any time after the occurrence of an Enforcement Event

15.3 Power of Leasing

The statutory powers of leasing may be exercised by the Security Trustee at any time on or after the occurrence of an Enforcement Event and the Security Trustee and any Receiver may make any lease or agreement for lease, accept surrenders of leases and grant options on such terms as it shall think fit, without the need to comply with any restrictions imposed by Sections 99 and 100 of the Law of Property Act 1925

16 Receiver

16.1 Appointment of Receiver

After the occurrence of an Enforcement Event which has not been expressly waived or if a petition is presented for the making of an administration order in relation to the Chargor or if requested to do so by the Chargor, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without the prior written notice of the Chargor

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Charged Property
- (b) remove (so far as it is lawfully able) any Receiver so appointed,
- (c) appoint another person(s) as an additional or replacement Receiver(s); and
- (d) appoint one or more persons to be an administrator of the Chargor

16.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to clause 16.1 (Appointment of Receiver) shall be

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the Chargor which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee, and
- (c) entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the Law of Property Act 1925)

16.3 Statutory Powers of Appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the Law of Property Act 1925 (as extended by this Debenture and each Mortgage) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Property

17 Powers of Receiver

(a) General

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding-up or dissolution of the Chargor) have and be entitled to exercise, in relation to the Charged Property (and any assets of the Chargor which, when got in, would be Charged Property) in respect of which he was appointed, and as varied and extended by the provisions of this Debenture (in the name of or on behalf of the Chargor or in his own name and, in each case, at the cost of the Chargor)

- (i) all the powers conferred by the Law of Property Act 1925 on mortgagors and on mortgagees in possession and on receivers appointed under that Act,
- (ii) all the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver),
- (iii) all the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor itself could do or omit to do, and
- (iv) the power to do all things (including bringing or defending proceedings in the name or on behalf of the Chargor) which seem to the Receiver to be incidental or conducive to (a) any of the functions, powers, authorities or discretions conferred on or vested in him or (b) the exercise of the Collateral Rights (including the realisation of all or any part of the Charged Property) or (c) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Property

(b) Borrow money

A Receiver may raise and borrow money (either unsecured or on the security of any Charged Property, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose he thinks fit. No person lending

that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed

(c) Carry on business

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

(d) Compromise

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

(e) Delegation

A Receiver may delegate his powers by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Receiver under this Deed to any person or persons as they shall think fit

(f) Employees

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

(i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper, and

(ii) discharge any such persons appointed by the Chargor

(g) Leases

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

(h) Legal actions

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

(i) Possession

A Receiver may take immediate possession of, get in and collect any Charged Property.

(j) Protection of assets

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

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

(k) Receipts

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

(l) Sale of Assets

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

(m) Subsidiaries

A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Charged Property.

(n) Deal with Charged Property

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

(o) Voting Rights

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

(p) Security

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

(q) Acquire land

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

(r) Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on any real property comprised in the Charged Property and do all acts and things incidental to the Charged Property

(s) Landlord's obligations

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

(t) Uncalled capital

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

(u) Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Charged Property and to use the name of the Chargor for all the purposes set out in this clause 17

18 Application of Monies

All monies received or recovered by the Security Trustee or any Receiver pursuant to the exercise of any power under this Debenture and each Mortgage or the powers conferred by it shall (subject to the claims of any person having prior rights thereto and by way of variation of the provisions of the Law of Property Act 1925) be applied first in the payment of the costs, charges and expenses incurred and payments made by the Receiver together with any VAT thereon, the payment of his remuneration and the discharge of any liabilities incurred by the Receiver in, or incidental to, the exercise of any of his powers, and thereafter shall be applied by the Security Trustee (notwithstanding any purported appropriation by the Chargor) in accordance with clause 14 (Appropriation) of the Deed of Subordination

