



Registration of a Charge

Company name: **FETTER LANE APARTMENTS LIMITED**

Company number: **09479282**



X5H4B0AW

Received for Electronic Filing: **07/10/2016**

Details of Charge

Date of creation: **06/10/2016**

Charge code: **0947 9282 0001**

Persons entitled: **METROPOLITAN LIFE INSURANCE COMPANY**

Brief description: **ALL THAT LEASEHOLD PROPERTY KNOWN AS 139 FETTER LANE LONDON EC4A 1BT AS THE SAME IS REGISTERED AT THE LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER AGL350337 AND DEMISED BY A LEASE DATED 24 JULY 2015 MADE BETWEEN INGROVE LIMITED (1) AND FETTER LANE APARTMENTS LIMITED (2). FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) .

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 THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TAYLOR WESSING LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9479282

Charge code: 0947 9282 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th October 2016 and created by FETTER LANE APARTMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th October 2016 .

Given at Companies House, Cardiff on 10th October 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

DATED

6 October

2016

INGROVE LIMITED,
CLS CLIFFORDS INN LIMITED and FETTER LANE APARTMENTS LIMITED
as Chargors

METROPOLITAN LIFE INSURANCE COMPANY
as Security Trustee

COMPOSITE DEBENTURE

Execution version

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THIS DEBENTURE is made on 6 October 2016

BETWEEN

- (1) **INGROVE LIMITED**, a company incorporated in England and Wales with company number 02131692 (the "**First Chargor**"), **CLS CLIFFORDS INN LIMITED**, a company incorporated in England and Wales with company number 02112415 (the "**Second Chargor**") and **FETTER LANE APARTMENTS LIMITED**, a company incorporated in England and Wales with company number 09479282 (the "**Third Chargor**" and together with the First Chargor and the Second Chargor, the "**Chargors**" and each a "**Chargor**"); and
- (2) **METROPOLITAN LIFE INSURANCE COMPANY** as security trustee for the Secured Parties (the "**Security Trustee**").

AGREED TERMS

1. Definitions and Interpretation

1.1 Definitions

To the extent not defined herein, capitalised terms and expressions used in this deed shall have the same meanings as ascribed to them in the Facility Agreement and in this deed:

"**Administrator**" means any one or more persons appointed as an administrator of the Chargors (or any of them) by the Security Trustee under paragraph 14 of schedule B1 to the Insolvency Act;

"**Assigned Agreements**" means the agreements and other documents listed in schedule 3 (Assigned Agreements);

"**Borrower General Account**" has the meaning given to such term in the Facility Agreement;

"**Cash Lock-Up Account**" has the meaning given to such term in the Facility Agreement;

"**Charged Property**" means, in relation to each Chargor, all assets mortgaged, charged or assigned by such Chargor by this deed;

"**Construction Documents**" means the documents set out in Parts 1 and 2 of Schedule 2 (Construction Documents) and any building contract, appointment contract and sub-contractor appointment contract in respect of the construction and/or refurbishment of the Properties (or any of them) and any related collateral warranties granted in respect of the same, in each case to the extent that the benefit of such documents resides with the Chargors (or any of them) and each a "**Construction Document**";

"**Cure Account**" has the meaning given to such term in the Facility Agreement;

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

"Designated Account" means an account of a Chargor (including each of the Control Accounts) opened at the request of or with the consent of the Agent with an Account Bank or any other account which is opened in place of such account at the request of or with the consent of the Agent;

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

"Facility Agreement" means a facility agreement dated ~~30 September~~ 2016 made between the First Chargor (as borrower) (1), the Second Chargor and the Third Chargor (as guarantors) (2), Laxfield Capital Limited as arranger (3), the persons listed in schedule 1 thereto as original lenders (4), Metropolitan Life Insurance Company as agent for the Finance Parties (5) and the Security Trustee (6) as amended, varied, supplemented and/or restated from time to time;

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

"General Accounts" means each of the Borrower General Account, the First Guarantor General Account and the Second Guarantor General Account and each a **"General Account"**;

"Insolvency Act" means the Insolvency Act 1986;

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

"Interest Deposit Account" has the meaning given to such term in the Facility Agreement;

