



Registration of a Charge

Company name: **LANSDOWNE 199 LIMITED**

Company number: **09387837**



X57VWKF2

Received for Electronic Filing: **27/05/2016**

Details of Charge

Date of creation: **26/05/2016**

Charge code: **0938 7837 0003**

Persons entitled: **CITICORP TRUSTEE COMPANY LIMITED (AS SECURITY TRUSTEE FOR EACH OF THE SECURED PARTIES)**

Brief description:

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

CLIFFORD CHANCE LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9387837

Charge code: 0938 7837 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th May 2016 and created by LANSDOWNE 199 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th May 2016 .

Given at Companies House, Cardiff on 31st May 2016

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

EXECUTION VERSION

DATED 26 MAY 2016

LANSDOWNE 199 LIMITED
AS CHARGOR

IN FAVOUR OF

CITICORP TRUSTEE COMPANY LIMITED
AS SECURITY TRUSTEE

DEED OF CHARGE

CONTENTS

Clause	Page
1. Definitions and Interpretation	1
2. Covenant to Pay.....	4
3. Common Provisions	4
4. Creation of Fixed Security	5
5. Floating Charge	6
6. Provisions as to Security and Perfection	7
7. Further Assurance.....	8
8. Accounts.....	9
9. General Undertakings	10
10. Enforcement of Security.....	10
11. Extension of Powers and Right of Appropriation	11
12. Appointment of Receiver	12
13. Powers of Receivers	13
14. Post-Enforcement Priority of Payments	14
15. Protection of Purchasers.....	14
16. Power of Attorney	15
17. Effectiveness of Security.....	15
18. Prior Security Interests	18
19. Subsequent Security Interests.....	19
20. Suspense Accounts	19
21. Release of Security.....	19
22. Set-Off.....	20
23. Assignment.....	20
24. Notices.....	21
25. Expenses, Stamp Taxes and Indemnity	21
26. Discretion and Delegation	21
27. Governing Law.....	22
28. Jurisdiction	22
Schedule 1 Form of Notice of Charge to Account Bank	23
Schedule 2 Form of Notice of Assignment to Transaction Parties	27
Schedule 3 Form of Scottish Supplemental Charge	29
Schedule 4 Form of Scottish Sub-Security	32

THIS DEED is made by way of deed on 26 May 2016

BY:

- (1) **LANSDOWNE 199 LIMITED** (registered in England and Wales with company registration number 9387837) (the "**Chargor**") in favour of
- (2) **CITICORP TRUSTEE COMPANY LIMITED** as trustee for each of the Secured Parties on the terms and conditions set out in the Facility Agreement (the "**Security Trustee**").

IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed:

"**Account Bank**" means Barclays Bank PLC.

"**Accounts**" means the Transaction Account and the Collateral Account.

"**Ancillary Rights**" means in relation to a Right, all ancillary rights, accretions and supplements to such Right, including any guarantees or indemnities in respect of such Right

"**Benefit**" in respect of any asset, agreement, property or right (each a "**Right**" for the purpose of this definition) held, assigned, conveyed, transferred, charged, sold or disposed of by any person shall be construed so as to include:

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Right and all Ancillary Rights in respect of such Right;
- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Right or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account;
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Right or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Right or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Right or its Ancillary Rights; and

- (e) all items expressed to be held on trust for such person under or comprised in any such Right or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Right and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Right and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach.

"Charged Assets" means all of the assets and undertaking of the Chargor which from time to time are the subject of any Security created or expressed to be created by it in favour of the Security Trustee by or pursuant to this Deed.

"Collateral Rights" means all rights, powers and remedies of the Security Trustee provided by or pursuant to this Deed or by law.

"Facility Agreement" means the facility agreement between, amongst others, the Chargor, the Security Trustee and Citibank NA., London Branch dated on or about the date hereof.

"Fixed Security" means any mortgage, fixed charge or assignment expressed to be created by or pursuant to Clause 4 (*Fixed Security*) of this Deed.

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 2 (*Form of Notice of Assignment to Transaction Parties*) or in such form as may be specified by the Security Trustee.

"Notice of Charge to Account Bank" means a notice of charge in substantially the form set out in Schedule 1 (*Form of Notice of Charge to Account Bank*) or in such form as may be specified by the Security Trustee.

"Receiver" means a receiver, receiver and manager or, where permitted by law, an administrative receiver and that term will include any appointee made under a joint or several appointment.

"Scottish Declaration of Trust" means the Scottish declaration of trust executed by the Seller in favour of the Chargor pursuant to the Mortgage Sale Agreement.

"Scottish Mortgage" has the meaning given to it in the Mortgage Sale Agreement.

"Scottish Mortgage Loans" has the meaning given to it in the Mortgage Sale Agreement.

"Scottish Supplemental Charge" means a Scottish supplemental charge in substantially the form set out in Schedule 3 (*Form of Scottish Supplemental Charge*).

"Secured Obligations" means all present and future obligations and liabilities at any time due, owing or incurred by the Chargor to the Security Trustee (whether for its own account or as trustee for the Secured Parties) or any other Secured Party under or pursuant to each of the Finance Documents, whether actual or contingent, whether originally incurred by the Chargor or by any other person and whether incurred solely or jointly and as principal or surety or in any other capacity, including any liability in respect of any further advances made under the Finance Documents, except for any

obligation or liability which, if it were included, would cause that obligation or liability or any of the Security in respect thereof, to be unlawful, prohibited or invalid by or under any applicable law.

"Security Period" means the period beginning on the date of this Deed and ending on the date on which the Security Trustee is satisfied that the Secured Obligations have been irrevocably and unconditionally paid or discharged in full and no Secured Party is under any further actual or contingent obligation to make advances or provide other financial accommodation to the Chargor or any other person under any of the Finance Documents.

"Standard Security" means a Scottish standard security substantially in the form set out in Schedule 4 (*Form of Scottish Sub-Security*).

"Transaction Parties" means each Party to the Transaction Documents (or any of them).

1.2 Terms defined in other Finance Documents

Unless defined in this Deed, or the context otherwise requires, a term defined in the Facility Agreement or in any other Finance Document (as defined in the Facility Agreement) has the same meaning in this Deed, or any notice given under or in connection with this Deed.

