



Registration of a Charge

Company name: **BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED**
Company number: **09948722**



X77LE66J

Received for Electronic Filing: **07/06/2018**

Details of Charge

Date of creation: **07/06/2018**
Charge code: **0994 8722 0002**
Persons entitled: **THE COUNCIL OF THE CITY OF MANCHESTER**
Brief description:
Contains fixed 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 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: **DWF LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9948722

Charge code: 0994 8722 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 7th June 2018 and created by BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 7th June 2018 .

Given at Companies House, Cardiff on 11th June 2018

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

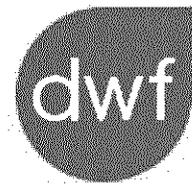


Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Execution Version



7 JUNE 2018

(1) BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED as Chargor

and

(2) THE COUNCIL OF THE CITY OF MANCHESTER as Lender

THIRD PARTY CHARGE OVER SECURITIES

**DWF LLP
1 Scott Place
2 Hardman Street
Manchester
M3 3AA**

CONTENTS

1. Definitions and Interpretation	1
2. Nature of Security	4
3. Fixed Security	4
4. Continuing Security	4
5. Liability of Chargor relating to Security Assets	5
6. Representations	5
7. Undertakings by the Chargor	6
8. Power to Remedy	8
9. When Security becomes Enforceable	9
10. Enforcement of Security	9
11. Receiver	11
12. Powers Of Receiver	12
13. Application Of Proceeds	13
14. Set-Off	14
15. Delegation	15
16. Further Assurances	15
17. Power of Attorney	16
18. Currency Conversion	16
19. Changes to the Parties	16
20. Miscellaneous	16
21. Notices	17
22. Calculations and Certificates	18
23. Partial Invalidity	18
24. Remedies and Waivers	18
25. Amendments and Waivers	18
26. Counterparts	18
27. Release	18
28. Governing Law	19
SCHEDULE	20
Charged Securities	20

THIS THIRD PARTY CHARGE OVER SECURITIES is dated 7 JUNE 2018 and is made between:

- (1) **BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED** a limited company registered in England and Wales (registered number 09948722) whose registered office is at Middleton House, Westland Road, Leeds, West Yorkshire LS11 5UH (the **Chargor**); and
- (2) **THE COUNCIL OF THE CITY OF MANCHESTER** for itself and as security trustee for each Finance Party (as defined in this Deed) (the **Lender**).

TERMS AGREED

1. Definitions and Interpretation

1.1 Definitions

In this Deed terms defined in, or construed for the purposes of, the Facility Agreement have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed) and the following terms have the following meanings:

Act	means the Law of Property Act 1925;
Borrower	means BLG (Burlington House) Limited (company number 11284761) whose registered office is at Middleton House, Westland Road, Leeds, West Yorkshire LS11 5UH;
Charged Investments	means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;
Charged Securities	means: <ol style="list-style-type: none">(a) the securities specified in the schedule to this Deed (<i>Charged Securities</i>); and(b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or investments (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time;
Default Rate	means the rate of interest determined in accordance with clause 8.5 of the Facility Agreement;
Delegate	means any delegate, agent, attorney or co-trustee appointed by the Lender;
Facility Agreement	means the facility agreement dated the same date as this Deed

and made between (1) the Borrower and (2) the Lender pursuant to which the Lender agreed to make certain facilities available to the Borrower;

Finance Party

means each of the following:

- (a) the Lender; and
- (b) following any assignment, novation or transfer to it of any of the Lender's rights and/or obligations in respect of the Secured Liabilities, the Greater Manchester Combined Authority;

Party

means a party to this Deed;

Receiver

means a receiver or receiver and manager appointed by the Lender of the whole or any part of the Security Assets;

Related Rights

means, in relation to any Charged Security:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

Secured Liabilities

means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Borrower to each Finance Party under or pursuant to the Finance Documents from time to time and all present and future obligations and liabilities of the Chargor to the Lender under this Deed);

Security

means a mortgage, charge, pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Security Assets

means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed; and

Security Period

means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and the Lender is under no actual or contingent obligation to

advance or provide any credit or other facilities to the Borrower or the Chargor whether under the Facility Agreement or otherwise.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
- (i) the **Chargor**, the **Lender**, any **Finance Party** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees in accordance with the Finance Documents;
 - (ii) **this Deed**, the **Facility Agreement**, any other **Finance Document** or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or any other Obligor or provides for further advances);
 - (iii) **Secured Liabilities** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor or any other Obligor;
 - (iv) **reasonable endeavours** includes payment by the relevant person of all its own and any third party's reasonable costs, fees and expenses;
 - (v) **including** or **includes** means including or includes without limitation; and
 - (vi) **this Security** means the Security created or evidenced by or pursuant to this Deed.
- (b) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
- (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Lender as security trustee for each Finance Party.
- (c) If the Lender reasonably considers that an amount paid by the Chargor or any other Obligor to the Lender under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or any other Obligor then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (d) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 Delivery

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed.