"Investment" means any:

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

owned by the Chargors (or any of them) and any offer, right or benefit in respect of any such investment other than Dividends;

"LPA" means the Law of Property Act 1925;

"Party" means a party to this deed;

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

"Proceeds Account" has the meaning given to such term in the Facility Agreement;

"Properties" means the properties described in schedule 1 (The Properties) and each a **"Property"**;

"Real Property" means:

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

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

"Rental Income Account" has the meaning given to such term in the Facility Agreement;

"Secured Obligations" means all obligations of the Chargors (or any of them) owed or expressed to be owed to the Secured Parties (or any of them) under or in connection with the Finance Documents whether owed jointly or severally, as principal or surety or in any other capacity; and

"Unblocked Accounts" means the General Accounts and each an **"Unblocked Account"**.

1.2 Interpretation

- (a) This deed is a Finance Document.
- (b) The provisions of clause 1.2 (Construction) of the Facility Agreement shall be deemed to be incorporated into this deed.
- (c) In this deed, unless a contrary indication appears:
 - (i) **"obligations"** means obligations and liabilities;
 - (ii) references to obligations and liabilities include the whole or any part of them, present and future, actual and contingent;
 - (iii) any reference to **"powers"** includes rights, powers, discretions and authorities; and
 - (iv) any reference to any asset includes any proceeds of sale of any such asset.

1.3 Construction of charging clause

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

1.4 Incorporation

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

2. Undertaking to Pay

Each Chargor undertakes with the Security Trustee to pay the Secured Obligations to the Security Trustee when due in accordance with the terms of the Finance Documents.

3. Fixed Security

As continuing security for the payment of the Secured Obligations each Chargor with full title guarantee:

- (a) charges to the Security Trustee, to the extent its interest is a legal interest, by way of legal mortgage all Real Property owned by such Chargor at the date of this deed including the Property listed against its name in schedule 1 (The Properties);
- (b) charges to the Security Trustee, to the extent its interest is a beneficial interest, by way of fixed security all Real Property owned by such Chargor at the date of this deed including the Property listed against its name in schedule 1 (The Properties);
- (c) charges to the Security Trustee by way of equitable mortgage its interest in any Real Property acquired by such Chargor after the date of this deed;
- (d) assigns to the Security Trustee by way of fixed security its rights and interest in all present or future Rental Income;
- (e) assigns to the Security Trustee by way of fixed security its rights and interest in any present or future compensation and damages for the compulsory purchase of, or any blight or disturbance affecting, any Real Property;
- (f) assigns to the Security Trustee by way of fixed security its rights and interest in:
 - (i) any present or future right to occupy any Real Property under licence;
 - (ii) rights under any present or future contract for the purchase or sale of any Real Property and any Related Rights;
- (g) assigns to the Security Trustee by way of equitable mortgage its rights and interest in:
 - (i) any present or future Investments owned by such Chargor;
 - (ii) any present or future Dividends in respect of any such Investments;
- (h) charges to the Security Trustee by way of fixed charge:
 - (i) its rights and interest in any present or future Plant and Equipment;
 - (ii) the benefit of all contracts, licences and warranties relating to the same;
- (i) charges to the Security Trustee by way of fixed charge its rights and interest in its present or future goodwill and uncalled capital;
- (j) charges to the Security Trustee by way of fixed charge its rights and interest in any present or future Debts owing to such Chargor;

