



Registration of a Charge

Company name: **A & C PROPERTY INVESTMENTS LTD**

Company number: **10277963**



X83K2IE9

Received for Electronic Filing: **17/04/2019**

Details of Charge

Date of creation: **15/04/2019**

Charge code: **1027 7963 0002**

Persons entitled: **LENDINVEST SECURITY TRUSTEES LIMITED**

Brief description: **23 ORDINARY SHARES AND 739,233 A PREFERENCE SHARES (THE SHARES) ISSUED BY RESTORATION HUNTS WHARF LTD (THE BORROWER) ADDRESS OF PROPERTY: HUNTS WHARF, LAND ON THE NORTH SIDE OF LEASIDE ROAD, LONDON REGISTERED WITH TITLE NUMBER EGL173517**

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



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10277963

Charge code: 1027 7963 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th April 2019 and created by A & C PROPERTY INVESTMENTS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th April 2019 .

Given at Companies House, Cardiff on 18th April 2019

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**



England & Wales (Development Finance)

England & Wales (Development Finance)

THIS IS AN IMPORTANT LEGAL DOCUMENT. ONCE YOU HAVE SIGNED IT YOU WILL BE LEGALLY BOUND BY ITS TERMS. WE MAY BECOME ENTITLED TO ENFORCE OUR RIGHTS AGAINST ALL OR PART OF THE CHARGED PROPERTY IF THE BORROWER FAILS TO PAY THE MONIES OWED BY IT UNDER THE TERMS OF THE MORTGAGE DOCUMENTS WHEN DUE. YOU MUST OBTAIN INDEPENDENT LEGAL ADVICE BEFORE SIGNING THIS DOCUMENT.

By this *Share Charge* made on 15 day of April 2019 by you:

BOX A (Chargor details)

A & C Property Investments Ltd
of 191-193 Commercial Road, London, E1 2BT
with registered number 10277963

in favour of us, LendInvest Security Trustees Limited (company number: 08743617) of 8 Mortimer Street, London, England, W1T 3JJ, you charge the *Charged Property* to secure both your liabilities and the Borrower's liabilities to the *Secured Parties* on the terms which appear in this *Share Charge* (including the *Share Charge Conditions*).

BOX B (Details of specific shares charged)

23 Ordinary Shares and 739,233 A Preference Shares (the **Shares**) issued by Restoration Hunts Wharf Ltd (the **Borrower**)

BOX C (Details of the Property to which the Mortgage Debt secured by the Share Charge relates)

Address of Property: Hunts Wharf, Land on the north side of Leaside Road, London registered with Title Number EGL173517

BOX D (Process Agent)

Not applicable

- (1) This *Share Charge* incorporates the *Share Charge General Conditions (2017)* (the **Share Charge Conditions**) scheduled to this *Share Charge*. You acknowledge that you have received a copy of the *Share Charge Conditions* and agree that you will observe and perform them.

- (2) Terms in italics used in this *Share Charge* are defined in or, as applicable, interpreted in accordance with, the Share Charge Conditions.
- (3) *You* covenant to *us* to, on demand, pay, discharge and satisfy the amounts outstanding in respect of the *Debt* when they become due in accordance with the terms upon which such *Debt* is documented.
- (4) As continuing security for the payment and discharge of the *Debt* with full title guarantee *you* charge to *us* by way of first fixed charge:
 - (a) all of the *Investments*; and
 - (b) all of the *Intercompany Debts*.

This *Share Charge* has been executed as a deed and is delivered and takes effect on the date stated at the top of the first page of this *Share Charge*.

EXECUTION PAGE TO SHARE CHARGE

THIS IS AN IMPORTANT LEGAL DOCUMENT. ONCE YOU HAVE SIGNED IT YOU WILL BE LEGALLY BOUND BY ITS TERMS. WE MAY BECOME ENTITLED TO ENFORCE OUR RIGHTS AGAINST ALL OR PART OF THE CHARGED PROPERTY IF THE BORROWER FAILS TO PAY THE MONIES OWED BY IT UNDER THE TERMS OF THE MORTGAGE DOCUMENTS WHEN DUE. YOU MUST OBTAIN INDEPENDENT LEGAL ADVICE BEFORE SIGNING THIS DOCUMENT.

Where you are a limited company and are signing by two directors or one director and the company secretary

Executed as a deed by A & C PROPERTY INVESTMENTS LTD
acting by two Directors or a Director and its Secretary

.....
Name of Director

.....
Signature of Director

.....
Name of Director/
Secretary

.....
Signature of Director/
Secretary

OR

Where you are a limited company and are signing by a director in the presence of a witness

Executed as a deed by A & C PROPERTY INVESTMENTS LTD
acting by its Director

BABLOO ANAND.
.....

Name of Director

[Signature]
.....

Signature of Director

In the presence of a witness:

Witness signature

B Taylor.
.....

Witness name

BETHANY TAYLOR
.....

Witness address

100 WIGMORE STREET
LONDON W1U 3RN
.....

Witness occupation

ASSISTANT
.....

EXECUTION PAGE – SECURITY TRUSTEE

.....

For and on behalf of
LENDINVEST SECURITY TRUSTEES LIMITED

SCHEDULE: SHARE CHARGE GENERAL CONDITIONS (2017) – DEVELOPMENT FINANCE

SUMMARY OF CONTENTS

SECTION	TITLE	DESCRIPTION
A	About the Share Charge Conditions	This section is a general description of the Share Charge Conditions.
B	Glossary	This section sets out the meaning of the capitalised terms and certain other terms which are used repeatedly throughout the Share Charge and the Share Charge Conditions.
C	Amounts Secured by the Share Charge	This section sets out the liabilities which are secured by the Share Charge.
D	Your Representations and Acknowledgements to us	This section sets out your representations and warranties to us relating to, amongst other things, your status in entering into the Share Charge and that the information you have provided to us in connection with the Share Charge is true and correct and your acknowledgement to us that, amongst other things, the Charged Property is at risk if the Borrower does not repay all or any part of the Debt when due.
E	Your Obligations	This section sets out your promises to us including in respect of your use and dealings with the Charged Property.
F	Notification Events	This section sets out the events and circumstances which shall constitute a Notification Event for the purposes of the Share Charge. You are required to notify us if any of these events or circumstances occur.
G	Subordination and Restrictions on your Rights	This section sets out certain restrictions on your rights against the Borrower during the Security Period.
H	Our Rights and Remedies	This section sets out our (and any Receiver's) rights under the Share Charge generally and our rights in the event that (i) a Secured Party demands repayment from the Borrower of amounts owing under a Mortgage Document and the Borrower fails to repay them and/or (ii) any other monies the Borrower owes to a Secured Party which are secured by the Share Charge are due and payable but have not been paid.

I	Other Provisions	This section sets out certain other matters relating to the Share Charge including, but not limited to, our ability to assign/transfer all or any of our rights under the Share Charge to other persons, your liability to us for certain costs and expenses that may be incurred in connection with the Share Charge and the process for releasing the security under the Share Charge at the end of the Security Period.