19 Protection of Purchasers

19 1 Consideration

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

19 2 Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings

20 Power of Attorney

20 1 Appointment and Powers

The Chargor by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for

- (a) carrying out any obligation imposed on the Chargor by this Debenture (including the execution and delivery of any Mortgages, deeds, charges, assignments or other security and any transfers of the Charged Property) or any Finance Document or any Assigned Agreement, and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Debenture or any Mortgage or any Finance Document or any Assigned Agreement or by law (including, after the occurrence of an Enforcement Event, the exercise of any right of a legal or beneficial owner of the Charged Property)

Prior to the occurrence of an Enforcement Event, the Security Trustee shall not take any action under this clause 20 1 unless it has first given notice of the proposed action to the Chargor and the Chargor has failed to remedy (where in the opinion of the Security Trustee, it is capable of remedy) the relevant matter (to the satisfaction of the Security Trustee) within 5 Business Days of receipt of that notice, provided that at all times, where the consequences of any such grace period would result in any detrimental or adverse consequence for the Senior Finance Parties, such grace period shall not apply

20 2 Ratification

The Chargor shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers

21 Effectiveness of Security

21.1 Continuing Security

- (a) The Security created by or pursuant to this Debenture and any Mortgage shall remain in full force and effect as a continuing security for the Secured Obligations unless and until discharged in full
- (b) No part of the Security from time to time intended to be constituted by this Debenture will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured obligations

21.2 Cumulative Rights

The Security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall be cumulative, in addition to and independent of every other security which the Security Trustee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security Trustee over the whole or any part of the Charged Property shall merge into the Security constituted by this Debenture and any Mortgage.

21.3 No Prejudice

The Security created by or pursuant to this Debenture and any Mortgage and the Collateral Rights shall not be prejudiced by any unenforceability or invalidity of any other agreement or document or by any time or indulgence granted to the Chargor or any other person or by any other thing which might otherwise prejudice that security or any Collateral Right.

21.4 Remedies and Waivers

No failure on the part of the Security Trustee to exercise, or any delay on its part in exercising, any Collateral Right shall operate as a waiver thereof, nor shall any single or partial exercise of any Collateral Right preclude any further or other exercise of that or any other Collateral Right.

21.5 No Liability

None of the Security Trustee, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Debenture or any Mortgage or (b) any neglect or default in connection with the Charged Property or (c) taking possession of or realising all or any part of the Charged Property, except in the case of gross negligence or wilful default upon its part.

21.6 Partial Invalidity

If, at any time, any provision of this Debenture or any Mortgage is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Debenture or any Mortgage nor of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby and, if any part of the Security intended to be created by or pursuant to this Debenture or any Mortgage is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security.

21.7 Immediate recourse

The Chargor waives any right it may have of first requiring the Security Trustee to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Debenture or any Mortgage. This waiver applies irrespective of any law or any provision of this Debenture to the contrary or any Mortgage.

21.8 Waiver of defences

The obligations of the Chargor under this Debenture and each Mortgage will not be affected by an act, omission, matter or thing which, but for this clause 21.8, would reduce, release or prejudice any of its obligations under this Debenture and each Mortgage (without limitation and whether or not known to it or any Senior Finance Party) including

- (a) any time, waiver or consent granted to, or composition with, the Borrower or other person,
- (b) the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person,
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or
- (g) any insolvency or similar proceedings

21.9 Deferral of rights

- (a) Until all amounts which may be or become payable by the Borrower under or in connection with the Senior Finance Documents have been irrevocably paid in full and unless the Facility Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Senior Finance Documents or by reason of any amount being payable, or liability arising, under this clause 21.9
 - (i) to be indemnified by the Borrower,
 - (ii) to claim any contribution from any other guarantor of the Borrower's obligations under the Senior Finance Documents,

- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Senior Finance Parties under the Senior Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Senior Finance Documents by any Senior Finance Party,
 - (iv) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which Holdco has given a guarantee, undertaking or indemnity under clause 13.1 (Guarantee and Indemnity) of the Facility Agreement,
 - (v) to exercise any right of set-off against the Borrower, and/or
 - (vi) to claim or prove as a creditor of the Borrower in competition with any Senior Finance Party
- (b) If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Senior Finance Parties by the Borrower under or in connection with the Senior Finance Documents to be repaid in full on trust for the Senior Finance Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application
- (c) This clause 21.9 is subject to the terms of the Deed of Subordination

22 Release of Security

22.1 Redemption of Security

Upon the Secured Obligations being discharged in full and the Security Trustee having no further actual or contingent obligation under any of the Senior Finance Documents the Security Trustee shall, at the request and cost of the Chargor, release and cancel the Security constituted by this Debenture and procure the reassignment and release to the Chargor of the property and assets assigned, charged or otherwise secured to the Security Trustee pursuant to this Debenture, in each case subject to clause 22.2 (Avoidance of Payments) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

22.2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws the liability of the Chargor under this Debenture and the Security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid

22.3 Retention of Security

The Security Trustee may retain this Debenture, the Security constituted by or pursuant to this Debenture and all documents of title, certificates and other documents relating to or evidencing ownership of all or any part of the Charged Property for a period of seven months after any discharge in full of the Secured Obligations provided that if at any time during that seven month period a petition is presented for an order for the winding-up of, or the making of an administration order in respect of the Chargor or the Chargor commences to be wound-up voluntarily or any analogous proceedings are commenced in respect of it, the Security Trustee may continue to retain such Security and such documents for such further period as

the Security Trustee may determine and the Security and such documents shall be deemed to have continued to have been held as Security for the Secured Obligations

23 Set-off

The Chargor authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), after the occurrence of an Enforcement Event, to set off against the Secured Obligations any amount or other obligation (contingent or otherwise) owing by the Security Trustee to the Chargor and apply any credit balance to which the Chargor is entitled on any account with the Security Trustee in accordance with clause 18 (Application of Monies) (notwithstanding any specified maturity of any deposit standing to the credit of any such account)

24 Subsequent Security Interests

Subject to the terms of the Deed of Subordination, if the Security Trustee (acting in its capacity as trustee or otherwise) or any of the other Senior Finance Parties at any time receives or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Property or any assignment or transfer of the Charged Property which is prohibited by the terms of this Debenture or any Mortgage or the Facility Agreement, all payments thereafter by or on behalf of the Chargor to the Security Trustee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Security Trustee received such notice

25 Currency

25 1 Currency Conversion

- (a) For the purpose of or pending the discharge of any of the Secured Obligations, the Security Trustee may convert any moneys received or recovered by the Security Trustee from one currency to another, at the spot rate at which the Security Trustee is able to purchase the currency in which the Secured Obligations are due with the amount received
- (b) The obligations of the Chargor to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion

25 2 Currency Indemnity

If any sum (Sum) owing by the Chargor under this Debenture or any Mortgage or any order or judgment given or made in relation to this Debenture or any Mortgage has to be converted from the currency (First Currency) in which such Sum is payable into another currency (Second Currency) for the purpose of

- (a) making or filing a claim or proof against the Chargor,
- (b) obtaining an order or judgment in any court or other tribunal,
- (c) enforcing any order or judgment given or made in relation to this Debenture or any Mortgage, or
- (d) applying the Sum in satisfaction of any of the Secured Obligations,

the Chargor shall indemnify the Security Trustee from and against any loss suffered or incurred as a result of any discrepancy between (a) the rate of exchange used for such purpose to convert such Sum from the First Currency into the Second Currency and (b) the rate or rates of exchange available to the Security Trustee at the time of such receipt of such Sum

26 Assignment

The Security Trustee may assign and transfer all or any of its rights and obligations under this Debenture or any Mortgage Subject to clause 44 (Confidentiality) of the Facility Agreement, the Security Trustee shall be entitled to disclose such information concerning the Chargor and this Debenture or any Mortgage as the Security Trustee considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law