- (k) charges to the Security Trustee by way of fixed charge its rights and interest in any present or future Intellectual Property;
- (l) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Rental Income Account;
- (m) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Cash Lock-Up Account;
- (n) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Cure Account;
- (o) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Proceeds Account;
- (p) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of the Interest Deposit Account;
- (q) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of each General Account;
- (r) charges to the Security Trustee by way of fixed charge its rights and interest in any money now or at any time after the date of this deed standing to the credit of any present or future account (other than the Control Accounts) opened by such Chargor;
- (s) charges to the Security Trustee by way of fixed charge its rights and interest in any proceeds arising from any Recovery Claims received by any Chargor;
- (t) charges to the Security Trustee by way of fixed charge its rights and interest in any present or future contract of insurance effected by or for the benefit of such Chargor and any Related Rights;
- (u) charges to the Security Trustee by way of fixed charge (to the extent not otherwise charged or assigned under this deed) the benefit of all licences, consents, agreements and Authorisations held or used in connection with the business of any Chargor or the use of any Chargor's assets;
- (v) assigns to the Security Trustee by way of fixed security its rights and interest in any agreement or arrangement it may enter into now or in the future with any person for the purpose of or in connection with the fixing, capping or hedging of the rate of interest payable by it in respect of any borrowing or indebtedness and any right or option to enter into any such agreement or arrangement;
- (w) assigns to the Security Trustee by way of fixed security its rights and interest in any Assigned Agreements and any Related Rights to the extent capable of assignment without infringing any provision of such agreement and if the terms of any Assigned Agreement require the consent of any party to such agreement to the assignment to the Security Trustee which consent has not been obtained at the date of this deed such assignment shall take effect immediately on such consent being obtained;

- (x) to the extent that any Assigned Agreement is not capable of assignment without infringing any provision of such agreement but is capable of being charged, charges to the Security Trustee by way of fixed security its rights and interest in such agreement and any Related Rights;
- (y) to the extent that any Assigned Agreement is not capable of assignment or charge without infringing any provision of such agreement, charges to the Security Trustee the proceeds of any Related Rights in respect of such agreement;
- (z) assigns to the Security Trustee by way of fixed security its rights and interest in the Construction Documents set out in Part 1 of Schedule 2 (Construction Documents) and any Related Rights to the extent capable of assignment without infringing any provision of such agreement and if the terms of any such Construction Document require the consent of any party to such agreement to the assignment to the Security Trustee which consent has not been obtained at the date of this deed such assignment shall take effect immediately on such consent being obtained;
- (aa) charges to the Security Trustee by way of fixed security its rights and interest in the Construction Documents set out in Part 2 of Schedule 2 (Construction Documents) and any Related Rights; and
- (bb) to the extent that any Construction Document is not capable of assignment or charge without infringing any provision of such agreement, charges to the Security Trustee the proceeds of any Related Rights in respect of such agreement.

4. Floating Security

4.1 Floating charge

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

4.2 Conversion

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

- (a) an Event of Default has occurred and is continuing; or
- (b) in the opinion of the Security Trustee (acting reasonably) such assets are at risk of becoming subject to any Security (other than a Security created pursuant to the Security Documents) or are otherwise at risk of ceasing to be within the ownership or control of a Chargor.

4.3 Moratorium under Insolvency Act

The Security Trustee shall not be entitled to convert the floating charge created by clause 4.1 (Floating charge) into a fixed charge as a result only of a Chargor obtaining a

moratorium or anything done with a view to obtaining a moratorium under s.1A of and schedule A1 to the Insolvency Act.

4.4 *Qualifying floating charge*

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

5. Notices of Assignment

5.1 *Notice of assignment of Rental Income and acknowledgement*

Each Chargor shall, if required by the Security Trustee, whilst an Event of Default is continuing, give notice of assignment of the Rental Income in the form set out in part 1 of schedule 4 (Notice of assignment to Tenant) to each tenant of its Property and shall use reasonable endeavours to procure that each such tenant executes and delivers to the Security Trustee an acknowledgement of such notice in the form set out in part 2 of schedule 4 (Notice of assignment to Tenant).

5.2 *Notice of charge of accounts other than the Unblocked Accounts*

Each Chargor shall give notice of the charge of each Control Account (other than the Unblocked Account) held in its name and any other account held in its name in the form set out in part 1 of schedule 5 (Form of notice to Account Bank (Accounts other than Unblocked Accounts)) to the relevant Account Bank and shall procure that the relevant Account Bank executes and delivers to the Security Trustee an acknowledgement of such notice in the form set out in part 2 of schedule 5 (Acknowledgement (Accounts other than Unblocked Accounts)).