SECTION A: ABOUT THESE SHARE CHARGE CONDITIONS

Important note: *You have agreed to enter into the Share Charge for the purpose of providing security for the Borrower's liabilities to the Secured Parties in connection with all loans and other facilities the Secured Parties have extended (or may extend) to the Borrower from time to time. You should be aware that, amongst other things, a breach by you of the terms of the Share Charge, a misrepresentation made by you under the Share Charge or the occurrence of certain events in respect of you (including, but not limited to, your insolvency or, as applicable, bankruptcy) may lead us to make a demand on the Borrower in respect of the Debt which, in turn, may mean that we have rights against you and/or the Charged Property in accordance with the terms of the Share Charge.*

- (1) These terms and conditions constitute the Share Charge Conditions and form part of the Share Charge and are to be read together with the Share Charge. Please read the Share Charge Conditions carefully as, when the Share Charge is dated and delivered, you will be bound by them. You should retain a copy of the Share Charge Conditions as they contain important terms relating to your liabilities and obligations to us and our rights against you and/or the Charged Property should the Borrower default in the performance of its obligations in respect of the Debt. If you are unsure as to the meaning of the Share Charge Conditions or their consequences for you then you should ask for advice from your solicitor.
- (2) Please note that it is a condition to the Lender(s) extending (or, as applicable, continuing to extend) credit to the Borrower (i) that you enter into the Share Charge and (ii) in so doing and unless we otherwise agree, that you have sought, and have confirmed to us that you have sought, independent legal advice in relation to the terms of the Share Charge.

SECTION B: GLOSSARY

- (1) In the Share Charge (including the Share Charge Conditions) the following terms have the following meanings:

Advance means each amount of money lent to the Borrower under the Mortgage;

Affiliate means, in respect of any person, any other person controlling, controlled by or under the common control of that person. For the purposes of this definition:

- (A) **control** means: (A) the direct or indirect legal and/or beneficial ownership of (i) 50 per cent. or more of the shares, voting securities or other voting interests in a person; (ii) 50 per cent. or more of the interest in the profit or income of a person; or (iii) in the case of a limited partnership, any other comparable interest in the general partner; or (B) the ability to give directions with respect to the operating, financial and/or investment policies of a person which the directors or other equivalent officers of that person are obliged to comply and **controlling** and **controlled** shall be construed accordingly; and

- (B) a fund shall be deemed to be controlled by (and be an Affiliate of) its investment adviser;

Borrower means the company identified in Box B of the Share Charge;

Business Day means any day other than a Saturday, a Sunday or a public holiday in England and Wales;

Charged Property means all the assets and property for the time being subject to the Security created by, or pursuant to, the Share Charge;

Debt means the Mortgage Debt and, if applicable, any Other Debt;

Delegate means any person appointed by us or any Receiver as a delegate under the Share Charge and any person appointed as attorney of us, a Receiver or a Delegate;

Development means the Approved Development referred to, and as defined in, the Loan Agreement(s) currently in force;

Enforcement Event means:

- (A) any demand made by us (or any other Secured Party) on you or the Borrower for repayment of all or any part of the Mortgage Debt in accordance with the Mortgage Documents; or
- (B) any of the Other Debt becoming due and payable by the Borrower in accordance with its terms but remaining unpaid;

Financial Collateral has the meaning given to that term in the Financial Collateral Regulations;

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

First Advance means the first Advance made to the Borrower under the Mortgage;

Further Advance means, subsequent to the First Advance, any further Advance made to the Borrower under the Mortgage;

Intercompany Debts means all present and future book and other debts, and any other monetary or intercompany claims, in each case due or owing to you from the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by you in relation to any of them;

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

- (A) the Shares;
- (B) any dividend, interest or other distribution paid or payable in relation to any of the Investments;
- (C) any right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise; and
- (D) any Related Rights in respect of the applicable Investments;

Lender means each member of our Group which is named as a lender under a Loan Agreement and any assignee, transferee or successor of such Lender;

Loan Agreement means each loan agreement (including any applicable Loan Conditions) between the Borrower and the Lender(s) under which the Borrower has been advanced (and there remains outstanding) a loan or loans for the purposes of financing or refinancing the Property and/or funding the Development;

Loan Conditions means, in relation to a Loan Agreement, any conditions incorporated by reference into that Loan Agreement;

LPA means the Law of Property Act 1925;

Mortgage means, in relation to the financing or refinancing of the Property and/or the funding of the Development, the mortgage contract between the Borrower, us and each other applicable Secured Party;

Mortgage Debt means all present and future amounts owed by you or the Borrower to a Secured Party under a Mortgage Document, whether actual or contingent and whether owed jointly or severally, including all interest accruing in respect of those amounts;

Mortgage Deed means the mortgage deed between us and the Borrower under which the Borrower has charged the Property in our favour as security for the Debt and any deed of substituted or additional security relating to the Property which the Borrower has given to secure the Debt;

Mortgage Document means the Mortgage Offer, any Loan Agreement, the Share Charge (including the Share Charge Conditions), the Mortgage Deed, any other Transaction Security Document under and as defined in a Loan Agreement, the Tariff of Charges, any guarantee granted by any person in respect of the Borrower's obligations under a Loan Agreement, any other security document entered into by you in connection with a Loan Agreement and any other document that the Borrower and we (or a Lender) designate as a Mortgage Document;

Mortgage Offer means, in relation to the financing or refinancing of the Property and/or the funding of the Development, any mortgage offer or offer of additional borrowing by which we (or another member of our Group) offer to make available to the Borrower a loan on the security of the Property, including any subsequent or other offers or documents we (or a member of our Group) provide to the Borrower and which the Borrower agrees to which add to or change an earlier offer and, for the avoidance of doubt, where an offer of a Further Advance is made to the Borrower, references to the Mortgage Offer in any Mortgage Document cover, as applicable, both the offer relating to the Advance(s) originally contemplated by the relevant Loan Agreement and any offer relating to such Further Advance;

Notification Event means any event or circumstance specified in Section F (*Notification Events*);

Other Debt means all present and future amounts owed by the Borrower to a Secured Party which is a member of our Group under any agreement other than a Mortgage Document (including, but not limited to, any loan agreement in relation to the financing or refinancing of a property other than the Property and/or the funding of a development other than the Development), whether actual or contingent and whether owed jointly or severally, including all interest accruing in respect of those amounts;

Permitted Security means any Security over any of the Charged Property in favour of a third party which we (or another member of our Group) has consented to in writing;

Potential Notification Event means any event or circumstance specified in Section F (*Notification Events*) which would, on the giving of notice, expiry of any grace period or making of any determination under the Mortgage Deed, become a Notification Event;

Property means the property identified in Box C in the Share Charge;

Receiver means a receiver or a receiver and manager of any or all of the Charged Property;

Regulatory Requirements means any obligation we or any other Secured Party have to comply with any law, regulation or rule or decision of any court, ombudsman or any other regulatory authority;