2. Nature of Security

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

- (a) in favour of the Lender as security trustee for each Finance Party;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Liabilities.

3. Fixed Security

3.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest by way of first fixed charge:

- (a) the Charged Securities referred to in the schedule to this Deed (*Charged Securities*); and
- (b) all other Charged Securities (not charged by clause 3.1(a)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;

4. Continuing Security

4.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

4.2 Additional and Separate security

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

4.3 **Rights to enforce**

This Deed may be enforced against the Chargor without the Lender first having recourse to any other right, remedy guarantee or Security held by or available to the Lender.

4.4 **Protections**

The Security created by this Deed and the obligations and liabilities of the Chargor under this Deed shall not be discharged or affected by:

- (a) any time, indulgence or consent at any time given to the Borrower or any other person;
- (b) any amendment to any of the terms and conditions of or variation in the amount of the Secured Liabilities;
- (c) the making or absence of any demand on the Borrower or any other person for payment;
- (d) the enforcement or absence of enforcement of any Secured Liabilities or any other Security, guarantee or indemnity;
- (e) the release of any Security, guarantee or indemnity provided in respect of any Secured Liabilities or any other security, guarantee, or indemnity;
- (f) the liquidation, administration or other insolvency event of the Borrower or any other person;
- (g) the illegality, invalidity or unenforceability of or any defect in the Secured Liabilities or any of the obligations of the Borrower or any other person;
- (h) any act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor or obligor instead of surety or guarantor or by anything done or omitted by any person which but for this provision might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Deed; or
- (i) any other act, omission or circumstance which but for this provision would or might constitute a legal or equitable defence for or discharge of a surety or guarantor.

5. **Liability of Chargor relating to Security Assets**

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

6. **Representations**

6.1 **General**

The Chargor makes the representations and warranties set out in this clause 6 to the Lender.

6.2 Ownership of Security Assets

The Chargor is the sole legal and beneficial owner of all of the Security Assets identified against its name in the schedule to this Deed (*Charged Securities*).

6.3 Charged Securities

The Charged Securities listed in the schedule to this Deed (*Charged Securities*) constitute the entire share capital owned by the Chargor in the relevant company and constitute the entire share capital of each such company at the date of this Deed.

6.4 Time when representations made

- (a) All the representations and warranties in this clause 6 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor:
 - (i) on each Utilisation Date; and
 - (ii) on the first day of each Interest Period.
- (b) Each representation of warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation warranty is deemed to be made.

7. Undertakings by the Chargor

7.1 Negative pledge and disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Lender:

- (a) create or permit to subsist any Security on any Security Asset except as expressly permitted under the Facility Agreement; or
- (b) sell, transfer or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except as expressly permitted under the Facility Agreement).

7.2 Deposit of documents and notices

The Chargor shall, unless the Lender otherwise confirms in writing (and without prejudice to clause 7.3(a)), deposit with the Lender all certificates and other documents of title or evidence of ownership relating to the Security Assets (each of which the Lender may hold throughout the Security Period).

7.3 Charged Investments - protection of security

- (a) The Chargor shall, immediately upon execution of this Deed or (if later) as soon as is practicable after its acquisition of any Charged Securities, by way of security for the Secured Liabilities:

- (i) deposit with the Lender all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and
 - (ii) execute and deliver to the Lender:
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated); and/or
 - (B) such other documents as the Lender shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).
- (b) The Chargor shall:
- (i) promptly give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in a form the Lender may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Lender may require.
- (c) The Chargor shall promptly pay all calls or other payments which may become due in respect of its Charged Investments.
- (d) The Chargor shall not nominate another person to enjoy or exercise all or any specified rights of the Chargor in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise.
- (e) Without limiting its obligations under the Facility Agreement, the Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision relating to the Charges Investments and, if it fails to do so, the Lender may provide such information as it may have on behalf of the Chargor.

7.4 Rights of the Parties in respect of Charged Investments

- (a) Subject to the terms of the Finance Documents, until a Default occurs, the Chargor shall be entitled to:
- (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by the Finance Documents; or

- (B) is prejudicial to the interests of the Lender.
- (b) At any time following the occurrence of a Default which is continuing, the Lender may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.
- (c) At any time when any Charged Security is registered in the name of the Lender or its nominee, the Lender shall be under no duty to:
- (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee;
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security.