5.3 *Notice of charge of Unblocked Accounts*

Each Chargor shall give notice of the charge of any Unblocked Account held in its name in the form set out in part 3 of schedule 5 (Form of notice to Account Bank (Unblocked Accounts)) to the Account Bank and shall procure that the Account Bank executes and delivers to the Security Trustee an acknowledgement of such notice in the form set out in part 4 of schedule 5 (Acknowledgement (Unblocked Accounts)).

5.4 *Notice of assignment of Assigned Agreements and relevant Construction Documents*

Each Chargor shall if required by the Security Trustee give notice of the assignment of any Assigned Agreement and any Construction Document set out in part 1 of schedule 2 (Construction Documents) to which, in each case, it is a party or in respect of which it has rights or obligations in the form set out in part 1 of schedule 6 (Notice re: Assigned Agreements) to the other party or parties to such Assigned Agreement or Construction Document and shall use reasonable endeavours to procure that such party or parties executes and delivers to the Security Trustee an acknowledgement of such notice in the form set out in part 2 of schedule 6 (Acknowledgement re: Assigned Agreements).

5.5 *Security Trustee may give notice*

Nothing in this clause 5 shall prevent the Security Trustee from giving any notice it considers necessary or desirable in relation to the Security created over any Charged Property if the Chargor has failed to comply with its obligations under this clause 5.

6. Debts

6.1 *Dealing with Debts*

Each Chargor shall:

- (a) use its reasonable endeavours (having regard exclusively to the interests of the Security Trustee) to realise the Debts and not give any release or waiver or do anything which may prejudice the collection and recovery of any of the Debts where such Debt is in excess of £10,000;
- (b) from time to time if required by the Security Trustee provide the Security Trustee with the names and addresses of the debtors of such Chargor and the amount of the Debts owing from each of them in excess of £10,000 and such other information relating to the Debts as the Security Trustee may reasonably require;
- (c) pay the proceeds of realisation of any Debt into a Designated Account in accordance with the terms of the Facility Agreement and not, subject to the terms of the Facility Agreement, withdraw any money from such Designated Account without first obtaining the consent in writing of the Security Trustee; and
- (d) permit the Account Bank to disclose to the Security Trustee from time to time upon request full details of all of such Chargor's accounts with such bank and any other information relating to such Chargor held by such bank.

6.2 *Notice of charge of Designated Account*

If the Account Bank is not the Security Trustee each Chargor shall give notice of the charge of the Designated Account to the Account Bank in the form set out in part 1 of schedule 5 (Form of notice to Account Bank (Accounts other than Unblocked Accounts)) and shall procure that the Account Bank executes and delivers to the Security Trustee an acknowledgement of the rights of the Security Trustee in respect of such account in the form set out in part 2 of schedule 5 (Acknowledgement (Accounts other than Unblocked Accounts)).

7. Investments

7.1 *Deposit of certificates*

Each Chargor shall deposit with the Security Trustee:

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

7.2 *Payment of money due*

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

7.3 *Nominees*

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

7.4 *Completion of transfers*

The Security Trustee may at any time following the occurrence of an Event of Default which is continuing complete any transfers of any Investment delivered to it under clause 7.1(c) (Deposit of certificates) in favour of itself or any nominee for it as transferee and may present the same for registration.

7.5 *Dividends and voting rights before Event of Default*

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

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

7.6 *Dividends and voting rights after Event of Default*

The Security Trustee shall be entitled to exercise each of the following rights at any time after this deed becomes enforceable in accordance with clause 10 (Enforcement of Security) and the Security Trustee gives notice of its intention to exercise such right itself:

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

7.7 *Security Trustee may give up voting rights*

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

7.8 *Dematerialisation*

Following the occurrence of an Event of Default which is continuing, upon the written request of the Security Trustee each Chargor must promptly take all action required for the rematerialisation of any Investment forming part of the Charged Property held in dematerialised form in a clearance system.

8. Negative undertakings

8.1 *Negative pledge*

No Chargor shall create or permit to subsist any Security over any of its Charged Property other than in accordance with clause 23.3(b) (Negative pledge) of the Facility Agreement.