27 Notices

Each communication to be made under this Debenture or any Mortgage shall be made in accordance with the terms of clause 41 (Communications) of the Facility Agreement

28 Expenses, stamp taxes and indemnity

28 1 Expenses

The Chargor shall, from time to time within two Business Days of demand of the Security Trustee, reimburse the Security Trustee for all the properly incurred costs and expenses (including legal fees) on a full indemnity basis together with any VAT thereon incurred by it in connection with

- (a) the negotiation, preparation and execution of this Debenture or any Mortgage and the completion of the transactions and perfection of the Security contemplated in this Debenture or any Mortgage,
- (b) the exercise, preservation and/or enforcement of any of the Collateral Rights or the Security contemplated by this Debenture or any Mortgage or any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the Security or of enforcing the Collateral Rights,

and shall carry interest from the date of such demand until so reimbursed at the rate and on the basis determined by the Security Trustee in accordance with the terms of the Senior Finance Documents

28 2 Stamp Taxes

The Chargor shall pay all stamp, registration and other taxes to which this Debenture or any Mortgage, the Security contemplated in this Debenture or any Mortgage or any judgment given in connection with it is or at any time may be subject and shall, from time to time, indemnify the Security Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or delay in paying any such tax

28 3 Indemnity

The Chargor shall, notwithstanding any release or discharge of all or any part of the Security, indemnify the Security Trustee, its agents, attorneys and any Receiver against any action, proceeding, claims, losses, liabilities and costs which it may sustain as a consequence of any

breach by the Chargor of the provisions of this Debenture or any Mortgage, the exercise or purported exercise of any of the rights and powers conferred on them by this Debenture or any Mortgage or otherwise relating to the Charged Property

29 Payments free of deduction

All payments to be made under this Debenture or any Mortgage shall be made free and clear of and without deduction for or on account of tax unless the Chargor is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by the Chargor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Security Trustee receives and retains (free from any liability in respect of any 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

30 Discretion and Delegation

30.1 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder or under any Mortgage by the Security Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons

30.2 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Debenture (including the power of attorney) or any Mortgage on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Security Trustee or the Receiver itself or any subsequent delegation or revocation thereof

31 Governing law

This Debenture, and any non-contractual obligations or claims arising out of or in connection with it, are governed by, and construed in accordance with, English law

32 Counterparts

This Debenture may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Debenture. Any party may enter into this Debenture by signing any such counterpart

This Debenture has been signed on behalf of the Security Trustee and executed as a deed by the Chargor and is delivered as a deed by it on the date specified above

Schedule 1

Forms of Notice of Assignment

To [Counterparty to contract]

Date

Dear Sirs,

We hereby give you notice that we have assigned to Pension Insurance Corporation PLC (**Security Trustee**) pursuant to a debenture entered into by us in favour of the Security Trustee dated [♦] 2014 all our right, title and interest in and to [details of contract] (**Contract**) including all monies which may be payable in respect of the Contract

With effect from your receipt of this notice

- 1 all payments by you to us under or arising from the Contract should be made to the Security Trustee or to its order as it may specify in writing from time to time [details of the account into which sums are to be paid may be included],
- 2 all remedies provided for in the Contract or available at law or in equity are exercisable by the Security Trustee,
- 3 all rights to compel performance of the Contract are exercisable by the Security Trustee although the Chargor shall remain liable to perform all the obligations assumed by it under the Contract,
- 4 all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Contract belong to the Security Trustee and no changes may be made to the terms of the Contract nor may the Contract be terminated by us without the Security Trustee's consent, and
- 5 you are authorised and instructed, without requiring further approval from us, to provide the Security Trustee with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Trustee as well as to us

These instructions may not be revoked, nor may the terms of the Contract be amended, varied or waived without the prior written consent of the Security Trustee

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning it to the Security Trustee at ♦ marked for the attention of ♦

Yours faithfully

for and on behalf of
UPP (Cartwright Gardens) Holdings Limited

[On copy only

To Pension Insurance Corporation PLC, the Security Trustee

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, interests and benefits in and to the Contract and that we will comply with the terms of that notice