1.3 Construction

In this Deed:

- (a) the rules of interpretation contained in clauses 1.2 (*Construction*) and 1.3 (*Currency Symbols and definitions*) of the Facility Agreement shall apply to the construction of this Deed, or in any notice given under or in connection with this Deed;
- (b) any reference to the **"Security Trustee"**, the **"Secured Parties"**, the **"Finance Parties"**, the **"Chargor"** or any **"Obligor"** shall be construed so as to include its or their (and any subsequent) successors in title, permitted assigns and permitted transferees in accordance with their respective interests and, in the case of the Security Trustee, any person for the time being appointed as Security Trustee in accordance with the Facility Agreement;
- (c) any reference to **"including"** and **"include"** shall mean including and include "without limitation" and any words following such terms shall be construed as illustrative and shall not limit the meaning or scope of the phrase or words preceding such terms; and
- (d) references in this Deed to any Clause or Schedule shall be to a Clause or Schedule contained in this Deed.

1.4 Incorporation of provisions from Facility Agreement

Clauses 1.4 (*Third party rights*), 12 (*Tax gross up and indemnities*), 14 (*Other indemnities*), 32.1 (*Accounts*), 32.2 (*Certificates and determinations*) and 35

(*Amendments and waivers*) of the Facility Agreement are deemed to form part of this Deed as if expressly incorporated into it and as if all references in those clauses to the Facility Agreement were references to this Deed. This Deed is subject to the provisions of the Facility Agreement.

1.5 Present and future assets

A reference in this Deed to any Charged Asset or other asset includes, unless the contrary intention appears, present and future Charged Assets and other assets.

1.6 Security Trustee assumes no obligation

The Security Trustee shall not be under any obligation in relation to the Charged Assets as a consequence of this Deed and the Chargor shall at all times remain liable to perform all obligations in respect of the Charged Assets.

2. COVENANT TO PAY

2.1 Covenant to pay

The Chargor covenants with the Security Trustee that it shall, on demand of the Security Trustee pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.

2.2 Default interest

If the Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount (both before and after judgment) from the date of demand until the date of payment calculated on a daily basis at the rate determined in accordance with and on the terms set out in, clause 10.3 (*Default interest*) of the Facility Agreement.

3. COMMON PROVISIONS

3.1 Common provisions as to all Security

All the Security created by or pursuant to this Deed is:

- (a) created with full title guarantee (or, as beneficial owner in respect of Security created under the laws of Northern Ireland);
- (b) created in favour of the Security Trustee as trustee for the Secured Parties and the Security Trustee shall hold the benefit of this Deed and the Security created by or pursuant to it on trust for the Secured Parties; and
- (c) continuing security for the payment and discharge of all the Secured Obligations.

4. CREATION OF FIXED SECURITY

4.1 The Fixed Security

As continuing security for the payment or discharge of the Secured Obligations the Chargor with full title guarantee (or, in relation to rights or assets situated or governed by the law of Scotland, with absolute warrandice or, in relation to rights or assets situated or governed by the laws of Northern Ireland, as beneficial owner), in favour of the Security Trustee for the Security Trustee itself and on trust for the Secured Parties, but subject always to the right of release and discharge set out in Clause 21 (*Release of Security*), hereby:

- (a) charges by way of first fixed charge (subject to the subsisting rights of redemption of the relevant borrowers) the Benefit of the Chargor in the Mortgage Loans (other than the Scottish Mortgage Loans) and their Related Security comprised in the Portfolio;
- (b) charges by way of first fixed charge the Benefit of the Collateral Account and (to the extent of its interest) all monies now or in the future standing to the credit of or accrued or accruing on such account;
- (c) charges by way of first fixed charge the Benefit of the Chargor's interest in the trust constituted by the Collection Account Declaration of Trust; and
- (d) assigns absolutely the Benefit under each Transaction Document to which it is a party.

4.2 Separate Security

Clauses 4.1 (*The Fixed Security*) shall be construed as creating a separate and distinct mortgage, fixed charge or assignment by way of security over each relevant asset within any particular class of assets defined under this Deed and the failure to create an effective mortgage, fixed charge or assignment by way of security (whether arising out of this Deed or any act or omission by any party) on any one asset shall not affect the nature of any mortgage, fixed charge or assignment imposed on any other asset whether within that same class of assets or not.

4.3 Scottish Trust Security

- (a) The Chargor undertakes forthwith to execute and deliver to the Security Trustee a Scottish Supplemental Charge substantially in the form set out in Schedule 3 (*Form of Scottish Supplemental Charge*) to this Deed.
- (b) The Security Trustee authorises and instructs the Company to intimate and give notice to the Seller of the assignation in security made thereunder as provided therein.
- (c) The Company undertakes to the Security Trustee at the time of delivery of the Scottish Supplemental Charge under the terms of Clause 4.3(a) simultaneously to deliver to the Security Trustee the Scottish Declaration of Trust referred to therein.

4.4 **Execution of Standard Security**

The Chargor undertakes to the Security Trustee and binds and obliges itself in the event of any transfer or assignation of legal title to the Scottish Mortgage Loans and their Related Security or any of them being executed and delivered to the Chargor upon the occurrence of the Legal Title Transfer Date forthwith to execute and deliver to the Security Trustee as continuing security for the payment or discharge of the Secured Obligations:

- (a) a Standard Security or Standard Securities over the Chargor's whole right, title and interest as heritable creditor under the Scottish Mortgages relating to such Scottish Mortgage Loans, substantially in the form set out in Schedule 3 (*Form of Scottish Sub-Security*) hereto; and
- (b) an assignation in security in such form as the Security Trustee shall require over the Chargor's whole right, title and interest in and to the remainder of the Related Security for such Scottish Mortgage Loans,

and to deliver to the Security Trustee simultaneously with the delivery of any such Scottish Sub-Security the relevant transfers or assignations pertaining to such Scottish Mortgage Loans and their Related Security. The Chargor further undertakes to the Security Trustee to execute and deliver such documents, and in such form and content, and to take such other steps as shall be necessary to enable the Security Trustee to be granted a first ranking heritable security over the Scottish Mortgages and all sums secured thereby.

5. **FLOATING CHARGE**

5.1 **Floating charge**

- (a) The Chargor charges by way of first floating charge in favour of the Security Trustee all present and future assets and undertaking of the Chargor (including for the avoidance of doubt and without limiting the foregoing the Benefit of the Transaction Account).
- (b) The floating charge created pursuant to paragraph (a) of Clause 5.1 above shall be deferred in point of priority to all Fixed Security validly and effectively created by the Chargor under the Finance Documents in favour of the Security Trustee as security for the Secured Obligations.
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created pursuant to paragraph (a) of Clause 5.1 above.

5.2 **Crystallisation: by notice**

The Security Trustee may at any time by notice in writing to the Chargor convert the floating charge created pursuant to Clause 5.1 (*Floating Charge*) with immediate effect into a fixed charge as regards any property or assets specified in the notice if:

- (a) an Event of Default has occurred and is continuing;

- (b) the Security Trustee considers that any of the Charged Assets may be in jeopardy or in danger of being seized or sold pursuant to any form of legal process;
- (c) the Security Trustee considers that it is desirable in order to protect the priority of the security; or
- (d) the Chargor requests the Security Trustee to exercise any of its powers under this Deed.