7.5 Security Assets generally

The Chargor shall:

- (a) notify the Lender within 14 days of receipt of every material notice, order, requirement or proposal given or made in relation to the Security Assets by any person, and (if required by the Lender):
 - (i) immediately provide it with a copy of the same; and
 - (ii) either (A) comply with such notice, order, requirement or proposal or (B) make such objections to the same as the Lender may require or approve,
- (b) comply with all covenants and obligations affecting any Security Asset (or its manner of use);
- (c) not, except with the prior written consent of the Lender, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Facility Agreement);
- (d) provide the Lender with all information which it may reasonably request in relation to the Security Assets; and
- (e) not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

8. Power to Remedy

8.1 Power to Remedy

If at any time the Chargor does not comply with any of its obligations under the Finance Documents, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor

irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

8.2 Mortgagee in possession

The exercise of the powers of the Lender under this clause 8 shall not render it liable as a mortgagee in possession.

8.3 Monies Expended

The Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 8, together with interest at the Default Rate from the date on which those monies were expended by the Lender (both before and after judgment).

9. When Security becomes Enforceable

9.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

9.2 Statutory Powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

9.3 Enforcement

After this Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

10. Enforcement of Security

10.1 General

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

10.2 Powers of leasing

The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with section 99 or 100 of the Act

10.3 Powers of Lender

At any time after this Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Lender may without further notice (unless required by law):

- (a) appoint any person (or persons) to be a receiver or receiver and manager of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (c) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them.

10.4 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Lender may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.
- (b) All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Lender on demand.

10.5 Privileges

- (a) Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute **financial collateral** and this Deed and the obligations of the Chargor under this Deed constitute a **security financial collateral arrangement** (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003) (SI 2003 No 3226) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (c) For the purpose of clause 10.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

10.6 No liability

- (a) Neither the Lender nor any Receiver shall be liable:

- (i) in respect of all or any part of the Security Assets; or
 - (ii) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 10.6(a), neither the Lender nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

10.7 Protection of third parties

No person (including a purchaser) dealing with the Lender or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Lender or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to the Lender or to the Receiver is to be applied.

11. Receiver

11.1 Removal and Replacement

The Lender may from time to time remove any Receiver appointed by it and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

11.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

11.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender).

11.4 Payment by Receiver

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

11.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

12. Powers Of Receiver

12.1 General Powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Lender by clause 10.3 (Powers of Lender);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act; and
- (c) all powers which are conferred by any other law conferring power on receivers.

12.2 Additional Powers

In addition to the powers referred to in clause 12.1 (*General Powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation;
 - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by transferring, or assigning the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;

- (f) to take any such proceedings (in the name of any of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed;
- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (h) to form one or more Subsidiaries of the Chargor and to transfer to any such Subsidiary all or any part of the Security Assets; and
- (i) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of the Chargor for any of the above purposes.

13. Application Of Proceeds

13.1 Application

All monies received by the Lender or any Receiver after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in the following order:

- (a) first, in satisfaction of, or provision for, any sums owing to the Lender, any Receiver or any Delegate;
- (b) secondly, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Lender in connection with any realisation or enforcement of this Security taken in accordance with the terms of any Finance Document;
- (c) thirdly, in or towards satisfaction of the remaining Secured Liabilities in accordance with clause 13.3 (*Appropriation and suspense account*); and
- (d) fourthly, in payment of any surplus to the Chargor or other person entitled to it.

13.2 Contingencies

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Lender may determine).

13.3 Appropriation and suspense account

- (a) Subject to clause 13.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Chargor.
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate (if any) as the Lender may determine without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Liabilities unless such monies would clear all Secured Liabilities in full.

14. Set-Off

14.1 Set-off rights

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Borrower or the Chargor and unpaid against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) At any time after this Security has become enforceable (and in addition to its rights under clause 14.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by the Borrower or the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

14.2 Time deposits

Without prejudice to clause 14.1 (Set-off), if any time deposit matures on any account which the Chargor has with the Lender at a time within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Lender in its absolute discretion considers appropriate unless the Lender otherwise agrees in writing.

15. Delegation

Each of the Lender and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Lender nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. Further Assurances

16.1 Further Action

The Chargor shall at its own expense, immediately do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law; or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Security Document.
- (e) This includes:
 - (i) the re-execution of this Deed or such Security Document;
 - (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee; and
 - (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient.

16.2 Finance Documents

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

16.3 **Specific security**

Without prejudice to the generality of clause 16.1 (*Further Action*), the Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed.

17. **Power of Attorney**

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of this Security has occurred which the Chargor is obliged to take under this Deed, including under clause 16 (Further assurances) or, if no Event of Default is continuing, which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

18. **Currency Conversion**

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange. The Chargor shall indemnify the Lender against all costs, charges and expenses incurred in relation to such conversion. Neither the Lender nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

19. **Changes to the Parties**

19.1 **Chargor**

The Chargor may not assign any of its rights or obligations under this Deed or agree or attempt to do so.