Related Rights means:

- (A) the proceeds of sale of any part of the Investments;
- (B) all warrants, options and other rights to subscribe or otherwise acquire the Investments;
- (C) all rights, powers, offers, benefits, claims, contracts, warranties, remedies, Security, guarantees, indemnities or covenants for title in respect of the Investments; and
- (D) all monies and proceeds paid or payable in respect of the Investments,

both present and future (including all rights against any trustee, nominee, fiduciary or clearing system);

Representations means the representations and warranties made by you as set out in Section D (*Your Representations and Acknowledgements to us*);

Representatives means, in relation to any person, their employees, directors, professional advisers and/or agents (including, but not limited to, any loan servicer or collection agent appointed by any member of our Group as an agent to service and/or administer the Mortgage);

Rights means, with respect to the Borrower, any Security or other right or benefit you have with respect to the Borrower whether arising by way of monies lent to the Borrower, set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise;

Secured Parties means us, each Lender, any other party to a Mortgage Document for whom we may hold the benefit of the security created under the Share Charge on trust (including any assignee or transferee under a Loan Agreement), any other member of our Group to whom the Borrower owes any Other Debt and any Receiver or Delegate (and **Secured Party** shall be construed accordingly);

Security means any mortgage, charge (whether fixed or floating, legal or equitable), 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 Financial Collateral Arrangement has the meaning given to that term in the Financial Collateral Regulations;

Security Period means the period starting on the date the Borrower receives the First Advance and ending on the date on which all the Debt has been unconditionally and irrevocably paid and discharged in full and no further Debt is capable of being outstanding to a Secured Party;

Share Charge means the share charge between you and us under which you have charged the Charged Property in our favour as security for the Debt and in respect of which the Share Charge Conditions form part and any deed of substituted or additional security relating to the Charged Property which you have given to secure the Debt;

Share Charge Conditions means these share charge general conditions (2017) (as may be amended, varied or substituted from time to time in accordance with the terms of the Share Charge Conditions);

Shares means the shares in the Borrower as identified in Box B of the Share Charge; and

Tariff of Charges means the tariff of charges as referred to in the Mortgage Offer (as available at <https://www.lendinvest.com/wp-content/uploads/2016/02/LendInvest--Tariff-of-Mortgage-Fees-Charges-2.pdf> or such other website as we (or a Lender) may provide from time to time) as may be varied by us (or a Lender) (in each case acting reasonably) from time to time on notice to the Borrower.

- (2) Unless otherwise provided to the contrary or the context otherwise requires, a reference in the Share Charge (including the Share Charge Conditions) to:
- (A) **we** means LendInvest Security Trustees Limited (company number: 08743617) and our successors and any transferees or assignees of our (or our successor's) rights (and **us** and **our** shall be construed accordingly);
 - (B) **you** means the person named in Box A in the Share Charge and that person's successors or, where applicable, legal representatives including, in the case of an individual after their death, any personal representative to whom the Charged Property passes (and **your** shall be construed accordingly);
 - (C) a **charge** of, or over, any Charged Property includes the proceeds of sale of that Charged Property and any other monies paid or payable in respect of that Charged Property;
 - (D) any party to a Mortgage Document (including the Share Charge) shall include that party's successors, permitted assigns and permitted transferees and that Mortgage Document shall be binding on, and enure to the benefit of, the parties to that Mortgage Document and their respective successors, permitted assignees and permitted transferees;
 - (E) a provision in a statute includes any changes which are made to it and to any provision which replaces it;
 - (F) the singular includes the plural and vice versa;
 - (G) a Mortgage Document (or any provision of it) or to any other agreement or document referred to in a Mortgage Document is a reference to that Mortgage Document, that provision or such other agreement or document as amended, varied, supplemented or replaced from time to time (including, but not limited to, under the provisions of paragraph 1(E) of Section H (*Our Rights and Remedies*));
 - (H) any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
 - (I) a paragraph or Section is to the relevant paragraph and/or Section of the Share Charge Conditions;
 - (J) an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);

- (K) any **assets** (including, for the avoidance of doubt, any of the Charged Property) includes present and future properties, undertakings, revenues, rights and benefits of every description;
 - (L) an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
 - (M) a **person** includes a natural person, corporate or unincorporated body or any state or any agency of any person; and
 - (N) a person's **Group** means that person and each of that person's Affiliates.
- (3) The headings and summary of contents used in the Share Charge Conditions are for guidance and ease of reference only.

SECTION C: THE SHARE CHARGE

- (1) The Share Charge secures the Debt and the Charged Property constitutes security for the Secured Parties under the Share Charge.
- (2) The Share Charge shall remain in full force and effect as a continuing security for the repayment of all of the Debt (notwithstanding any settlement of account or intermediate payment) and we shall not be obliged to release the Charged Property from the security created by the Share Charge except, subject to paragraph (4) of Section I (*Other Provisions*), where the Debt has been repaid in full and no Secured Party has any continuing liability to make any amount available to the Borrower.
- (3) Without prejudice to paragraph (1), the Share Charge secures both the First Advance and any Further Advance. Subject to the terms of the relevant Mortgage Document, each Secured Party agrees that it must perform its obligations under each Mortgage Document.
- (4) Your liability under the Share Charge in respect of all or any part of the Debt shall not be discharged or prejudiced by (i) any intermediate payment, settlement of account or discharge in whole or in part of the Debt, (ii) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which any Secured Party may have from or against the Borrower or any other person in connection with the Debt, (iii) any termination, amendment, variation, novation or supplement to or in respect of the Debt, (iv) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law or any change in the constitution or name of you or the Borrower or any other person, (v) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower or any other person in connection with the Debt or (vi) any other act or omission which would not have discharged or affected your liability had you been a principal debtor or by anything done or omitted by any person which, but for this provision, may operate to discharge or exonerate you or otherwise reduce or extinguish your liability under the Share Charge.

SECTION D: YOUR REPRESENTATIONS AND ACKNOWLEDGEMENTS TO US

- (1) Unless otherwise expressly provided, you make each of the Representations to us on the date of the Share Charge and you shall be deemed to repeat each of the Representations on each day during the Security Period.
- (2) You represent and warrant to us that:

- (A) where you are a company or limited liability partnership, you are validly existing and, in the case of a company, duly incorporated in each case under the law of the jurisdiction in which you were, as applicable, incorporated, formed or registered;
- (B) you have the power to own your own assets and, in the case of a company or limited liability partnership, carry on your business as it is being conducted;
- (C) you have, as applicable, the full capacity, power and authority to enter into the Share Charge and to perform your obligations under it and all necessary action required or desirable to authorise the execution of the Share Charge by you and the performance by you of your obligations under the Share Charge has been duly taken. Any such authorisations are in full force and effect;
- (D) the execution, delivery and performance of the obligations in, and transactions contemplated by, the Share Charge do not and will not contravene or conflict with:
 - (i) (where and as applicable) your constitutional documents, partnership agreement or other applicable incorporation documents;
 - (ii) any agreement binding on you or your assets or constitute a default or termination event (howsoever described) under any such agreement or instrument;
 - (iii) any law or regulation or judicial or official order applicable to you;
- (E) the Share Charge creates, and will constitute, valid, legally binding and enforceable obligations on you;
- (F) to the best of your knowledge, the information, in written or electronic format, supplied by you to us in connection with the Share Charge and/or the Charged Property:
 - (i) was complete, true and accurate in all material respects at the time it was supplied; and
 - (ii) was not and is not misleading in any material respect, nor rendered misleading by a failure to disclose other information,except to the extent that it has been amended, superseded or updated by more recent information supplied by you to us;
- (G) there is no litigation, arbitration or administrative proceedings taking place, pending or, to your knowledge, threatened against you or any of the Charged Property;
- (H) none of your assets are entitled to immunity on any grounds from any legal action or proceeding (including, without limitation, suit, attachment prior to judgment, execution or other enforcement);
- (I) you:
 - (i) have not suspended, or threatened to suspend, payment of your debts;
 - (ii) are not unable to pay your debts as they fall due;

- (iii) have not admitted an inability to pay your debts and are not deemed either unable to pay your debts or as having no reasonable prospect of so doing;
 - (iv) have not commenced negotiations with all or any class of your creditors with a view to rescheduling any of your debts and have not made a proposal for or entered into any compromise or arrangement with any of your creditors;
 - (v) are not the subject of any order for (as applicable) administration, liquidation, winding up or bankruptcy;
- (J) no person has become entitled to appoint (as applicable) a receiver, administrator, liquidator or a bankruptcy trustee over any of your assets and no (as applicable) receiver, administrator, liquidator or bankruptcy trustee has been appointed over any of your assets;
- (K) no creditor or encumbrancer has attached or taken possession of, and no distress, execution, sequestration or other such process has been levied or enforced on or sued against, any of your assets;
- (L) no event has occurred and no proceeding has been taken in any jurisdiction which has an effect equivalent or similar to any of the events mentioned in paragraphs (I) - (K) above (inclusive);
- (M) no Notification Event has occurred;
- (N) you have sole legal and beneficial title to the Charged Property;
- (O) the constitutional documents of the Borrower do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Investments in relation to the enforcement of the Security created by or under this Share Charge;
- (P) any shares falling within the definition of Investments are fully paid;
- (Q) no "warning notice" or "restrictions notice" (both as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006) has been issued to, and remains in effect in respect of, you; and
- (R) neither you nor any member of your Group is or has at any time been (a) an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) or (b) "connected" with or an "associate" (as those terms are used in sections 39 and 43 of the Pensions Act 2004) of such an employer.
- (3) You acknowledge that:
- (A) the Charged Property will be at risk if payments under a Loan Agreement (or any other document pursuant to which any Debt is constituted) are not made by the Borrower on their due date or when otherwise demanded for payment;
 - (B) it is your responsibility to obtain your own advice in respect of legal, investment, accounting and taxation matters relating to the Share Charge and the transactions contemplated by the Share Charge and that you are not relying on us for the same; and

- (C) we have not, and you will not claim that we have, rendered advisory services of any nature, or owe a fiduciary or similar duty, to you in connection with the Share Charge or in respect of any transactions related to, or contemplated by, the Share Charge or the Mortgage.

SECTION E: YOUR OBLIGATIONS

Unless otherwise expressly provided, each undertaking you give in the Share Charge shall remain in force for the duration of the Security Period. Where during the Security Period you seek our consent or approval to do something which is otherwise prohibited by the terms of the Share Charge, we may withhold our consent in our sole discretion.

(1) OBLIGATIONS RELATING TO THE CHARGED PROPERTY

- (A) Upon execution of the Share Charge (or immediately upon the acquisition of the relevant Investment if that acquisition follows the date of the Share Charge) you shall deposit with us in respect of each Investment:
- (i) all share certificates, warrants or other documents of title;
 - (ii) duly executed undated blank stock transfer forms; and
 - (iii) forms of waiver of any pre-emption rights and any other documents, consents and monies necessary to enable transfers of the relevant Investments to be registered by us.
- (B) Prior to the occurrence of an Enforcement Event, you may continue to exercise all voting and other rights (including the right to collect dividends, interest, principal or other payments of money) relating to the Investments provided that such rights are not exercised in a way which (and you shall not permit anything which):
- (i) jeopardises the Security constituted by the Share Charge;
 - (ii) varies the rights attaching to the Investments; or
 - (iii) relates to a participation in a rights issue or to receiving dividends other than in cash or concerns a merger, consolidation, allotment of shares, change to constitutional documents, transfer of ownership (legal or beneficial), liquidation, striking off, insolvency or matters which would otherwise be prohibited by the Mortgage Documents.
- (C) Following the occurrence of an Enforcement Event, we may (without notice to or consent from you) exercise any rights (including the right to collect dividends, interest, principal or other payments of money but excluding the right to vote) in respect of the Investments and may do anything necessary to complete any transfer form in favour of us, our nominee or otherwise.
- (D) Following the occurrence of an Enforcement Event and the service of notice upon you, we may (without your consent) exercise any right to vote in respect of the Investments.

- (E) You shall promptly pay all calls, costs and/or other payments in respect of the Investments and shall give us, at the time of issue, copies of all information, offers, notices or other materials supplied to the members of the issuers of the Investments and shall advise us promptly of any material occurrence affecting the Investments and shall give us such information as we may require relating to the Investments.
- (F) You undertake that you shall not without our prior written consent:
 - (i) create, or permit to subsist, any Security over any of the Charged Property with the exception of:
 - (a) any of the Security created under the Share Charge;
 - (b) any Permitted Security; and
 - (c) any lien arising by operation of law and in the ordinary course of business;
 - (ii) enter into, in the case of a company or limited liability partnership, any amalgamation, demerger, merger or corporate reconstruction;
 - (ii) sell, lease, transfer or otherwise dispose of any of the Charged Property.
- (G) You shall:
 - (i) within the relevant timeframe, comply with any notice you receive pursuant to Part 21A of the Companies Act 2006 from the Borrower; and
 - (ii) promptly provide the Security Trustee with a copy of any such notice.

(2) YOUR GENERAL PROMISES TO US

You shall:

- (A) promptly notify us of any Potential Notification Event or Notification Event (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence;
- (B) promptly on our request, supply us a certificate (signed, in the case of a company, by a director or, in the case of a limited liability partnership, a member) certifying that no Notification Event is continuing (or, if a Notification Event is continuing, specifying the Notification Event and the steps, if any, being taken to remedy it);
- (C) obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of your, as applicable, jurisdiction of incorporation, registration or domicile to enable you to perform your obligations under the Share Charge and to ensure the legality, validity, enforceability and admissibility in evidence of the Share Charge in the jurisdiction of, as applicable, your incorporation, registration or domicile;
- (D) comply, in all respects, with all relevant laws to which you or the Charged Property may be subject;
- (E) supply us with any information about your financial condition, business and operations that we may reasonably request; and

- (F) ensure that no member of your Group is or has been at any time an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) or "connected" with or an "associate" of (as those terms are used in sections 39 or 43 of the Pensions Act 2004) such an employer."