5.3 **Crystallisation: automatic**

Notwithstanding Clause 5.2 (*Crystallisation: by notice*) and without prejudice to any law which may have a similar effect, the floating charge created pursuant to Clause 5.1 (*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 any Transaction Security), over any of the Charged Assets;
- (b) any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or
- (c) an Insolvency Event occurs in respect of the Chargor or the Parent,

or any analogous procedure or step is taken in any jurisdiction.

5.4 **Effect of moratorium**

The Security Trustee shall not be entitled to exercise its rights under Clause 5.2 (*Crystallisation: by notice*) nor shall Clause 5.3 (*Crystallisation: Automatic*) apply where the right (or, as the case may be, the application of Clause 5.3 (*Crystallisation: Automatic*)) arises as a result of an Event of Default or Insolvency Event occurring solely due to any person obtaining, or taking steps to obtain, a moratorium pursuant to Schedule A1 of the Insolvency Act 1986.

6. **PROVISIONS AS TO SECURITY AND PERFECTION**

6.1 **Negative pledge and restriction on dealings**

Except as permitted under the Facility Agreement the Chargor shall not at any time during the Security Period create or permit to subsist any Security over all or any part of its assets or dispose of or otherwise deal with any part of its assets.

6.2 **Implied covenants for title**

- (a) The covenants set out in sections 3(1), 3(2) and 6(2) of the Law of Property (Miscellaneous Provisions) Act 1994 will not extend to Clauses 4 (*Fixed Security*) or 5 (*Floating charge*).

- (b) It shall be implied in respect of Clauses 4 (*Fixed Security*) and 5 (*Floating charge*) that the Chargor is disposing of the Charged Assets free from all charges and incumbrances (whether monetary or not) and from all other rights exercisable by third parties (including liabilities imposed and rights conferred by or under any enactment).

6.3 Notice of Security

The Chargor shall, immediately after the date hereof, give notice of the Security to all relevant parties (other than the borrowers under the Mortgage Loans), including the following notices:

- (a) to the Account Bank, a Notice of Charge to Account Bank in the form set out in Schedule 1 (*Form of Notice of Charge to Account Bank*); and
- (b) to each of the Transaction Parties other than the Security Trustee, a Notice of Assignment to Transaction Parties in the form set out in Schedule 2 (*Form of Notice of Assignment to Transaction Parties*).

6.4 Acknowledgements of Security

The Chargor shall use all reasonable efforts to procure that the Account Bank and each Transaction Party which receives a Notice of Assignment to Transaction Parties acknowledges receipt of the notice sent to it pursuant to Clause 6.3 (*Notice of Security*) in the form required by such notice.

6.5 Custodians and nominees

The Security Trustee may appoint and pay any person to act as a custodian or nominee on any terms in relation to all or any part of the Charged Assets as the Security Trustee may determine and the Security Trustee shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any such person or be bound to supervise the proceedings or acts of any such person.

7. FURTHER ASSURANCE

7.1 Extension of implied covenant

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 7.2 below.

7.2 Further assurance

The Chargor shall promptly, at its own cost, take all such action (including making all filings, registrations and notarisations) and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may specify (and in such form as the Security Trustee may require) in favour of the Security Trustee or its nominee(s):

- (a) to create, perfect, protect and/or maintain the Security created or intended to be created in respect of the Charged Assets (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, the Charged Assets) or for the exercise of the Collateral Rights;
- (b) to confer on the Security Trustee Security over any asset or undertaking 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 Deed; and/or
- (c) to facilitate the realisation of the Charged Assets.

8. ACCOUNTS

8.1 Accounts: Notification and variation

- (a) The Chargor shall promptly deliver to the Security Trustee on the date of this Deed (and, if any change occurs thereafter, on the date of such change), details of each Account opened or maintained by it.
- (b) The Chargor 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.

8.2 Transaction Account: Operation before Event of Default

The Chargor shall, prior to the occurrence of an Event of Default, be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on the Transaction Account subject to the terms of the Facility Agreement.

8.3 Transaction Account: Operation after Event of Default

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

8.4 Collateral Account

- (a) The Chargor shall not be entitled to withdraw or otherwise transfer any credit balance from time to time on the Collateral Account except (i) on a Payment Date with the prior consent of the Security Trustee; or (ii) as permitted under the Facility Agreement.
- (b) The Security Trustee (on behalf of any Secured Party) may, at any time, upon the occurrence of an Event of Default, without prior notice exercise from time to time all rights, powers and remedies to:
 - (i) demand and receive all and any monies due under or arising out of the Collateral Account; and

- (ii) exercise all such rights as the Chargor was then entitled to exercise in relation to the Collateral Account or might, but for the terms of this Deed, exercise.

8.5 Accounts: Application of monies

The Security Trustee shall, upon the occurrence of an Event of Default, 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 14 (*Post-Enforcement Priority of Payments*).

9. GENERAL UNDERTAKINGS

9.1 Information and access

The Chargor shall from time to time on request of the Security Trustee, furnish the Security Trustee with such information as the Security Trustee may reasonably require about the Chargor's business and affairs, the Charged Assets and its compliance with the terms of this Deed and the Chargor shall permit the Security Trustee, its Representatives, Delegates, professional advisers and contractors, access at all reasonable times and on reasonable notice (a) to inspect and take copies and extracts from the books, accounts and records of the Chargor and (b) to view the Charged Assets (without becoming liable as mortgagee in possession).

10. ENFORCEMENT OF SECURITY

10.1 Enforcement

Any time after the occurrence of:

- (a) an Event of Default (as long as it is continuing); or
- (b) a request from the Chargor to the Security Trustee that it exercise any of its powers under this Deed,

the Security created by or pursuant to this Deed shall become immediately enforceable and the Security Trustee may, without notice to the Chargor or prior authorisation from any court, in its absolute discretion:

- (i) secure and perfect its title to all or any part of the Charged Assets;
- (ii) 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 Assets (and any assets of the Chargor which, when got in, would be part of the Charged Assets) at the times, in the manner and on the terms it thinks fit (including whether for cash or non-cash consideration); and
- (iii) whether or not it has appointed a Receiver, exercise all or any of the rights, powers, authorities and discretions conferred by the Law of Property Act 1925 or, in respect of any Security governed by the laws

of Northern Ireland, the Conveyancing and Law of Property Act 1881 and/ or the Conveyancing Act 1911 (each as varied or extended by this Deed) on mortgagees and by this Deed on any Receiver or otherwise conferred by law on mortgagees or Receivers.