19.2 **Lender**

The Lender may assign or transfer all or any part of its rights under this Deed to any person to whom it may assign or transfer all or any of its rights and/or obligations under the Facility Agreement. The Chargor shall, immediately upon being requested to do so by the Lender, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

20. **Miscellaneous**

20.1 **New Accounts**

(a) If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Security) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the Chargor and/or the Borrower. If it does not open a

new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.

- (b) As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Liabilities.

20.2 Tacking

- (a) The Lender shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

21. Notices

21.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

21.2 Addresses

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

- (a) in the case of the Chargor:

Address: the address stated at the beginning of this Deed;

Attention: Finance Director; and

- (b) in the case of the Lender:

Address: Town Hall, Albert Square, Manchester M60 2LA;

Attention: The City Solicitor,

or any substitute address (in the United Kingdom) or department or officer as a Party may notify to the other Parties by not less than 5 Business Days' notice.

21.3 Delivery

- (a) Any communication or document made or delivered by a Party to the other Party under or in connection with this Deed will only be effective when it has been left at the relevant address or 2 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under clause 21.2 (Addresses), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly

marked for the attention of the department or officer identified above (or any substitute department or officer as the Lender shall specify for this purpose).

22. Calculations and Certificates

Any certificate of or determination by the Lender specifying the amount of any Secured Liability due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

23. Partial Invalidity

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

25. Amendments and Waivers

Any provision of this Deed may be amended only if the Lender and the Chargor or the Chargor on their behalf so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

26. Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

27. Release

27.1 Release

Upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

27.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the

faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

28. Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law and the Chargor agrees that:

- (a) the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a **Dispute**);
- (b) the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary; and

This clause 28 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Lender and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE

Charged Securities

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Belgravia Living (Burlington House) Limited	BLG (Burlington House) Limited	Ordinary £1.00 shares	100	100 ordinary shares of £1.00 each

EXECUTION PAGE

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1 by)

BELGRAVIA LIVING (BURLINGTON HOUSE))

LIMITED acting by:)

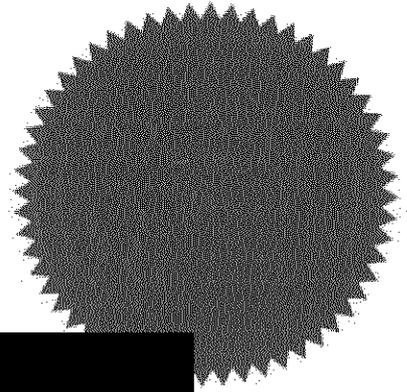
Director _____

Witness signature: _____

Witness name: _____

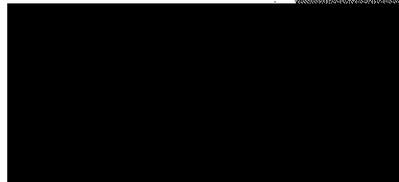
Witness address: _____

01096177

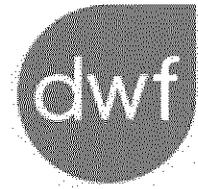


THE LENDER

**THE COMMON SEAL of THE
COUNCIL OF THE CITY OF
MANCHESTER** was hereunto
affixed pursuant to an Order
of the Council of the said City



Execution Version



7 JUNE 2018

(1) **BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED as Chargor**

and

(2) **THE COUNCIL OF THE CITY OF MANCHESTER as Lender**

THIRD PARTY CHARGE OVER SECURITIES

**DWF LLP
1 Scott Place
2 Hardman Street
Manchester
M3 3AA**

CONTENTS

1. Definitions and Interpretation	1
2. Nature of Security	4
3. Fixed Security	4
4. Continuing Security	4
5. Liability of Chargor relating to Security Assets	5
6. Representations	5
7. Undertakings by the Chargor	6
8. Power to Remedy	8
9. When Security becomes Enforceable	9
10. Enforcement of Security	9
11. Receiver	11
12. Powers Of Receiver	12
13. Application Of Proceeds	13
14. Set-Off	14
15. Delegation	15
16. Further Assurances	15
17. Power of Attorney	16
18. Currency Conversion	16
19. Changes to the Parties	16
20. Miscellaneous	16
21. Notices	17
22. Calculations and Certificates	18
23. Partial Invalidity	18
24. Remedies and Waivers	18
25. Amendments and Waivers	18
26. Counterparts	18
27. Release	18
28. Governing Law	19
SCHEDULE	20
Charged Securities	20

THIS THIRD PARTY CHARGE OVER SECURITIES is dated 7 JUNE 2018 and is made between:

- (1) **BELGRAVIA LIVING (BURLINGTON HOUSE) LIMITED** a limited company registered in England and Wales (registered number 09948722) whose registered office is at Middleton House, Westland Road, Leeds, West Yorkshire LS11 5UH (the **Chargor**); and
- (2) **THE COUNCIL OF THE CITY OF MANCHESTER** for itself and as security trustee for each Finance Party (as defined in this Deed) (the **Lender**).