8.2 *Disposals*

No Chargor shall sell, transfer, lease or otherwise dispose or purport or agree to dispose of:

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

in each case other than in accordance with clause 23.4 (b) (Disposals) of the Facility Agreement

9. Undertakings relating to the Charged Property

9.1 *Proprietorship*

No Chargor shall permit any person:

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

9.2 *Identification plate*

Each Chargor shall if so requested by the Security Trustee:

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

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge in favour of Metropolitan Life Insurance Company."; and/or

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

9.3 Powers of leasing

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

9.4 The Assigned Agreements

Save as permitted under the Facility Agreement, each Chargor shall:

- (a) comply with the provisions of each Assigned Agreement and not do or omit to do anything which might result in any impairment of any of the rights and benefits assigned by this deed; and
- (b) take all reasonable and practicable steps to preserve and enforce its rights and remedies under or in respect of the Assigned Agreement.

9.5 No assumption of obligations

The Security Trustee will not be liable to comply with the obligations assumed by the Chargors (or any of them) under any Assigned Agreement or in respect of any of the Charged Property and the Security Trustee will not be under any obligation or liability by reason of, or arising out of, this deed nor will the Security Trustee be required to make any enquiry as to the nature or sufficiency of any payment received by the Security Trustee or to present or file any claim or take any other action to collect or enforce the payment of any amount or to enforce any other right to which the Security Trustee may be entitled by virtue of this deed at any time.

9.6 Failure to comply

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

10. Enforcement of Security

10.1 Security Trustee's powers

On the occurrence of an Event of Default which is continuing or if the Chargors requests that the Security Trustee exercises any of its powers under this clause 10.1, this deed shall become enforceable and the Security Trustee may immediately or at any time thereafter:

- (a) appoint one or more persons as an Administrator of the Chargors (or any of them) in accordance with schedule B1 to the Insolvency Act;
- (b) exercise the power of sale and all other powers conferred by s101 of the LPA as varied or extended by this deed;
- (c) subject to clause 4.3 (Moratorium under Insolvency Act), by written notice to the Chargors convert the floating charge created by clause 4.1 (Floating Charge) into a fixed charge as regards any assets specified in the notice;
- (d) make any lease or agreement for lease or accept surrenders of leases and grant options on such terms as it thinks fit without needing to comply with Sections 99 and 100 of the LPA;
- (e) subject to s72A of and paragraph 43 of Schedule A1 to the Insolvency Act, appoint one or more persons as a Receiver of any Charged Property;
- (f) exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act;
- (g) by notice to the relevant Chargor end such Chargor's right to possession of all or any Real Property forming part of the Charged Property and enter into possession of all or such part of such Real Property;
- (h) secure and perfect its title to all or any part of the Charged Property and/or transfer any asset into the name of its nominee;
- (i) to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Charged Property which constitutes "financial collateral" as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Obligations and the Security Trustee shall value such Charged Property by reference to an independent valuation or other procedure selected by the Security Trustee acting reasonably.

10.2 *Powers under the LPA*

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

10.3 *Administrators*

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

10.4 *Receivers*

- (a) The Security Trustee may appoint any Receiver in respect of the Chargors (or any of them) upon such terms as to remuneration and otherwise as the Security Trustee thinks fit and the maximum rate specified in s109(6) of the LPA shall not apply.
- (b) Any Receiver will be the agent of the relevant Chargor for all purposes and such Chargor will be responsible for such Receiver's acts and defaults and for his

remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Security Trustee.

- (c) Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally.
- (d) The Security Trustee may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Security Trustee appoints any other person as Receiver in his place.

11. Powers of Receiver and Security Trustee

11.1 Statutory powers

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

11.2 Additional powers

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

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

and may use the name of the Chargors (or any of them) in connection with any exercise of such powers.

11.3 Consideration

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

11.4 Prior encumbrances

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

11.5 *Possession*

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

12. **Exclusion of Liability**

12.1 *No obligation to recover*

None of the Security Trustee, any Receiver or any Delegate is under any obligation to take action to collect any money or enforce any rights comprised in the Charged Property whether or not it is in possession of the relevant Charged Property.