11. EXTENSION OF POWERS AND RIGHT OF APPROPRIATION

11.1 Extension of power of sale

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and Section 19 of the Conveyancing and Law of Property Act 1881 and Section 4 of the Conveyancing Act 1911 and such power shall arise (and the Secured Obligations shall be deemed due and payable for that purpose) on the date of this Deed.

11.2 Restrictions

The restrictions contained in sections 93 and 103 of the Law of Property Act 1925 and Sections 17 and 20 of the Conveyancing and Law of Property Act 1881 shall not apply to this Deed 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 Deed 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 Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10 (*Enforcement of Security*).

11.3 Power of leasing

- (a) The statutory powers of leasing may be exercised by the Security Trustee at any time on or after this Deed has become enforceable in accordance with Clause 10 (*Enforcement of Security*) 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 sections 99 and 100 of the Law of Property Act 1925 and Section 18 of the Conveyancing and Law of Property Act 1881 and Section 3 of the Conveyancing Act 1911.
- (b) For the purposes of sections 99 and 100 of the Law of Property Act 1925 and Section 18 of the Conveyancing and Law of Property Act 1881 and Section 3 of the Conveyancing Act 1911, the expression "Mortgagor" will include any incumbrancer deriving title under the Chargor and neither section 99(18), section 100(12) of the Law of Property Act 1925 nor Section 3(10) of the Conveyancing Act 1911 will apply.

11.4 Right of appropriation

- (a) After the Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10.1 (*Enforcement*) to the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003, as amended, (the "**Regulations**") apply to a Charged Asset, the Security Trustee

shall have the right to appropriate all or any part of that Charged Asset in or towards the payment or discharge of the Secured Obligations and may exercise such right to appropriate upon giving written notice to the Chargor. For this purpose, the parties agree that the value of that Charged Asset shall be, in the case of cash, the amount standing to the credit of each of the Accounts, together with any accrued but unposted interest, at the time of appropriation.

- (b) The parties further agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

11.5 Statutory powers

The powers conferred by this Deed on the Security Trustee are in addition to and not in substitution for the powers conferred on mortgagees and mortgagees in possession under the Law of Property Act 1925, the Conveyancing and Law of Property Act 1881, the Conveyancing Act 1911, the Insolvency Act 1986 or otherwise by law (as extended by this Deed) and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Assets. In the case of any conflict between the statutory powers contained in any such Acts and those conferred by this Deed, the terms of this Deed shall prevail.

12. APPOINTMENT OF RECEIVER

12.1 Appointment and removal

After the Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10.1 (*Enforcement*), the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee):

- (a) without prior notice to the Chargor:
 - (i) appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets;
 - (ii) appoint two or more Receivers of separate parts of the Charged Assets;
 - (iii) remove (so far as it is lawfully able) any Receiver so appointed;
 - (iv) appoint another person(s) as an additional or replacement Receiver(s);
and
 - (v) appoint one or more persons to be an administrator of the Chargor pursuant to paragraph 14 of Schedule B1 of the Insolvency Act 1986;
and
- (b) following notice to the Chargor, appoint one or more persons to be an administrator of the Chargor pursuant to paragraph 12 of Schedule B1 of the Insolvency Act 1986.

12.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 12.1 (*Appointment and removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) 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 and the Conveyancing and Law of Property Act 1881).

12.3 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, the Conveyancing and Law of Property Act 1881 and the Conveyancing Act 1911 (each as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Charged Assets.

13. POWERS OF RECEIVERS

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 Assets (and any assets of the Chargor which, when got in, would be Charged Assets) in respect of which he was appointed, and as varied and extended by the provisions of this Deed (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):

- (a) all the powers conferred by the Law of Property Act 1925, the Conveyancing and Law of Property Act 1881 and the Conveyancing Act 1911 on mortgagors and on mortgagees in possession and on receivers appointed under those Acts;
- (b) 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);
- (c) 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
- (d) 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:
 - (i) any of the functions, powers, authorities or discretions conferred on or vested in him;

- (ii) the exercise of the Collateral Rights (including realisation of all or any part of the assets in respect of which that Receiver was appointed); or
- (iii) bringing to his hands any assets of the Chargor forming part of, or which when got in would be, Charged Assets.

14. **POST-ENFORCEMENT PRIORITY OF PAYMENTS**

All monies received or recovered and any non-cash recoveries made or received by the Security Trustee or any Receiver pursuant to this Deed or the powers conferred by it shall be held by the Security Trustee upon trust to be applied in payment, in the amounts required, each in the following order of priority:

- (a) *first*, in or towards satisfaction of any remuneration and all other amounts then due and payable to the Security Trustee, and Receiver and any Representative appointed by the Security Trustee under this Deed and the other Transaction Documents, and any other Liabilities due and payable to the Security Trustee, any such Receiver and any such Representative;
- (b) *second*, in or towards satisfaction *pro rata* and *pari passu* according to the respective amounts thereof of all fees, costs, expenses (together with any VAT thereon) and other amounts due by the Chargor to third parties;
- (c) *third*, in or towards satisfaction *pro rata* and *pari passu* in according to the respective amounts thereof all fees, costs and expenses (together with any VAT thereon) due to the Lenders and/or the Agent;
- (d) *fourth*, to pay interest due and payable on the Loan;
- (e) *fifth*, to repay principal on the Loan;
- (f) *sixth*, *pro rata* and *pari passu* to pay interest, repay principal and pay all other amounts due to the Subordinated Lender in respect of the Subordinated Loan; and
- (g) *seventh*, to the Chargor for its general corporate purposes.

15. **PROTECTION OF PURCHASERS**

15.1 **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 Assets or making any acquisition, the Security Trustee or any Receiver may do so for such consideration (whether cash or non-cash), in such manner and on such terms as it thinks fit.

15.2 **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 to inquire

whether that power has been properly or regularly exercised by the Security Trustee or such Receiver in such dealings.

16. POWER OF ATTORNEY

16.1 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 Deed or any other agreement binding on the Chargor to which the Security Trustee is party (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets and perfecting and/or releasing the Security created or intended to be created in respect of the Charged Assets); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the Collateral Rights (including, after the occurrence of an Event of Default, the exercise of any right of a legal or beneficial owner of the Charged Assets).

16.2 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.

17. EFFECTIVENESS OF SECURITY

17.1 Continuing security

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

17.2 Cumulative rights

The Security created by or pursuant to this Deed, and the Collateral Rights, shall be cumulative, in addition to and independent of every other Security which the Security Trustee or any other Secured Party may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law and shall operate as an independent Security notwithstanding any receipt, release or discharge endorsed on or given in respect of or under any such other Security. No prior Security held by the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties over the whole or any part of the Charged Assets shall merge into the Security created by this Deed.