TERMS AGREED

1. Definitions and Interpretation

1.1 Definitions

In this Deed terms defined in, or construed for the purposes of, the Facility Agreement have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed) and the following terms have the following meanings:

Act	means the Law of Property Act 1925;
Borrower	means BLG (Burlington House) Limited (company number 11284761) whose registered office is at Middleton House, Westland Road, Leeds, West Yorkshire LS11 5UH;
Charged Investments	means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities;
Charged Securities	means: <ol style="list-style-type: none">(a) the securities specified in the schedule to this Deed (<i>Charged Securities</i>); and(b) all other stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or investments (as defined in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by the Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which the Chargor has an interest at any time;
Default Rate	means the rate of interest determined in accordance with clause 8.5 of the Facility Agreement;
Delegate	means any delegate, agent, attorney or co-trustee appointed by the Lender;
Facility Agreement	means the facility agreement dated the same date as this Deed

and made between (1) the Borrower and (2) the Lender pursuant to which the Lender agreed to make certain facilities available to the Borrower;

Finance Party

means each of the following:

- (a) the Lender; and
- (b) following any assignment, novation or transfer to it of any of the Lender's rights and/or obligations in respect of the Secured Liabilities, the Greater Manchester Combined Authority;

Party

means a party to this Deed;

Receiver

means a receiver or receiver and manager appointed by the Lender of the whole or any part of the Security Assets;

Related Rights

means, in relation to any Charged Security:

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition; and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise;

Secured Liabilities

means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of the Borrower to each Finance Party under or pursuant to the Finance Documents from time to time and all present and future obligations and liabilities of the Chargor to the Lender under this Deed);

Security

means a mortgage, charge, pledge, lien, assignment by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

Security Assets

means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed; and

Security Period

means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and the Lender is under no actual or contingent obligation to

advance or provide any credit or other facilities to the Borrower or the Chargor whether under the Facility Agreement or otherwise.

1.2 Interpretation

- (a) Unless a contrary indication appears, any reference in this Deed to:
- (i) the **Chargor**, the **Lender**, any **Finance Party** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees in accordance with the Finance Documents;
 - (ii) **this Deed**, the **Facility Agreement**, any other **Finance Document** or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of the Chargor or any other Obligor or provides for further advances);
 - (iii) **Secured Liabilities** includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting the Chargor or any other Obligor;
 - (iv) **reasonable endeavours** includes payment by the relevant person of all its own and any third party's reasonable costs, fees and expenses;
 - (v) **including or includes** means including or includes without limitation; and
 - (vi) **this Security** means the Security created or evidenced by or pursuant to this Deed.
- (b) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
- (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of the Lender as security trustee for each Finance Party.
- (c) If the Lender reasonably considers that an amount paid by the Chargor or any other Obligor to the Lender under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor or any other Obligor then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (d) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.4 **Delivery**

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed.

2. **Nature of Security**

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

- (a) in favour of the Lender as security trustee for each Finance Party;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Liabilities.

3. **Fixed Security**

3.1 **Fixed charges**

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest by way of first fixed charge:

- (a) the Charged Securities referred to in the schedule to this Deed (*Charged Securities*); and
- (b) all other Charged Securities (not charged by clause 3.1(a)),

in each case, together with (A) all Related Rights from time to time accruing to those Charged Securities and (B) all rights which the Chargor may have at any time against any clearance or settlement system or any custodian in respect of any Charged Investments;

4. **Continuing Security**

4.1 **Continuing security**

This Security is continuing and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

4.2 **Additional and Separate security**

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

4.3 Rights to enforce

This Deed may be enforced against the Chargor without the Lender first having recourse to any other right, remedy guarantee or Security held by or available to the Lender.

4.4 Protections

The Security created by this Deed and the obligations and liabilities of the Chargor under this Deed shall not be discharged or affected by:

- (a) any time, indulgence or consent at any time given to the Borrower or any other person;
- (b) any amendment to any of the terms and conditions of or variation in the amount of the Secured Liabilities;
- (c) the making or absence of any demand on the Borrower or any other person for payment;
- (d) the enforcement or absence of enforcement of any Secured Liabilities or any other Security, guarantee or indemnity;
- (e) the release of any Security, guarantee or indemnity provided in respect of any Secured Liabilities or any other security, guarantee, or indemnity;
- (f) the liquidation, administration or other insolvency event of the Borrower or any other person;
- (g) the illegality, invalidity or unenforceability of or any defect in the Secured Liabilities or any of the obligations of the Borrower or any other person;
- (h) any act or omission which would not have discharged or affected the liability of the Chargor had it been a principal debtor or obligor instead of surety or guarantor or by anything done or omitted by any person which but for this provision might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this Deed; or
- (i) any other act, omission or circumstance which but for this provision would or might constitute a legal or equitable defence for or discharge of a surety or guarantor.