We further confirm that

- (a) no amendment, waiver or release of any of such rights, interests and benefits shall be effective without the prior written consent of the Security Trustee, and
- (b) no termination of such rights, interests or benefits shall be effective unless we have given the Security Trustee thirty days written notice of the proposed termination, specifying the action necessary to avoid such termination

For and on behalf of ♦

By

Dated

Schedule 2

Form of Notice of Charge and Assignment of Accounts

Notice of Charge and Assignment of Accounts

To []

Copies to Pension Insurance Corporation PLC

Date ♦

Dear Sirs

We hereby give you notice that we have charged and assigned to Pension Insurance Corporation PLC acting in its capacity as security trustee (**Security Trustee**) pursuant to a debenture (**Debenture**) entered into by us in favour of the Security Trustee dated ♦ 2014 all of our right, title and interest in and to account number ♦, account name ♦ (including any renewal or redesignation of such account) and all monies standing to the credit of that account from time to time (**Charged Account**)

We hereby irrevocably and unconditionally authorise and instruct you

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

By countersigning this notice, the Security Trustee authorises you to permit us to withdraw and otherwise deal with funds standing to the credit of the Charged Account, provided always that such withdrawals and dealings are in accordance with the terms of the Senior Finance Documents (as defined in the Facility Agreement (as defined in the Debenture)) until

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

(whichever occurs first).

Please accept this notice by signing the enclosed acknowledgement and returning it to the Security Trustee, at [♦]

Yours faithfully

for and on behalf of

UPP (Cartwright Gardens) Holdings Limited

[on copy only]

To Pension Insurance Corporation PLC as Security Trustee
14 Cornhill
London
EC3V 3ND

To UPP (Cartwright Gardens) Holdings Limited (**Chargor**)
40 Gracechurch Street
London
EC3V 0BT

Date ♦

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

We confirm that

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

For and on behalf of ♦

By

Schedule 3
Form of Mortgage

Dated **2014**

UPP (CARTWRIGHT GARDENS) HOLDINGS LIMITED
as Chargor

and

PENSION INSURANCE CORPORATION PLC
as Security Trustee

SUPPLEMENTAL LEGAL
MORTGAGE

ADDLESHAW GODDARD

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This Mortgage is made on

2014

Between

- (1) **UPP (Cartwright Gardens) Holdings Limited** (No 8894502) whose registered office is at 40 Gracechurch Street, London EC3V 0BT (**Chargor**), and
- (2) **Pension Insurance Corporation PLC** (No 05706720) whose registered office is at 14 Cornhill, London EC3V 3ND as security trustee for the Finance Parties (**Security Trustee**)

Whereas

- (A) This mortgage is supplemental to the Debenture (as defined below) pursuant to which the Chargor charged, amongst other things, all its freehold and leasehold properties to the Security Trustee to secure the payment of all monies and liabilities covenanted to be paid or discharged in the Debenture
- (B) The Chargor is entering into this Deed pursuant to clause 6 (Further Assurance) of the Debenture to secure the moneys and liabilities covenants to be paid or discharged by the Chargor in the Debenture

It is agreed

1 Definitions and Interpretations

1.1 Definitions

Debenture means the debenture dated [] between the Chargor (1) and the Security Trustee (2)

Lender means Pension Insurance Corporation PLC in its capacity as Lender

Mortgaged Property means:

- (a) the real property specified in the schedule 1 (Details of Mortgaged Property)
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of such property

and includes all Related Rights

Related Rights means, in relation to the Mortgaged Property

- (a) the proceeds of sale of any part of the Mortgaged Property,
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of the Mortgaged Property,
- (c) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of the Mortgaged Property, and
- (d) any monies and proceeds paid or payable in respect of the Mortgaged Property