17.3 No prejudice

The Security created by or pursuant to this Deed, 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 the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties or by any variation of the terms of the trust upon which the Security Trustee holds the Security or by any other thing which might otherwise prejudice that Security or any Collateral Right.

17.4 Remedies and waivers

No failure on the part of the Security Trustee to exercise, nor any delay on its part in exercising, any Collateral Right, shall operate as a waiver of that Collateral Right or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Security Trustee shall be effective unless it is in writing. No single or partial exercise of any Collateral Right shall preclude any further or other exercise of that or any other Collateral Right.

17.5 No liability

None of the Security Trustee, its nominee(s) or any Receiver or any Delegate shall be liable:

- (a) to account as a mortgagee or mortgagee in possession; or
- (b) for any loss arising by reason of taking any action permitted by this Deed or any neglect or default in connection with the Charged Assets or taking possession of or realising all or any part of the Charged Assets,

except in the case of fraud, gross negligence or wilful misconduct upon its part.

17.6 Partial invalidity

If, at any time, any provision of this Deed 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 Deed 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 Deed is invalid, unenforceable or ineffective for any reason, that shall not affect or impair any other part of the Security.

17.7 Waiver of defences

The obligations assumed, and the Security created, by the Chargor under this Deed, and the Collateral Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 17.7 (*Waiver of defences*), would reduce, release or prejudice any of its obligations under, or the Security created by, this Deed (whether or not known to the Chargor or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (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, any Obligor 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, any Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (in each case, however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security or of the Secured Obligations including 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 of the Secured Obligations; and
- (g) any insolvency or similar proceedings.

17.8 Chargor intent

Without prejudice to the generality of Clause 17.7 (*Waiver of Defences*), the Chargor expressly confirms that it intends that the Security created under this Deed, and the Collateral Rights, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

17.9 Immediate recourse

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

17.10 Deferral of rights

Until the end of the Security Period, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under this Deed:

- (a) to be indemnified by an Obligor or in respect of any other person;
- (b) to claim any contribution from any guarantor or any other person in respect of any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor or other person to make any payment, or perform any obligation, in respect of which any Obligor or other person has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Obligor or other person; and/or
- (f) to claim or prove as a creditor of any Obligor or other person in competition with any Secured Party.

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties to the extent necessary to enable all amounts which may be or become payable to any Secured Party by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with Clause 14 (*Post-Enforcement Priority of Payments*).

17.11 Additional Security

The Security created by the Chargor under this Deed and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantee or Security now or subsequently held by any Secured Party.

18. PRIOR SECURITY INTERESTS

18.1 Redemption or transfer

In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking Security against any of the Charged Assets or in case of exercise by the Security Trustee or any Receiver of any power of sale or right of appropriation or application under this Deed, the Security Trustee may redeem such prior Security or procure the transfer thereof to itself.

18.2 Accounts

The Security Trustee may settle and agree the accounts of the prior Security and any accounts so settled and agreed will be conclusive and binding on the Chargor.

18.3 Costs of redemption or transfer

All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Trustee on demand together with accrued interest thereon calculated in accordance with Clause 2.2 (*Default interest*).

19. SUBSEQUENT SECURITY INTERESTS

If the Security Trustee (acting in its capacity as trustee or otherwise) or any of the other Secured Parties at any time receives or is deemed to have received notice of any subsequent Security, assignment or transfer affecting all or any part of the Charged Assets which is prohibited by the terms of any Finance Document, all payments thereafter made by or on behalf of the Chargor to the Security Trustee (whether in its capacity as trustee or otherwise) or any of the other Secured Parties will (in the absence of any express contrary appropriation by the Chargor) 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 at the time that notice was received.

20. SUSPENSE ACCOUNTS

All monies received, recovered or realised by the Security Trustee under this Deed (including the proceeds of any conversion of currency) may in the discretion of the Security Trustee be credited to any interest bearing suspense or impersonal account(s) maintained with any bank, building society, financial institution or other person which the Security Trustee considers appropriate (including itself) for so long as it may think fit (the interest being credited to the relevant account) pending their application from time to time at the Security Trustee's discretion, in or towards the discharge of any of the Secured Obligations and save as provided herein no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

21. RELEASE OF SECURITY

21.1 Release of Security

Upon the expiry of the Security Period, the Security Trustee shall, at the request and cost of the Chargor, release and cancel the Security created by this Deed and procure the reassignment to the Chargor of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case subject to Clause 21.3 (*Clawback*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

21.2 Permitted Disposals

If the Chargor makes a Permitted Disposal, the Security created over the Charged Assets that are the subject of such Permitted Disposal shall be released automatically

without the need for any further action by the Chargor or the Security Trustee, once the proceeds of any such Permitted Disposal have been received in cleared funds in the Collateral Account.

21.3 Clawback

If the Security Trustee considers that any amount paid or credited to any Secured Party is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Deed and the Security created by that or those documents will continue and such amount will not be considered to have been irrevocably paid or credited.

22. SET-OFF

The Chargor authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), after the Security created by or pursuant to this Deed has become enforceable in accordance with Clause 10.1 (*Enforcement*), 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 14 (*Post-Enforcement Priority of Payments*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

23. ASSIGNMENT

23.1 No assignments or transfers by Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

23.2 Assignments by the Security Trustee

The Security Trustee may assign all or any of its rights under this Deed. The Security Trustee shall be entitled to disclose such information concerning the Chargor and this Deed 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.

23.3 Successors

This Deed shall remain in effect despite any amalgamation or merger (however effected) relating to the Security Trustee. References to the Security Trustee shall include (i) any assignee or successor in title of the Security Trustee, (ii) any entity into which the Security Trustee is merged or converted or with which it may be consolidated, (iii) any legal entity resulting from any merger, conversion or consolidation to which such Security Trustee is a party and (iv) any other person who, under the laws of its jurisdiction of incorporation or domicile, has assumed the rights and obligations of the Security Trustee under this Deed or to which, under such laws, those rights and obligations have been transferred (such person described in (i) to (iv) being a successor to the Security Trustee for all purposes under the Finance Documents).

24. **NOTICES**

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by email, fax or letter in accordance with clause 31 (*Notices*) of the Facility Agreement..

25. **EXPENSES, STAMP TAXES AND INDEMNITY**

25.1 **Expenses**

The Chargor shall, from time to time on demand of the Security Trustee, reimburse the Security Trustee for all the 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 Deed and the completion of the transactions and perfection of the Security contemplated in this Deed; and
- (b) the exercise, preservation and/or enforcement and/or release of any of the Collateral Rights or the Security contemplated by this Deed 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 in accordance with Clause 2.2 (*Default interest*).