5. Liability of Chargor relating to Security Assets

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Lender is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

6. Representations

6.1 General

The Chargor makes the representations and warranties set out in this clause 6 to the Lender.

6.2 **Ownership of Security Assets**

The Chargor is the sole legal and beneficial owner of all of the Security Assets identified against its name in the schedule to this Deed (*Charged Securities*).

6.3 **Charged Securities**

The Charged Securities listed in the schedule to this Deed (*Charged Securities*) constitute the entire share capital owned by the Chargor in the relevant company and constitute the entire share capital of each such company at the date of this Deed.

6.4 **Time when representations made**

- (a) All the representations and warranties in this clause 6 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor:
 - (i) on each Utilisation Date; and
 - (ii) on the first day of each Interest Period.
- (b) Each representation of warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation warranty is deemed to be made.

7. **Undertakings by the Chargor**

7.1 **Negative pledge and disposals**

The Chargor shall not do or agree to do any of the following without the prior written consent of the Lender:

- (a) create or permit to subsist any Security on any Security Asset except as expressly permitted under the Facility Agreement; or
- (b) sell, transfer or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except as expressly permitted under the Facility Agreement).

7.2 **Deposit of documents and notices**

The Chargor shall, unless the Lender otherwise confirms in writing (and without prejudice to clause 7.3(a)), deposit with the Lender all certificates and other documents of title or evidence of ownership relating to the Security Assets (each of which the Lender may hold throughout the Security Period).

7.3 **Charged Investments - protection of security**

- (a) The Chargor shall, immediately upon execution of this Deed or (if later) as soon as is practicable after its acquisition of any Charged Securities, by way of security for the Secured Liabilities:

- (i) deposit with the Lender all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights; and
 - (ii) execute and deliver to the Lender:
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated); and/or
 - (B) such other documents as the Lender shall require to enable it (or its nominees) to be registered as the owner of or otherwise to acquire a legal title to the Charged Securities and their Related Rights (or to pass legal title to any purchaser).
- (b) The Chargor shall:
- (i) promptly give notice to any custodian of any agreement with the Chargor in respect of any Charged Investment in a form the Lender may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Lender may require.
- (c) The Chargor shall promptly pay all calls or other payments which may become due in respect of its Charged Investments.
- (d) The Chargor shall not nominate another person to enjoy or exercise all or any specified rights of the Chargor in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise.
- (e) Without limiting its obligations under the Facility Agreement, the Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision relating to the Charges Investments and, if it fails to do so, the Lender may provide such information as it may have on behalf of the Chargor.

7.4 Rights of the Parties in respect of Charged Investments

- (a) Subject to the terms of the Finance Documents, until a Default occurs, the Chargor shall be entitled to:
- (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which:
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by the Finance Documents; or

- (B) is prejudicial to the interests of the Lender.
- (b) At any time following the occurrence of a Default which is continuing, the Lender may complete the instrument(s) of transfer for all or any Charged Securities on behalf of the Chargor in favour of itself or such other person as it may select.
- (c) At any time when any Charged Security is registered in the name of the Lender or its nominee, the Lender shall be under no duty to:
- (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee;
 - (ii) verify that the correct amounts are paid or received; or
 - (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security.

7.5 Security Assets generally

The Chargor shall:

- (a) notify the Lender within 14 days of receipt of every material notice, order, requirement or proposal given or made in relation to the Security Assets by any person, and (if required by the Lender):
- (i) immediately provide it with a copy of the same; and
 - (ii) either (A) comply with such notice, order, requirement or proposal or (B) make such objections to the same as the Lender may require or approve,
- (b) comply with all covenants and obligations affecting any Security Asset (or its manner of use);
- (c) not, except with the prior written consent of the Lender, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Facility Agreement);
- (d) provide the Lender with all information which it may reasonably request in relation to the Security Assets; and
- (e) not do, cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value or marketability of any Security Asset (or make any omission which has such an effect).

8. Power to Remedy

8.1 Power to Remedy

If at any time the Chargor does not comply with any of its obligations under the Finance Documents, the Lender (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The Chargor

irrevocably authorises the Lender and its employees and agents by way of security to do all such things (including entering the property of the Chargor) which are necessary or desirable to rectify that default.

8.2 Mortgagee in possession

The exercise of the powers of the Lender under this clause 8 shall not render it liable as a mortgagee in possession.

8.3 Monies Expended

The Chargor shall pay to the Lender on demand any monies which are expended by the Lender in exercising its powers under this clause 8, together with interest at the Default Rate from the date on which those monies were expended by the Lender (both before and after judgment).