12.2 *Liability as mortgagee in possession*

If the Security Trustee, any Receiver or any Delegate takes possession of any Charged Property, it will not be liable to account to the Chargors (or any of them) for anything except actual receipts or be liable to the Chargors for any loss arising from any realisation of any Charged Property or for any default or omission for which a receiver or mortgagee in possession would be liable (other than where such loss, default or omission is a consequence of the fraud, gross negligence or wilful default of the Security Trustee, Receiver or Delegate).

12.3 *Losses on enforcement*

No Secured Party will be liable to the Chargors (or any of them) for any loss or damage arising from:

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

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of such Secured Party.

13. **Application of Proceeds**

13.1 *Order of application*

Subject to clause 13.2 (Prospective liabilities) and to claims having priority to the Security created by this deed and by way of variation to the provisions of the LPA, all amounts from time to time received or recovered by the Security Trustee in connection with the realisation or enforcement of all or any part of the Security constituted by this deed (for the purposes of this clause the "**Recoveries**") shall be held by the Security Trustee on trust for the Secured Parties to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause), in the following order:

- (a) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of this deed and of all outgoings properly payable by any Secured Party;

- (b) in payment of remuneration to any Receiver;
- (c) in or towards satisfaction of the Secured Obligations in accordance with the Facility Agreement; and
- (d) the balance (if any) will be applied as required by law.

13.2 *Prospective liabilities*

Until all Secured Obligations have been irrevocably paid in full, the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee (or at its option the name of any other Secured Party any of whose Secured Obligations are at that time still contingent) with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under clause 13.1 (Order of Application) in respect of:

- (a) any sum owing to the Security Trustee, any Receiver or any Delegate; and
- (b) any part of the Secured Obligations,

that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future.

13.3 *Investment of proceeds*

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

13.4 *Currency Conversion*

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

13.5 *Permitted Deductions*

The Security Trustee shall be entitled, in its discretion:

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

(other than in connection with its remuneration for performing its duties under the Facility Agreement).

14. Protection of Persons Dealing with Security Trustee or Receiver or Delegate

14.1 No person dealing with the Security Trustee or any Receiver or Delegate will be concerned to enquire:

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

15. Notice of Subsequent Charge

If any Finance Party receives notice of any subsequent Security or other interest affecting any Charged Property:

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

16. Further Assurance

When required by the Security Trustee or any Receiver each Chargor shall, at its own cost:

- (a) execute a charge by way of legal mortgage, assignment by way of security or fixed charge over any assets of such Chargor and such legal mortgage, assignment or charge shall secure the Secured Obligations and contain a power of sale which arises immediately upon execution, provisions excluding s93 of the LPA and the restrictions contained in s103 of the LPA and such other provisions including any similar to those in this deed as the Security Trustee may reasonably require;
- (b) execute any documents or do any other thing which the Security Trustee or any Receiver may (acting reasonably) require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Security Trustee or any Receiver under this deed; and
- (c) convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Security Trustee or any Receiver may require in connection with any enforcement of any Security created by this deed.

17. Power of Attorney by Chargors

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

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

where either:

- (i) the Security created by this deed has become enforceable; or
- (ii) such Chargor has failed to do anything which the Chargor is obliged to do under this deed and that Chargor has been notified in writing by the Security Trustee of such failure.

18. Discharge of Security

Any discharge of the Chargors (or any of them) by the Security Trustee in reliance on a payment or security received by the Security Trustee will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Security Trustee will be entitled to recover from the Chargors on demand the amount of the Secured Obligations discharged by such payment or security.

19. Redemption

If the Security Trustee determines in accordance with the Facility Agreement that all of the Secured Obligations have been fully and finally discharged and none of the Secured Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents the Security Trustee shall release, without recourse or warranty:

- (a) all of the Security constituted by this deed; and
- (b) the rights of the Security Trustee under this deed

and shall procure the reassignment, retransfer or reconveyance to the relevant Chargor of the property and assets assigned to the Security Trustee pursuant to this deed (including, at the cost of the relevant Chargor, executing such notices and directions to any persons as the relevant Chargor may reasonably require in order to give effect to such releases and reassignment)

20. Miscellaneous

20.1 Role of Security Trustee

The Security Trustee holds the benefit of this deed as trustee for the Secured Parties on the terms set out in the Facility Agreement.