25.2 **Stamp Taxes**

The Chargor shall pay all stamp, registration, notarial and other taxes and fees to which this Deed, the Security contemplated in this Deed 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.

25.3 **Indemnity**

The Chargor shall, notwithstanding any release or discharge of all or any part of the Security created by or pursuant to this Deed, 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 Deed, the exercise or purported exercise of any of the rights and powers conferred on them by this Deed or otherwise relating to the Charged Assets.

26. **DISCRETION AND DELEGATION**

26.1 **Discretion**

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Security Trustee or any Receiver may, subject to the terms and conditions of the Facility Agreement, be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

26.2 **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 Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude the subsequent exercise, any subsequent delegation or any revocation of such power, authority or discretion by the Security Trustee or the Receiver itself. The Security Trustee will not be (i) responsible to anyone for any misconduct or omission by any Delegate or Representative appointed by it pursuant to this Deed or the other Finance Documents or (ii) bound to supervise the proceedings or acts of any such agent, delegate or security trustee or agent, provided that it has exercised reasonable care when selecting the relevant Delegate or Representative.

27. **GOVERNING LAW**

This Deed and all non-contractual obligations arising out of or in connection with it are governed by English law provided that any provisions hereof particular to Northern Irish law shall be construed in accordance with Northern Irish law.

28. **JURISDICTION**

28.1 **English Courts**

The courts of England have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of, or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or the consequences of its nullity or any non-contractual obligations arising out of or in connection with this Deed).

28.2 **Convenient forum**

The Chargor agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that it will not argue to the contrary.

28.3 **Exclusive jurisdiction**

Notwithstanding Clause 28.1 (*English Courts*), the Security Trustee may take proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law the Security Trustee may take concurrent proceedings in any number of jurisdictions.

SCHEDULE 1
FORM OF NOTICE OF CHARGE TO ACCOUNT BANK

To: Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Date: []

Dear Sirs

We give you notice that, by a Deed of Charge dated [] (the "**Deed of Charge**"), we have charged to Citicorp Trustee Company Limited (the "**Security Trustee**") as trustee for the Secured Parties all of our right, title and interest in and to the accounts listed below maintained with your bank (including any renewal, redesignation, replacement, subdivision or subaccount of such account) and the debt or debts represented thereby:

Sort Code:



Account No:



(the "**Collateral Account**")

Sort Code:



Account No:



(the "**Transaction Account**")

We irrevocably instruct and authorise you to disclose to the Security Trustee without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to the Collateral Account from time to time as the Security Trustee may request you to disclose to it.

With effect from the date of your receipt of this notice:

- (a) any existing payment instructions affecting the Collateral Account are to be terminated and all payments and communications in respect of the Collateral Account should be made to the Security Trustee, or to its order (with a copy to us) or as the Security Trustee may from time to time authorise;
- (b) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Collateral Account belong to the Security Trustee; and
- (c) no monies may be released from the Collateral Account without the prior written consent of the Security Trustee.

We irrevocably instruct and authorise you, from the date upon which you receive a notice from the Security Trustee that the security constituted by the Deed of Charge is enforceable:

- (a) to disclose to the Security Trustee without any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to the Transaction Account from time to time as the Security Trustee may request you to disclose to it; and
- (b) to terminate any existing payment instructions affecting the Transaction Account and all thereafter (i) all payments and communications in respect of the Transaction Account should be made to the Security Trustee or to its order (with a copy to us) and (ii) all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Transaction Account belong to the Security Trustee.

For the avoidance of doubt, prior to the date upon which you receive a notice from the Security Trustee that the security constituted by the Deed of Charge is enforceable, we authorise and instruct you to deal with the Chargor in relation to the Transaction Account as if the charges referred to in the first paragraph of this notice in respect of that account had not been granted, save that you are not authorised to recognise the exercise by the Chargor of any right to close the Transaction Account unless the prior written consent of the Security Trustee to such closure has been obtained.

This letter and all non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with the laws of England and Wales.

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
LANSDOWNE 199 LIMITED

**Form of Acknowledgement of Notice of
Security by Account Bank**

To: Citicorp Trustee Company Limited (the "**Security Trustee**")

Date:

Dear Sirs

We confirm receipt from Lansdowne 199 Limited (the "**Chargor**") of a notice dated [] of a charge upon the terms of a Deed of Charge dated [] (the "**Deed of Charge**") of all the Chargor's right, title and interest in and to, and all monies (including interest) from time to time standing to the credit of the following account which is maintained with us and the debt or debts represented thereby:

Sort Code:



Account No:



(the "**Collateral Account**")

Sort Code:



Account No:



(the "**Transaction Account**" and, together with the Collateral Account, the "**Accounts**").

We confirm that no fees or periodic charges are payable in respect of the Collateral Account and there are no restrictions on (a) the payment of the credit balance on either Account or (b) the creation of Security over the Accounts in favour of the Security Trustee or any third party.

We unconditionally and irrevocably waive all rights of set-off, lien, combination or consolidation of accounts and security in respect of the Accounts and similar rights (however described) which we may have now or in the future in respect of the Accounts or the balance thereon to the extent that such rights relate to amounts owed to us by the Chargor.

We confirm that we have not received notice of the interest of any third party in the Accounts and will not, without the Security Trustee's prior written consent, amend or vary any rights attaching to the Accounts.

We will act only in accordance with the instructions given by persons authorised by the Security Trustee (or, in respect of the Transaction Account and prior to receipt by us of a notice from the Security Trustee of an Event of Default, the Chargor) and we shall send all statements and other notices given by us relating to the Collateral Account to the Security Trustee.

We confirm that we have not designated the either Account a dormant account within the meaning of the Dormant Bank and Building Society Accounts Act 2008. We agree that we will not so designate either Account nor take any steps to transfer the balance standing to the

credit of either Account to the reclaim fund without the Security Trustee's prior written consent.

This letter and all non-contractual obligations arising out of or in connection with it /are to be governed by and will be construed in accordance with English law.

Yours faithfully,

.....
for and on behalf of
[*Account Bank*]

cc. Lansdowne 199 Limited

SCHEDULE 2
FORM OF NOTICE OF ASSIGNMENT TO TRANSACTION PARTIES

To: []

Date: []

Dear Sirs

We give you notice that, by a Deed of Charge dated [•] 2016 between Lansdowne 199 Limited (the "**Chargor**") and Citicorp Trustee Company Limited (the "**Security Trustee**"), the Chargor assigned to the Security Trustee the benefit of the [*insert description of agreement(s) to which Transaction Party is party*] (the "**Document[s]**").