9. When Security becomes Enforceable

9.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

9.2 Statutory Powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

9.3 Enforcement

After this Security has become enforceable, the Lender may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

10. Enforcement of Security

10.1 General

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

10.2 Powers of leasing

The statutory powers of leasing conferred on the Lender are extended so as to authorise the Lender to lease, make agreements for leases, accept surrenders of leases and grant options as the Lender may think fit and without the need to comply with section 99 or 100 of the Act

10.3 Powers of Lender

At any time after this Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Lender may without further notice (unless required by law):

- (a) appoint any person (or persons) to be a receiver or receiver and manager of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
- (b) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver; and/or
- (c) exercise (in the name of the Chargor and without any further consent or authority of the Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them.

10.4 **Redemption of prior mortgages**

- (a) At any time after this Security has become enforceable, the Lender may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.
- (b) All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Lender on demand.

10.5 **Privileges**

- (a) Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.
- (b) To the extent that the Security Assets constitute **financial collateral** and this Deed and the obligations of the Chargor under this Deed constitute a **security financial collateral arrangement** (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003) (SI 2003 No 3226) each Receiver and the Lender shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (c) For the purpose of clause 10.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Lender reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

10.6 **No liability**

- (a) Neither the Lender nor any Receiver shall be liable:

- (i) in respect of all or any part of the Security Assets; or
 - (ii) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 10.6(a), neither the Lender nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

10.7 **Protection of third parties**

No person (including a purchaser) dealing with the Lender or any Receiver or Delegate will be concerned to enquire:

- (a) whether the Secured Liabilities have become payable;
- (b) whether any power which the Lender or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under any Finance Document; or
- (d) how any money paid to the Lender or to the Receiver is to be applied.

11. **Receiver**

11.1 **Removal and Replacement**

The Lender may from time to time remove any Receiver appointed by it and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

11.2 **Multiple Receivers**

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

11.3 **Remuneration**

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Lender (or, failing such agreement, to be fixed by the Lender).

11.4 **Payment by Receiver**

Only monies actually paid by a Receiver to the Lender in relation to the Secured Liabilities shall be capable of being applied by the Lender in discharge of the Secured Liabilities.

11.5 **Agent of Chargor**

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. The Lender shall not incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

12. **Powers Of Receiver**

12.1 **General Powers**

Any Receiver shall have:

- (a) all the powers which are conferred on the Lender by clause 10.3 (Powers of Lender);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act; and
- (c) all powers which are conferred by any other law conferring power on receivers.

12.2 **Additional Powers**

In addition to the powers referred to in clause 12.1 (*General Powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;
- (b) to manage the Security Assets and the business of the Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation;
 - (i) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (ii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to carry out any sale or other disposal of all or any part of the Security Assets by transferring, or assigning the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;

- (f) to take any such proceedings (in the name of any of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed;
- (g) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (h) to form one or more Subsidiaries of the Chargor and to transfer to any such Subsidiary all or any part of the Security Assets; and
- (i) to:
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
 - (iii) use the name of the Chargor for any of the above purposes.

13. Application Of Proceeds

13.1 Application

All monies received by the Lender or any Receiver after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in the following order:

- (a) first, in satisfaction of, or provision for, any sums owing to the Lender, any Receiver or any Delegate;
- (b) secondly, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Lender in connection with any realisation or enforcement of this Security taken in accordance with the terms of any Finance Document;
- (c) thirdly, in or towards satisfaction of the remaining Secured Liabilities in accordance with clause 13.3 (*Appropriation and suspense account*); and
- (d) fourthly, in payment of any surplus to the Chargor or other person entitled to it.

13.2 Contingencies

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Lender or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Lender may determine).

13.3 **Appropriation and suspense account**

- (a) Subject to clause 13.1 (*Application*), the Lender shall apply all payments received in respect of the Secured Liabilities in reduction of any part of the Secured Liabilities in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Chargor.
- (c) All monies received, recovered or realised by the Lender under or in connection with this Deed may at the discretion of the Lender be credited to a separate interest-bearing suspense account for so long as the Lender determines (with interest accruing thereon at such rate (if any) as the Lender may determine without the Lender having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Liabilities unless such monies would clear all Secured Liabilities in full.

14. **Set-Off**

14.1 **Set-off rights**

- (a) The Lender may (but shall not be obliged to) set off any obligation which is due and payable by the Borrower or the Chargor and unpaid against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) At any time after this Security has become enforceable (and in addition to its rights under clause 14.1(a)), the Lender may (but shall not be obliged to) set-off any contingent liability owed by the Borrower or the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Lender to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (c) If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Lender may set off in an amount estimated by it in good faith to be the amount of that obligation.