1 2 Interpretation

In this Mortgage

- (a) any reference to the **Security Trustee** or the **Lender** or the **Chargor** shall be construed so as to include its and any subsequent successors and any transferees in accordance with their respective interests, and
- (b) references in this Mortgage to any Clause or Schedule shall be to a clause or schedule contained in this Mortgage

2 Covenant to pay

The Chargor repeats the covenant given by it in clause 2 (Payment of Secured Obligations) of the Debenture that it will pay or discharge the Secured Obligations at the times and in the manner provided in the Senior Finance Documents

3 Fixed Security

The Chargor hereby charges, with full title guarantee as continuing security for the payment and discharge of the Secured Obligations by way of first legal mortgage, all the right, title and interest (if any), present and future of the Chargor in and to the Mortgaged Property in favour of the Security Trustee

4 Application to the Land Registry

The Chargor hereby consents to an application being made to the Land Registry to enter the following restriction in the Proprietorship register of any property which is or is required to be registered forming part of the Mortgaged Property

"No disposition (in particular no transfer, charge, mortgage or lease) of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2014 in favour of Pension Insurance Corporation PLC referred to in the charges register or their conveyancer"

5 Incorporation of Provisions

Clauses 1 (Definitions and Interpretation), 2 1 (Covenant to Pay), 5 2 (Documents of Title), 6 1 (Further Assurance General), 6 4 (Implied Covenants for Title), 7 (Negative Pledge and Disposals), 11 (Insurances), 12 (Real Property), 13 2 (Repair) to 13 12 (To Pay Costs and Expenses) (inclusive), 13 13 (Compensation Payments), 14 (Enforcement of Security), 15 (Extension and variation of the Law of Property Act 1925), 16 (Receiver), 17 (Powers of Receiver), 19 (Protection of Purchasers), 20 (Power of Attorney), 21 (Effectiveness of Security), 24 (Subsequent Security Interests), 26 (Assignment), 27 (Notices), 29 (Payments free of deduction), 30 (Discretion and Delegation) and 31 (Governing law) of the Debenture are incorporated in this Mortgage as if expressly incorporated into this Mortgage, as if references in those clauses to this Debenture were references to this Mortgage and as if references in those clauses to Charged Property were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law or in equity) to the Security Trustee by or pursuant to this mortgage

6 Release of Security

6.1 Redemption of Security

Upon the Secured Obligations being discharged in full and the Security Trustee having no further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the security constituted by this Mortgage subject to clause 6.2 (Avoidance of Payments) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees

6.2 Avoidance of Payments

If the Security Trustee considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Mortgage and the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid

7 Third Party Rights

A person who is not a party to this Mortgage shall have no rights under the Contract (Rights of Third Parties) Act 1999 to enforce any term of this Mortgage.

8 Governing Law

This Mortgage, and any non-contractual obligations or claims in connection with it, are governed by, and construed in accordance with, English law

9 Counterparts

This Mortgage may be executed in any number of counterparts, each of which shall be deemed an original and this has the same effect as if the signatures on the counterparts were on a single copy of this Mortgage. Any party may enter into this Mortgage by signing any such counterpart

This Mortgage has been executed as a deed and has been delivered as a deed on the date stated at the beginning of this Mortgage

SIGNATORIES TO SUPPLEMENTAL LEGAL MORTGAGE

Chargor

Executed as a deed by)
UPP (Cartwright Gardens) Holdings Limited) Director
)
)
) Director/Secretary

Security Trustee

Executed as a deed by)
Pension Insurance Corporation PLC)
in its capacity as Security Trustee acting by)

In the presence of

Signature of witness

Name

Address

SIGNATORIES TO DEBENTURE

Chargor

Executed as a deed by
UPP (Cartwright Gardens) Holdings Limited

)
)
)
)
) Director/Secretary

Security Trustee

Executed as a deed by
Penslon Insurance Corporation PLC
In its capacity as Security Trustee acting by

)
)
)

In the presence of

Signature of witness

Name Chris Brierley

Address 4 More London Riverside
SE1 2AU