(3) FURTHER ASSURANCE

Promptly upon our request you agree to execute any document or do any act or thing which we may reasonably require you to do in order to perfect any security created or intended to be created under the Share Charge or any related security or which we may require to facilitate the exercise or the purported exercise of any of our or another Secured Party's rights or in connection with the protection, management and realisation of the Charged Property. If you fail to do so promptly following our request we or any Receiver or Delegate that we appoint have the right to execute such documents or do such things using the power of attorney provided for in paragraph (7) of Section H (*Our Rights and Remedies*). Any fees, costs or expenses we (or any Receiver or Delegate) incur in so doing shall be payable by you.

SECTION F: NOTIFICATION EVENTS

Each of the following events or circumstances shall constitute a Notification Event for the purposes of the Share Charge:

- (1) you fail to comply with any provision of the Share Charge;
- (2) any representation, warranty or statement made, repeated or deemed made you in, or pursuant to, the Share Charge is (or proves to have been) incomplete, untrue, incorrect or misleading in any material respect when made, repeated or deemed made;
- (3) you stop or suspend payment of any of your debts, or you are unable to, or admit an inability to, pay your debts as they fall due;
- (4) you commence negotiations, or enters into any composition or arrangement, with one or more of your creditors with a view to rescheduling any of your indebtedness (because of actual or expected financial difficulties);
- (5) a moratorium is declared in respect of any of your indebtedness;
- (6) any action, proceedings, procedure or step is taken for:
 - (A) (as applicable) the suspension of payments, winding up, sequestration, dissolution, administration, bankruptcy or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of you; or
 - (B) the appointment of, as applicable, a liquidator, receiver, administrative receiver, administrator, compulsory manager, bankruptcy trustee or other similar officer in respect of you or your assets;
- (7) any event occurs in relation to you that is analogous to those set out in paragraph (6) in any jurisdiction outside England and Wales;

- (8) all or any part of the Share Charge becomes invalid, unlawful, unenforceable, terminated, or ceases to have full force and effect, unless such invalidity, unlawfulness, unenforceability, termination or ceasing to have force and effect occurs as a result of negligence or any unlawful act or omission on our part; or
- (9) you repudiate or evidence an intention to repudiate the Share Charge.

SECTION G: SUBORDINATION AND RESTRICTIONS ON YOUR RIGHTS

- (1) You agree that until all the Debt has been paid or discharged in full (which expression shall not include payment of a dividend in, as applicable, a bankruptcy, liquidation, administration or formal or informal scheme of arrangement of less than one hundred per cent. of the amount due) you waive all rights of subrogation and will not demand or accept repayment from any person (including the Borrower) of any monies due from the Borrower to a Secured Party nor claim any set-off or counterclaim against the Borrower or claim or prove in competition with any Secured Party in the event of, as applicable, the insolvency or bankruptcy of the Borrower or have the benefit of any share in any other guarantee or security held by us or any Secured Party.
- (2) During the Security Period you undertake not to create or permit to subsist any Security from the Borrower for any obligations the Borrower owes to you. In the event that any such Security is created or does subsist you agree that such Security shall not be capable of being enforced in any manner whatsoever without our prior written consent and that such Security is hereby subordinated in point of priority to any Security granted by the Borrower to us.
- (3) In the event that, as a result of the existence of or the exercise or enforcement of any Rights, you receive any monies or other assets from the Borrower (or, as applicable, the Borrower's administrator, liquidator or trustee in bankruptcy) prior to the end of the Security Period, all such monies or assets at any time received or held in respect of those Rights shall be held by you on trust for us for application in or towards the discharge of the Debt.
- (4) You shall on demand by us promptly transfer, assign and/or pay to us all Rights and all monies and assets from time to time held on trust pursuant to paragraph (3) above.

SECTION H: OUR RIGHTS AND REMEDIES

(1) OUR GENERAL RIGHTS UNDER THE SHARE CHARGE

- (A) Our rights and powers under the Share Charge are cumulative, may be exercised as often as we require and are in addition to any of our rights under the general law.
- (B) No act, course of conduct or negotiation by us or another Secured Party (or on behalf of us or another Secured Party) shall preclude us from exercising any right or power under the Share Charge or constitute a suspension or variation of any such right or power.
- (C) Any omission, failure or delay on our part in exercising any of our rights under the Share Charge shall not prevent us from doing so either later or on another occasion.
- (D) Subject to paragraph (E), any waiver or variation of our rights under, or amendment of, the Share Charge shall only be effective if such waiver, variation or amendment is in writing and signed or acknowledged by us. Such waiver, variation or amendment shall only take effect in accordance with the specific terms of such waiver, variation or amendment.

- (E) We may change, vary, substitute, remove or add to any part of the terms and conditions which govern the Share Charge (including amending the Share Charge or the standard terms and conditions applicable to the Share Charge or issuing new standard conditions) at any time for the following reasons:
- (i) to take account, in a proportionate way, of any changes in general mortgage provider practice for the benefit of our customers as a whole;
 - (ii) to be more fair to our customers as a whole;
 - (iii) to take account of, in a proportionate way, any code of conduct which is applicable to our business now or in the future;
 - (iv) to correct any errors or to otherwise make the terms and conditions of the Share Charge more easy to understand;
 - (v) to enable us (or a member of our Group) to comply with a Regulatory Requirement or to otherwise reflect a change in the relevant law to which we (or a member of our Group) are subject or the way in which we (or a member of our Group) are regulated; or
 - (vi) to reflect, in a way which does not disadvantage you, a change in our systems or procedures, including any change arising from any reorganisation of our business as a result of it being acquired by, or by our (or a member of our Group) acquiring, another mortgage provider or organisation.

We will give you 14 days' notice before we exercise our right under this paragraph (E) above provided that where we, acting reasonably, consider any change, variation, substitution, removal or addition is not to your disadvantage we may make that change, variation, substitution, removal or addition immediately and we will then advise you within 14 days of the change, variation, substitution, removal or addition which has been made.

- (F) We (or any other Secured Party) may, at our/the other Secured Party's discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to the Share Charge in respect of any of the Debt (or of any other Security for it) without prejudice to your obligations under the Share Charge.
- (G) We shall be entitled (but shall not be obliged) to remedy, at any time, a breach by you of any of your obligations contained in the Share Charge and you irrevocably authorise us and our agents to do all things that are necessary or desirable for that purpose.
- (H) If we receive, or are deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, we may open a new account for you in our books. Without prejudice to our right to combine accounts, no money paid to the credit of you in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Debt. If we do not open a new account immediately on receipt of the notice, or deemed notice, referred to above, then, unless we give express written notice to the contrary to you, all payments made by you to us (or another member of our Group as applicable) shall be treated as having been credited to your new account and not as having been applied in reduction of the Debt, as from the time of receipt or deemed receipt of the relevant notice by us.