20.2 *Possession*

Each Chargor shall be entitled to possession of any Real Property forming part of the Charged Property until termination of such right by the Security Trustee under clause 10.1 (Security Trustee's powers).

20.3 *Third Party Rights*

- (a) Unless expressly provided to the contrary, a person who is not a party to this deed has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this deed.
- (b) Notwithstanding any term of this deed, the consent of any person other than the Chargors and the Security Trustee is not required to rescind or vary this deed at any time.
- (c) A Secured Party may, subject to this clause 20.3 and the Third Parties Act, rely on any provision of this deed which expressly confers rights on it.

20.4 *Continuing Security*

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

20.5 *Other Security*

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

20.6 *Consolidation*

The restrictions on the right of consolidating mortgage securities contained in s.93 of the LPA will not apply to this deed.

20.7 *Land Registry Consent*

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

"No disposition 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 the restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge [date] in favour of Metropolitan Life Insurance Company referred to in the charges register [or [their conveyancer or specify appropriate details]]."

20.8 *Liability Joint and Several*

The liability of the Chargors under this deed is joint and several.

20.9 Counterparts

- (a) This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this deed.
- (b) This document takes effect as a deed notwithstanding the fact that one party may only execute this document under hand.

21. Law

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

22. Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed) and a dispute regarding a non-contractual obligation referred to in clause 21 (Law) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly none of them will argue to the contrary.
- (c) This clause is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed by each of the Chargors and signed on behalf of the Security Trustee on the date shown at the beginning of this deed

SCHEDULE 1

The Properties

	Chargor	Property
1.	Ingrove Limited	All that freehold property known as Clifford's Inn Fetter Lane London EC4A 1LD and registered at the Land Registry with title absolute under title number 80806.
2.	CLS Cliffords Inn Limited	All that leasehold property known as 138 Fetter Lane London EC4A 1BT as the same is registered at the Land Registry with title absolute under title number AGL349481 and demised by a lease dated 19 June 2015 made between Ingrove Limited (1) and CLS Cliffords Inn Limited (2).
3.	Fetter Lane Apartments Limited	All that leasehold property known as 139 Fetter Lane London EC4A 1BT as the same is registered at the Land Registry with title absolute under title number AGL350337 and demised by a lease dated 24 July 2015 made between Ingrove Limited (1) and Fetter Lane Apartments Limited (2).

SCHEDULE 2

Construction Documents

Part 1

Construction Documents to be assigned by way of security

Building contract dated 6 September 2013 between Ingrove Limited and Vinci Construction UK Limited.

Part 2

Construction Documents to be charged

None as at the date of this deed

SCHEDULE 3

Assigned Agreements

1. Each Lease;
2. Each Headlease;
3. Each Management Agreement;
4. Each Subordinated Loan Agreement;
5. Loan agreement dated 12 September 2016 made between Ingrove Limited (as lender) and NYK Investments Limited (as borrower).
6. Loan agreement dated 19 September 2016 made between Ingrove Limited (as lender) and Fetter Lane Apartments Limited (as borrower).
7. Any other document designated as a Transaction Document (other than the Finance Documents and the Construction Documents) by the Agent and the First Chargor; and
8. Any other present or future agreement relating to the acquisition, construction, design, development, refurbishment, repair, letting, marketing, management, operation, servicing and use of the whole or any part of the Properties (or any of them).

SCHEDULE 4

Part 1

Notice of Assignment to Tenant

To: []

[Date]

Dear Sirs

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

We give you notice by a composite debenture dated [] entered into between, inter alia, us and Metropolitan Life Insurance Company (the "**Security Trustee**"), we have assigned to the Security Trustee all our rights and interest in all amounts now or at any time in the future payable to us under or in connection with the Lease including but not limited to each of the following amounts:

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

(together the "**Rental Income**").

We irrevocably instruct and authorise you notwithstanding any previous instructions which we may have given to you to the contrary to pay all Rental Income to our account at [] (Account No. [] under reference [] (the "**Rental Income Account**")[**Collection Account**"]) or to such other account and/or bank as may from time to time be notified to you by the Security Trustee all moneys forming part of the Rental Income and otherwise to act in accordance with the instructions of the Security Trustee in connection with the Rental Income.