We authorise and instruct you until receipt by you of further written instructions from the Security Trustee (after which time you will comply with the directions of the Security Trustee) to deal with the Chargor in relation to such Document[s] as if the assignment referred to in the first paragraph of this notice had not taken place, save that you are not authorised to recognise the exercise by the Chargor of any right to vary or terminate the Document[s] unless the prior written consent of the Security Trustee to such exercise has been obtained.

The authority arising under this notice is irrevocable.

Please acknowledge receipt of this notice and your acceptance of the instructions contained herein by signing two copies of the attached form of acknowledgement, returning one copy to us and sending the other copy direct to the Security Trustee at [*insert relevant details*].

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

Yours faithfully,

.....
for and on behalf of

Lansdowne 199 Limited

**Form of Acknowledgement of Notice of
Assignment by Transaction Party**

To: Lansdowne 199 Limited as **Chargor**

And to: Citicorp Trustee Company Limited as **Security Trustee**

Dear Sirs

We acknowledge receipt of the Notice of Assignment dated [•] 2015, a copy of which is attached. We further acknowledge that the assignment is effective to confer on the Security Trustee the benefit of the Chargor in and to the Document[s] (as defined in the Notice of Assignment).

1. Words and expressions used in this acknowledgement shall have the meanings and constructions assigned to them in the Notice of Assignment.
2. We confirm that as at the date of this Acknowledgement of Assignment we have not received from any other person any notice of assignment or charge of, or of any interest in, [any of] the Document[s].
3. We agree not to recognise the exercise by the Chargor of any right to vary or terminate [any of] the Document[s] without the Security Trustee's prior written consent and to give the Security Trustee notice forthwith of any attempt by the Chargor to do so. We further agree not to amend or modify [any of] the Documents without the Security Trustee's prior written approval.
4. This acknowledgment and any non-contractual obligations arising out of it or in connection with it are governed by the laws of England.

Yours faithfully,

For and on behalf of
[Name of relevant Transaction Party]

SCHEDULE 3
FORM OF SCOTTISH SUPPLEMENTAL CHARGE
ASSIGNATION IN SECURITY

BETWEEN:

- (1) **LANSDOWNE 199 LIMITED**, (registered number 9387837), a limited company incorporated under the laws of England and Wales with its registered office at 5th Floor, 6 St. Andrew Street, London EC4A 3AE (referred to herein as the "**Chargor**"); and
- (2) **CAPITAL HOME LOANS LIMITED** (registered number 02174236), a public limited company incorporated under the laws of England and Wales with its registered office at Admiral House, Harlington Way, Fleet, Hampshire GU51 4YA (referred to hereinafter as the "**Seller**").

WHEREAS

- (A) This deed is supplemental to a Deed of Charge dated [•] 2016 (the "**Deed of Charge**") made between the Chargor and Citicorp Trustee Company Limited, registered number [•] a company incorporated in England and Wales with limited liability with its principal office at [•] (the "**Security Trustee**", which expression shall include its successor or successors as trustee under and in terms of the Deed of Charge).
- (B) The Security Trustee *inter alia* holds the security constituted or to be constituted by or pursuant to the Deed of Charge on trust for the Secured Parties.
- (C) A Scottish Declaration of Trust dated 24 July 2015 (the "**Scottish Declaration of Trust**") has been entered into between the Seller and the Chargor and delivered, in terms of which certain Scottish Mortgage Loans and the Scottish Mortgages together with their Related Security and other collateral security relative thereto as more fully specified and defined therein (the "**Scottish Trust Property**") are held in trust by the Seller for the Chargor; and
- (D) This Deed is made by the Chargor and the Seller in favour of the Trustee in accordance with and pursuant to Clause 4.3 of the Deed of Charge.

NOW THEREFORE the parties **HAVE AGREED** and **DO HEREBY AGREE** as follows:

1. Expressions defined in the mortgage sale agreement dated 24 July 2015 between the Chargor and the Seller (the "**Mortgage Sale Agreement**") and the Deed of Charge shall, except where the content otherwise required and save where otherwise defined therein, have the same meanings in this deed, including the recitals hereto and this deed shall be construed in accordance with the interpretation provisions set out in Clause 1 (*Definitions*) of the Mortgage Sale Agreement.
2. The Chargor covenants with and undertakes to the Security Trustee as trustee for the Secured Parties that it will duly and punctually pay and discharge the Secured Obligations in accordance with the terms of the Deed of Charge and each Finance Document.

3. The Chargor as holder of the beneficial interest therein and with absolutely warrandice and subject to the proviso for release contained in Clause 21 (*Release of Security*) of the Deed of Charge HEREBY ASSIGNS to and in favour of the Security Trustee in security for the discharge and payment of the Secured Obligations the Chargor's whole right, title and interest present and future, in and to the beneficial interest in the Scottish Trust Property and in and to the Scottish Declaration of Trust, surrogating and substituting the Security Trustee in its full right and place therein and thereto.
4. The Chargor (for itself and on behalf the Security Trustee) hereby gives notice of and intimates the assignation in security made in terms of Clause 3 hereof to the Seller as trustee under the Scottish Declaration of Trust and the Seller by its execution hereof immediately subsequent to the execution of this deed by the Chargor consents thereto, acknowledges such notice and intimation and confirms that save under or pursuant to the Transaction Documents as at the date hereof it has not received notification of any other dealing with the Scottish Trust Property or the Scottish Declaration of Trust or any part thereof.
5. The parties hereby agree that all the obligations, undertakings, covenants, rights and powers specified and contained in the Deed of Charge which relate to the property referred to in and the security and other rights and powers created under and pursuant to Clause 4 (*Creation of Fixed Security*) of the Deed of Charge shall be deemed to be repeated herein and shall apply *mutatis mutandis* to the property referred to in Clause 3 hereof and the security and other rights and power created under and pursuant hereto and the security and the rights and powers created under and pursuant hereto and that the whole remaining terms of the Deed of Charge shall, except in so far as inconsistent herewith apply *mutatis mutandis* hereto provided always that this deed shall be without prejudice to the Deed of Charge and all of the rights, powers, obligations and immunities comprised therein and arising pursuant thereto, which shall remain in full force and effect notwithstanding this deed.
6. This deed shall be governed and construed in accordance with Scots law.

IN WITNESS WHEREOF these presents typewritten on this and the preceding one page are executed for and on behalf of the Chargor and the Seller as follows:

SUBSCRIBED for and on behalf of the said
LANDSDOWNE 199 LIMITED

.....
Signature of director	Name of director
.....
Signature of director	Name of director

SUBSCRIBED for and on behalf of the said
CAPITAL HOME LOANS LIMITED

.....
Signature of Authorised Signatory	Name of Authorised Signatory

in the presence of:

.....	Witness of Signature
.....	Witness Name
.....	Witness Address
.....	
.....	