- (I) We or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested by the Share Charge. That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that we or the Receiver may, in our or the Receiver's discretion, think fit and neither we nor any Receiver shall be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub delegate.
- (J) We and each Receiver are entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.
- (K) Neither we nor any Receiver or Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property by reason of the exercise of any powers or rights under the Share Charge nor otherwise, nor shall any of us be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.
- (L) If we, any Receiver or Delegate enters into or takes possession of the Charged Property, we, the Receiver or Delegate (as applicable) may at any time relinquish possession.

(2) OUR RIGHTS ON AND AFTER AN ENFORCEMENT EVENT

- (A) The security constituted by the Share Charge shall be immediately enforceable if an Enforcement Event occurs and, in these circumstances, we may in our absolute discretion and without further notice to you enforce all or any part of the security constituted by the Share Charge at the times, in the manner and on the terms as we think fit including:
 - (i) taking possession of the Charged Property or collecting any dividend or other income payable in connection with the Charged Property;
 - (ii) selling the Charged Property;
 - (iii) appointing a Receiver;
 - (iv) exercising any other enforcement powers which we have under the LPA.
- (B) Our power of sale (and other powers conferred by section 101 of the LPA as varied or extended by the Share Charge) arises on the date of the Share Charge and is free from the restrictions in section 103 of the LPA. However we will only exercise our power of sale on the occurrence of an Enforcement Event.
- (C) You waive any right you may have to require us to enforce any Security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing the Share Charge against you.
- (D) To the extent permitted by law, any right, power or discretion conferred by the Share Charge on a Receiver may, after the occurrence of an Enforcement Event, be exercised by us in relation to any of the Charged Property whether or not we have taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

(E) At any time after an Enforcement Event or if you have otherwise defaulted in the performance of your obligations under the Share Charge or any other Mortgage Document, you will allow us and/or a Receiver, without further notice or demand, immediately to exercise all our rights, powers and remedies in particular (and without limitation) to take possession of any Charged Property and for that purpose to enter on any premises where any Charged Property is situated (or where we or a Receiver reasonably believes Charged Property to be situated) without incurring any liability to you for, or by any reason of, that entry. You must, at all times, use your best endeavours to allow us or a Receiver access to any premises for the purpose of this paragraph (2)(E) (including obtaining any necessary consents or permits of other persons) and ensure that, where applicable, your employees and officers do the same.

(F) In circumstances where the Charged Property has been mortgaged or charged (including pursuant to any Permitted Security) in a way that gives another person a first claim on the Charged Property or a person has an interest in the Charged Property which ranks in priority to the Security constituted by the Share Charge, we may at any time after:

(i) an Enforcement Event; or

(ii) any powers conferred by the prior ranking interest in the Charged Property have become exercisable,

buy out (whether by redemption or settlement) that other person's rights and our agreement or settlement with that other person will be conclusive and binding on you. All monies paid by us to that other person in connection with their buy-out shall be, as from its payment by us, due from you to us and be secured and accrue interest as part of the Mortgage Debt.

(G) To the extent that any of the Charged Property constitutes Financial Collateral and the Share Charge and your obligations under the Share Charge constitute a Security Financial Collateral Arrangement we shall have the right at any time after the security constituted by the Share Charge has become enforceable to appropriate all or any of the relevant Charged Property in or towards the payment and/or discharge of the Debt in such order as we, in our absolute discretion, may from time to time determine. The value of any Charged Property appropriated in accordance with this paragraph (G) shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index or determined by such other method as we may select (including independent valuation). You agree that the methods of valuation provided for in this paragraph (G) are commercially reasonable for the purposes of the Financial Collateral Regulations.

(3) APPOINTING A RECEIVER

(A) At any time after the occurrence of an Enforcement Event, or at your request, we may, without further notice, appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Charged Property.

(B) We may, without further notice, from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by us and may, whenever we think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

- (C) We may fix the remuneration of any Receiver appointed by us without the restrictions contained in section 109 of the LPA and the remuneration of the Receiver shall be a debt secured by the Share Charge, to the extent not otherwise discharged.
- (D) The power to appoint a Receiver conferred by the Share Charge shall be in addition to all statutory and other powers we have under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- (E) The power to appoint a Receiver (whether conferred by the Share Charge or by statute) shall be, and remain, exercisable by us despite any prior appointment in respect of all or any part of the Charged Property.
- (F) Any Receiver we appoint under the Share Charge shall be your agent and you shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. If the agency of a Receiver terminates that Receiver shall act as principal and shall not become our agent.

(4) POWERS OF A RECEIVER

- (A) Any Receiver we appoint under the Share Charge shall, in addition to the powers conferred by statute, have the power in your name and as your agent to:
 - (i) enter and repossess the Charged Property;
 - (ii) sell the Charged Property;
 - (iii) manage the Charged Property and do anything else arising as a result of managing the Charged Property which a receiver may or can do legally as your agent;
 - (iv) insure the Charged Property for any amounts and against any risks and through any agency as the Receiver or we see fit;
 - (v) exercise all powers provided for in the LPA in the same way as if the Receiver had been duly appointed under the LPA and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986;
 - (vi) raise money by borrowing from a member of our Group (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which the Receiver is appointed on any terms that the Receiver thinks fit (including, if we consent, terms under which that Security ranks in priority to the Share Charge);
 - (vii) redeem any prior Security and settle the accounts to which the Security relates. Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on you, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver;
 - (viii) delegate the Receiver's powers in accordance with the Share Charge;
 - (ix) exercise all powers, authorisations and rights the Receiver would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Charged Property or any part of the Charged Property; and

- (x) do any other acts and things:
 - (a) that the Receiver may consider desirable or necessary for realising any of the Charged Property;
 - (b) that the Receiver may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of the Share Charge or law; or
 - (c) that the Receiver lawfully may or can do as agent for you.
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under the Share Charge individually and to the exclusion of any other Receiver.

(5) PROTECTION OF THIRD PARTIES

- (A) No purchaser, mortgagee or other person dealing with us, any Receiver or Delegate shall be concerned to enquire (i) whether any of the Debt has become due or payable, or remains unpaid or undischarged, (ii) whether any power we, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable or (iii) how any money paid to us, any Receiver or any Delegate is to be applied.
- (B) The receipt by us or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, we, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that we or the relevant Receiver or Delegate thinks fit.