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

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

Yours faithfully,

[relevant Chargor]

Part 2

Acknowledgement

To: []

[Date]

Dear Sirs

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

We acknowledge and confirm that:

9. we will pay the Rental Income into the [Rental Income][Collection] Account or to such other account and/or bank as the Security Trustee may from time to time notify to us;
10. we have not, as at the date of this letter, received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Rental Income.

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

Yours faithfully,

[]

SCHEDULE 5

Part 1

Form of notice to Account Bank (Accounts other than Unblocked Accounts)

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

Dated: []

Dear Sirs

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

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

We irrevocably authorise and instruct you until you receive written notice from the Security Trustee to the contrary:

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

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

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

Yours faithfully,

[]

Part 2

Acknowledgement (Accounts other than Unblocked Accounts)

To: []

[Date]

Dear Sirs,

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

We acknowledge and confirm that:

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

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

Yours faithfully,

[]

Part 3

Form of notice to Account Bank (Unblocked Accounts)

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

Dated: []

Dear Sirs

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

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

We irrevocably authorise and instruct you:

1. to disclose to the Security Trustee any information relating to the Chargor and the Charged Account which the Security Trustee may from time to time request you to provide;
2. following receipt of notice from the Security Trustee that the security over the Charged Account has become enforceable:
 - (a) to pay all or any part of monies from time to time standing to the credit of the Charged Account to the Security Trustee (or as it may direct) promptly following receipt of written instructions from the Security Trustee to that effect; and
 - (b) not to permit the Chargor to receive, withdraw or otherwise transfer any credit balance from time to time on the Charged Account without first obtaining the consent in writing of the Security Trustee.

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

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

Yours faithfully,

[]

Part 4

Acknowledgement (Unblocked Accounts)

To: []

[Date]

Dear Sirs

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

We acknowledge and confirm that:

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

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

Yours faithfully,

[]

SCHEDULE 6

Part 1

Notice re Assigned Agreement

To: []

[Date]

Dear Sirs,

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

We give you notice that by a composite debenture dated [] (the "**Debenture**") entered into between inter alia, us and Metropolitan Life Insurance Company (the "**Security Trustee**") we have assigned to the Security Trustee all our present and future rights and interest in:

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

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

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

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

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

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

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

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

Yours faithfully,

[relevant Chargor]

Part 2

Acknowledgement re Assigned Agreements

To: []

[Date]

Dear Sirs,

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

We acknowledge and confirm that:

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

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

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

Yours faithfully,

[]

WITNESSED BY
[]
[]
[]

EXECUTION PAGES

THE CHARGORS


EXECUTED by
INGROVE LIMITED
acting by a director
in the presence of:

)
)
) X



Director

Witness signature:


R. WAKLEY

Witness name:

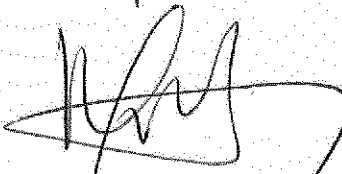
CLSH Management Ltd

Address:

86 Bondway
London
SW8 1SF


EXECUTED by
CLS CLIFFORDS INN LIMITED
acting by a director
in the presence of:

)
)
) X



Director

Witness signature:


R. WAKLEY

Witness name:

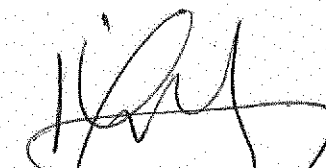
CLSH Management Ltd

Address:

86 Bondway
London
SW8 1SF

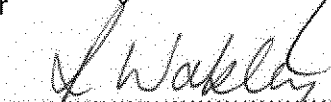
EXECUTED by
FETTER LANE APARTMENTS
LIMITED acting by a director
in the presence of:

)
)
) X



Director

Witness signature:


R. WAKLEY

Witness name:

CLSH Management Ltd

Address:

86 Bondway
London
SW8 1SF

THE SECURITY TRUSTEE

SIGNED for and on behalf of
METROPOLITAN LIFE INSURANCE COMPANY
in its capacity as Security Trustee

)
)
)