14.2 **Time deposits**

Without prejudice to clause 14.1 (Set-off), if any time deposit matures on any account which the Chargor has with the Lender at a time within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Lender in its absolute discretion considers appropriate unless the Lender otherwise agrees in writing.

15. Delegation

Each of the Lender and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Lender nor any Receiver shall be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. Further Assurances

16.1 Further Action

The Chargor shall at its own expense, immediately do all acts and execute all documents as the Lender or a Receiver may reasonably specify (and in such form as the Lender or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document;
- (b) facilitating the realisation of any Security Asset;
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Lender or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law; or
- (d) creating and perfecting Security in favour of the Lender over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Security Document.
- (e) This includes:
 - (i) the re-execution of this Deed or such Security Document;
 - (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Lender or to its nominee; and
 - (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Lender may think expedient.

16.2 Finance Documents

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

16.3 Specific security

Without prejudice to the generality of clause 16.1 (*Further Action*), the Chargor will immediately upon request by the Lender execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed.

17. Power of Attorney

The Chargor, by way of security, irrevocably and severally appoints the Lender, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of this Security has occurred which the Chargor is obliged to take under this Deed, including under clause 16 (Further assurances) or, if no Event of Default is continuing, which the Chargor has failed to take. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause.

18. Currency Conversion

All monies received or held by the Lender or any Receiver under this Deed may be converted from their existing currency into such other currency as the Lender or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Liabilities in that other currency at the Lender's spot rate of exchange. The Chargor shall indemnify the Lender against all costs, charges and expenses incurred in relation to such conversion. Neither the Lender nor any Receiver shall have any liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

19. Changes to the Parties

19.1 Chargor

The Chargor may not assign any of its rights or obligations under this Deed or agree or attempt to do so.

19.2 Lender

The Lender may assign or transfer all or any part of its rights under this Deed to any person to whom it may assign or transfer all or any of its rights and/or obligations under the Facility Agreement. The Chargor shall, immediately upon being requested to do so by the Lender, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

20. Miscellaneous

20.1 New Accounts

(a) If the Lender receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Permitted Security) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the Chargor and/or the Borrower. If it does not open a

new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.

- (b) As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Liabilities.

20.2 Tacking

- (a) The Lender shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

21. Notices

21.1 Communications in writing

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

21.2 Addresses

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

- (a) in the case of the Chargor:
 - Address: the address stated at the beginning of this Deed;
 - Attention: Finance Director; and
- (b) in the case of the Lender:
 - Address: Town Hall, Albert Square, Manchester M60 2LA;
 - Attention: The City Solicitor,

or any substitute address (in the United Kingdom) or department or officer as a Party may notify to the other Parties by not less than 5 Business Days' notice.

21.3 Delivery

- (a) Any communication or document made or delivered by a Party to the other Party under or in connection with this Deed will only be effective when it has been left at the relevant address or 2 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under clause 21.2 (Addresses), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is expressly

marked for the attention of the department or officer identified above (or any substitute department or officer as the Lender shall specify for this purpose).

22. Calculations and Certificates

Any certificate of or determination by the Lender specifying the amount of any Secured Liability due from the Chargor (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargor of the matters to which it relates.

23. Partial Invalidity

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

24. Remedies and Waivers

No failure to exercise, nor any delay in exercising, on the part of the Lender, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise, or the exercise of any other right or remedy. The rights and remedies provided are cumulative and not exclusive of any rights or remedies provided by law.

25. Amendments and Waivers

Any provision of this Deed may be amended only if the Lender and the Chargor or the Chargor on their behalf so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Lender so agrees in writing. A waiver given or consent granted by the Lender under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

26. Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures (and seals, if any) on the counterparts were on a single copy of this Deed.

27. Release

27.1 Release

Upon the expiry of the Security Period (but not otherwise) the Lender shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security.

27.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the

faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Lender may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

28. Governing Law

This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by English law and the Chargor agrees that:

- (a) the courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Debenture (including a dispute regarding the existence, validity or termination of this Debenture) (a **Dispute**);
- (b) the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary; and

This clause 28 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Lender and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE

Charged Securities

Chargor	Name of company in which shares are held	Class of shares held	Number of shares held	Issued share capital
Belgravia Living (Burlington House) Limited	BLG (Burlington House) Limited	Ordinary £1.00 shares	100	100 ordinary shares of £1.00 each

EXECUTION PAGE

THE CHARGOR

Executed as a deed, but not delivered until the)
first date specified on page 1 by)

BELGRAVIA LIVING (BURLINGTON HOUSE))

LIMITED acting by:

Director

Witness signature:

Witness name:

Witness address:

Dominic Michael Lush

THE LENDER

THE COMMON SEAL of **THE COUNCIL OF THE CITY OF MANCHESTER** was hereunto affixed pursuant to an Order of the Council of the said City

.....
Authorised Signatory