(6) APPLICATION OF PROCEEDS

- (A) All monies received by us, a Receiver or any Delegate under or in connection with the Share Charge, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied in the following order of priority:
 - (i) *first*, in or towards payment of all costs, charges and expenses incurred by us, any Receiver and any Delegate in connection with the Share Charge (including, but not limited to, payment of any fees (at the rate we agree with the Receiver) due to any Receiver we appoint);
 - (ii) *second*, in or towards payment to the relevant Secured Party/ies to discharge the Debt in any order and manner that we may determine (or are otherwise directed by the relevant Secured Party/ies); and
 - (iii) *third*, in payment of the surplus (if any) to you or any other person entitled to it.
- (B) Neither we nor any Receiver or other Secured Party shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay any monies first towards interest rather than principal or otherwise in any particular order in respect of the Debt or to pay off the Mortgage Debt or the Other Debt in any particular order.
- (C) All monies received by us, a Receiver or a Delegate under the Share Charge:

- (i) may, at the discretion of us or the relevant Receiver or Delegate, be credited to any interest-bearing suspense or securities realised account;
- (ii) may be held in that account for so long as we or the relevant Receiver or Delegate think expedient without having any obligation to apply the monies towards the discharge of the Debt.

(7) POWER OF ATTORNEY

- (A) For the purposes of securing our interest in the Charged Property, you irrevocably appoint us for the duration of the Security Period and (as a separate appointment) every Receiver and every Delegate to be your attorney (with full power of substitution and delegation) to do the following in your name and on your behalf:
 - (i) execute any document and do any act and thing that you are required to execute and/or do under the Share Charge but have not done; and
 - (ii) execute any document and do anything which is needed to allow any of our (or another Secured Party's) rights, powers and remedies under the Share Charge or by law to be effectively exercised, enforced or defended.
- (B) We will not be (and no Receiver or Delegate will be) liable for anything done under this power of attorney unless we (or the Receiver or Delegate) have failed to use reasonable care in exercising that power.
- (C) You hereby ratify and confirm, and agree to ratify and confirm, anything that any of your attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in this paragraph (7).

SECTION I: OTHER PROVISIONS

(1) ASSIGNMENTS AND TRANSFERS

- (A) We may:
 - (i) assign all or any of our rights under the Share Charge; or
 - (ii) transfer all or any of our rights or obligations under the Share Charge by novation, to any person at any time and for any purpose (including, but not limited to, in connection with any securitisation of all or part of the Debt) and without the consent of, or any obligation to consult with or notify, you.
- (B) The power for us to assign or transfer, as applicable, our rights under the Share Charge includes the power for us to assign or transfer such rights as security for any borrowing by us or any other member of our Group.
- (C) Unless the terms of the assignment or transfer provide otherwise, an assignee or transferee of any of our rights under the Share Charge will be able to exercise those rights (and related powers and remedies) in the same manner as we could prior to the transfer or assignment.
- (D) You may not assign or transfer any of your rights or obligations under the Share Charge.

- (E) We may disclose any information relating to you or your business which we have (or a member of our Group has) acquired under or pursuant to any Mortgage Document to any (actual or potential) assignee or transferee.

(2) NOTICES

- (A) Each notice or other communication given under or in connection with the Share Charge shall be in writing, delivered personally or sent by pre-paid first-class letter or e-mail, and sent:
- (i) to you at:
 - (a) your address which is set out in Box A in the Share Charge or such other address as you may notify to us in writing from time to time after the date of the Share Charge; and/or
 - (b) your e-mail address (if any) last provided to us;
 - (ii) to us at the address set out by our name on the first page of the Share Charge or any email address specifically provided by us to you for this purpose or such other address or email address as we may notify you in writing from time to time.
- (B) You agree that any notices to be sent by us under the Share Charge, or any service of any proceedings, may be served by us on you as set out in paragraph (A)(i) above and the service of any such notices or proceedings shall be deemed to be received by you:
- (i) if sent by e-mail, when it is transmitted;
 - (ii) if given by hand, at the time of actual delivery; and
 - (iii) if posted, on the second Business Day after the day it was sent by pre-paid first-class post.
- (C) Any notice or other communication given to us by you shall be deemed to have been received only on actual receipt.
- (D) You must tell us if your name or any of your contact details change. If you do not tell us we will continue to use the details you last gave us or, if those details have not been updated, as otherwise provided for in paragraph (A)(i) above. We will not be responsible if we fail to contact you because we are using the details you last gave us or, if those details have not been updated, as otherwise provided for in paragraph (A)(i) above. We will also not be responsible if we send you any information relating to the Share Charge to the wrong address (including an electronic address) using the details you last gave us.
- (E) All notices and communications given in connection with the Share Charge shall be in English.

- (F) Where you are not incorporated or domiciled in England and Wales, you irrevocably appoint the person specified in Box D in the Share Charge as your agent to receive on your behalf in England and Wales service of any proceedings in relation to the Share Charge. Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by you) and shall be valid until such time as we have received prior written notice from you that such agent has ceased to act as your agent for these purposes. If for any reason such agent ceases to be able to act as agent or no longer has an address in England or Wales, you shall immediately appoint a substitute acceptable to us and deliver to us the new agent's name, address within England or Wales, fax number and email address, failing which we may select a substitute agent to receive on your behalf service of any proceedings in relation to the Share Charge.

(3) PRESERVATION OF OTHER SECURITY AND RIGHTS

The Share Charge is in addition to, and independent of, any other security or guarantee for the Debt which is held by us (or any other Secured Party) now or in the future.

(4) SECURITY RELEASE

- (A) Subject to paragraphs (4)(B) and (4)(C) below, on the expiry of the Security Period (but not otherwise) we shall, where you request and at your cost, take whatever action you may reasonably require to release the Charged Property from the security constituted by the Share Charge.
- (B) Any release, discharge or settlement between you and us shall be conditional on no payment or security received by the relevant Secured Parties in respect of the Debt being avoided, reduced or ordered to be refunded under any law in any jurisdiction relating to insolvency, winding-up, administration, receivership or otherwise. As a result, notwithstanding such release, re-assignment, discharge or settlement:
- (i) we may retain the Share Charge and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that we deem necessary to provide us with security against any such avoidance, reduction or order for refund;
 - (ii) we may recover the value or amount of such security or payment from you subsequently as if the release, re-assignment, discharge or settlement had not occurred.
- (C) If we consider that an amount paid by you or the Borrower in respect of the Debt is capable of being avoided or otherwise set aside on your or the Borrower's insolvency or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of the Share Charge.

(5) COSTS AND INDEMNITIES

You shall on demand reimburse us and any Receiver and any Delegate, on a full indemnity basis, in respect of all costs, charges, expenses, taxes, losses and any other liabilities of any kind (including legal and out-of-pocket costs and expenses and any value added tax on those costs and expenses) suffered or incurred by us or any Receiver or any Delegate in connection with:

- (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under the Share Charge or by law in respect of the Charged Property;

- (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of their rights under the Share Charge;
- (iii) any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with the Share Charge;
- (iv) taking proceedings for, or recovering, any of the amounts demanded from you under, or in connection with, the Share Charge;
- (v) all stamp duty, registration and other similar taxes payable in respect of the Share Charge;
- (vi) remedying a breach by you of your obligations contained in the Share Charge; and
- (vii) the release of the Share Charge and/or any part of the Charged Property from the security constituted by the Share Charge.