SCHEDULE 4 FORM OF SCOTTISH SUB-SECURITY

We, **Lansdowne 199 Limited**, incorporated under the Companies Act 2006 in England and Wales (Registered Number 9387837) and having our Registered Office at 5th Floor, 6 St. Andrew Street, London EC4A 3AE (hereinafter referred to as the "**Chargor**")
CONSIDERING that:

1. We have entered into a deed of charge (hereinafter referred to as the "**Deed of Charge**") dated [•] 2016 between us, the Chargor, and Citicorp Trustee Company Limited, a company incorporated in England and Wales with unlimited liability (registered number [•]) having its principal office at [•] (hereinafter referred to as the "**Security Trustee**", which expression shall include such company and all other persons or companies for the time being acting as trustee or trustees under the Deed of Charge or this Deed);
2. In terms of the Deed of Charge we have agreed to grant this deed; and
3. Capitalised terms in this deed (including the recitals hereto) shall, except where the context otherwise requires and save where otherwise defined herein, bear the meanings ascribed to them in the facility agreement between, amongst others, the Chargor, the Security Trustee and Citibank NA., London Branch dated [•] 2016 and this deed shall be construed in accordance with the principles of interpretation and constructions set out therein:

NOW THEREFORE we the Chargor in security of the payment and discharge of all present and future monies, obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) constituting or comprised within the Secured Amounts and any variation or alteration thereof and in implement *pro tanto* of Clause 4.1 (*The Fixed Security*) of the Deed of Charge HEREBY GRANT a Standard Security in favour of the Security Trustee over ALL and WHOLE those Standard Securities granted by the respective parties whose names are specified in Column 3 of the Schedule annexed and executed as relative hereto in favour of the party specified in Column 2 of the said Schedule for all sums due and to become due over the subjects therein described, [registered/recorded] said respective Standard Securities in the [Land Register under the Title Number specified in the relative entry in Column 5 of the said Schedule/General Register of Sasines in the Register for the County specified in the relative entry in Column 5 of the said Schedule on the date specified in the relative entry in Column 6 of the said Schedule] (which said respective Standard Securities are hereinafter together referred to as the "**Principal Securities**"): Together with our whole right, title and interest, present and future therein and thereto: The Standard Conditions specified in Schedule 3 to the Conveyancing and Feudal Reform (Scotland) Act 1970 (the "**Standard Conditions**") and any lawful variation thereof operative for the time being shall apply except where otherwise stated or varied herein: And we agree that:

- (First) Conditions 1 to 7 (inclusive) of the Standard Conditions shall not apply to this Standard Security;
- (Second) the remaining Standard Conditions shall be varied to the effect that in so far as the provisions of the Deed of Charge (the terms of each of which shall be deemed to be incorporated herein) extend, add to, depart from or conflict with

the said Standard Conditions or the Deed of Charge (as the case may be) shall, subject to the provisions of the said Act, prevail and take effect;

- (Third) upon the occurrence of an Event of Default which is continuing we shall (in addition to the circumstances specified in the said Act) be deemed to be in default within the meaning of Condition 9(1)(b) of the Standard Conditions whereupon and without prejudice to its whole other rights and powers under the said Act or the Transaction Documents, the Security Trustee shall be entitled to enforce this Standard Security in accordance with the provisions of the said Act;
- (Fourth) without prejudice to the rights and remedies of the Security Trustee under the said Act or otherwise, in the event of our being in default hereunder (a) we shall on demand grant, execute and deliver a valid assignation of the Principal Securities or any of them in favour of the Security Trustee or any nominee of the Security Trustee and (b) the Security Trustee shall have power to uplift, receive, sue for and discharge all sums and liabilities due and to become due under the Principal Securities and to enforce all the rights and obligations contained or implied therein or thereby and to discharge the same in whole or in part and generally to do whatever is or may be or would, if this deed had not been granted, have been competent to us in respect thereof, and that without the consent of or notice to us and on such terms and conditions as the Security Trustee in its absolute discretion may determine, declaring that the exercise or otherwise by the Security Trustee of all or any of the powers hereby conferred shall be without prejudice to and shall in no way restrict or discharge the obligations undertaken by us herein or otherwise; and
- (Fifth) the security rights and interests created, made or given under this deed shall be held by the Security Trustee as trustee for the Secured Parties upon and subject to the terms and conditions of the Deed of Charge;

And we grant warrandice and we further ASSIGN to the Security Trustee in security of all monies, obligations and liabilities foresaid our whole right, title and interest in and to all and any personal bonds, credit agreements or agreements for loan (howsoever constituted) granted by or entered into with the said respective parties whose names are specified in Column 3 of the said Schedule and secured by the Principal Securities:

IN WITNESS WHEREOF these presents typewritten on this and the [one] preceding page are together with the Schedule annexed hereto executed at [•] on the [•] day of [•] as follows:

SUBSCRIBED for and on behalf of the said
Lansdowne 199 Limited

By

[specify name], as Director

and

[specify name], as Director

Schedule referred to in the foregoing Standard Security by Lansdowne 199 Limited in favour of Citicorp Trustee Company Limited

1	2	3	4	5	6
Account No.	Originator	Borrowers	Secured Property	Title No./ County	Registration/ Recording Date

Lansdowne 199 Limited

By

[*specify name*] Director

and

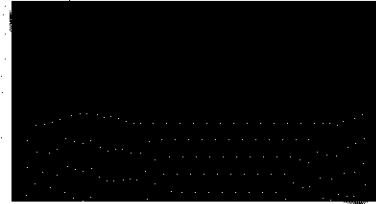
[*specify name*] Director

EXECUTION PAGE

The Chargor

**EXECUTED AS A DEED by
LANSDOWNE 199 LIMITED**
acting by a director
in the presence of:

)
)
)
)



Signature of witness:



Name (in BLOCK CAPITALS):

JANINA MOETIA-BLOOM

Address:

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

The Security Trustee

Executed as deed for and on behalf of:

**CITICORP TRUSTEE COMPANY
LIMITED**

By:

.....

Acting by its Attorney

Witnessed by:

EXECUTION PAGE

The Chargor

EXECUTED AS A DEED by
LANSDOWNE 199 LIMITED
acting by a director
in the presence of:

)
)
)
)

Signature of witness:

Name (in BLOCK CAPITALS):

Address:

The Security Trustee

Executed as deed for and on behalf of:

CITICORP TRUSTEE COMPANY
LIMITED

By:



Acting by its Attorney

Peter Wilson

Witnessed by:



John Kane
Vice President