(6) GENERAL / MISCELLANEOUS

- (A) The Share Charge may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party has signed the same document.
- (B) If any provision (or part of a provision) of the Share Charge is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this paragraph (6)(B) shall not affect the legality, validity and enforceability of the rest of the Share Charge.
- (C) For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any other Mortgage Document and of any side letters between any parties in relation to any Mortgage Document are incorporated into the Share Charge.
- (D) Unless expressly provided to the contrary (including under paragraph (E) below), it is not intended that a third party should have the right to enforce a provision of the Share Charge pursuant to the Contracts (Rights of Third Parties) Act 1999.
- (E) Where the Share Charge grants any right or benefit to a Secured Party which is not party to the Share Charge or to a member of our Group or to any of our Representatives then such person may rely on and enforce that right or benefit notwithstanding that they are not party to the Share Charge.
- (F) It is intended that the Share Charge takes effect as a deed even though a party may only execute it under hand.

(7) GOVERNING LAW AND JURISDICTION

- (A) The Share Charge and any non-contractual obligations arising out of or in relation to the Share Charge shall be governed by English law.
- (B) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Share Charge (including a dispute relating to the existence, validity or termination of the Share Charge or any non-contractual obligation arising out of or in connection with the Share Charge) (a **Dispute**).

- (C) You agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly you will not argue to the contrary.
- (D) We shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, we may take concurrent proceedings in any number of jurisdictions.



LendInvest Share Charge

England & Wales (Development Finance)

THIS IS AN IMPORTANT LEGAL DOCUMENT. ONCE YOU HAVE SIGNED IT YOU WILL BE LEGALLY BOUND BY ITS TERMS. WE MAY BECOME ENTITLED TO ENFORCE OUR RIGHTS AGAINST ALL OR PART OF THE CHARGED PROPERTY IF THE BORROWER FAILS TO PAY THE MONIES OWED BY IT UNDER THE TERMS OF THE MORTGAGE DOCUMENTS WHEN DUE. YOU MUST OBTAIN INDEPENDENT LEGAL ADVICE BEFORE SIGNING THIS DOCUMENT.

By this *Share Charge* made on 15 day of April 2019 by you:

BOX A (Chargor details)

A & C Property Investments Ltd
of 191-193 Commercial Road, London, E1 2BT
with registered number 10277963

in favour of us, LendInvest Security Trustees Limited (company number: 08743617) of 8 Mortimer Street, London, England, W1T 3JJ, you charge the *Charged Property* to secure both your liabilities and the Borrower's liabilities to the *Secured Parties* on the terms which appear in this *Share Charge* (including the *Share Charge Conditions*).

BOX B (Details of specific shares charged)

23 Ordinary Shares and 739,233 A Preference Shares (the **Shares**) issued by Restoration Hunts Wharf Ltd (the **Borrower**)

BOX C (Details of the Property to which the Mortgage Debt secured by the Share Charge relates)

Address of Property: Hunts Wharf, Land on the north side of Leaside Road, London registered with Title Number EGL173517

BOX D (Process Agent)

Not applicable

- (1) This *Share Charge* incorporates the *Share Charge General Conditions (2017)* (the **Share Charge Conditions**) scheduled to this *Share Charge*. You acknowledge that you have received a copy of the *Share Charge Conditions* and agree that you will observe and perform them.

- (2) Terms in italics used in this *Share Charge* are defined in or, as applicable, interpreted in accordance with, the Share Charge Conditions.
- (3) You covenant to us to, on demand, pay, discharge and satisfy the amounts outstanding in respect of the *Debt* when they become due in accordance with the terms upon which such *Debt* is documented.
- (4) As continuing security for the payment and discharge of the *Debt* with full title guarantee you charge to us by way of first fixed charge:
 - (a) all of the *Investments*; and
 - (b) all of the *Intercompany Debts*.

This *Share Charge* has been executed as a deed and is delivered and takes effect on the date stated at the top of the first page of this *Share Charge*.

EXECUTION PAGE TO SHARE CHARGE

THIS IS AN IMPORTANT LEGAL DOCUMENT. ONCE YOU HAVE SIGNED IT YOU WILL BE LEGALLY BOUND BY ITS TERMS. WE MAY BECOME ENTITLED TO ENFORCE OUR RIGHTS AGAINST ALL OR PART OF THE CHARGED PROPERTY IF THE BORROWER FAILS TO PAY THE MONIES OWED BY IT UNDER THE TERMS OF THE MORTGAGE DOCUMENTS WHEN DUE. YOU MUST OBTAIN INDEPENDENT LEGAL ADVICE BEFORE SIGNING THIS DOCUMENT.

Where you are a limited company and are signing by two directors or one director and the company secretary

Executed as a deed by A & C PROPERTY INVESTMENTS LTD
acting by two Directors or a Director and its Secretary

..... Name of Director Signature of Director
---------------------------	--------------------------------

..... Name of Director/ Secretary Signature of Director/ Secretary
---	--

OR

Where you are a limited company and are signing by a director in the presence of a witness

Executed as a deed by A & C PROPERTY INVESTMENTS LTD
acting by its Director

..... Name of Director Signature of Director
---------------------------	--------------------------------

In the presence of a witness:

Witness signature

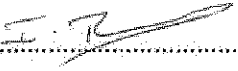
Witness name

Witness address

.....

Witness occupation

EXECUTION PAGE - SECURITY TRUSTEE


.....

For and on behalf of
LENDINVEST SECURITY TRUSTEES LIMITED

SCHEDULE: SHARE CHARGE GENERAL CONDITIONS (2017) – DEVELOPMENT FINANCE

SUMMARY OF CONTENTS

SECTION	TITLE	DESCRIPTION
A	About the Share Charge Conditions	This section is a general description of the Share Charge Conditions.
B	Glossary	This section sets out the meaning of the capitalised terms and certain other terms which are used repeatedly throughout the Share Charge and the Share Charge Conditions.
C	Amounts Secured by the Share Charge	This section sets out the liabilities which are secured by the Share Charge.
D	Your Representations and Acknowledgements to us	This section sets out your representations and warranties to us relating to, amongst other things, your status in entering into the Share Charge and that the information you have provided to us in connection with the Share Charge is true and correct and your acknowledgement to us that, amongst other things, the Charged Property is at risk if the Borrower does not repay all or any part of the Debt when due.
E	Your Obligations	This section sets out your promises to us including in respect of your use and dealings with the Charged Property.
F	Notification Events	This section sets out the events and circumstances which shall constitute a Notification Event for the purposes of the Share Charge. You are required to notify us if any of these events or circumstances occur.
G	Subordination and Restrictions on your Rights	This section sets out certain restrictions on your rights against the Borrower during the Security Period.
H	Our Rights and Remedies	This section sets out our (and any Receiver's) rights under the Share Charge generally and our rights in the event that (i) a Secured Party demands repayment from the Borrower of amounts owing under a Mortgage Document and the Borrower fails to repay them and/or (ii) any other monies the Borrower owes to a Secured Party which are secured by the Share Charge are due and payable but have not been paid.

I	Other Provisions	This section sets out certain other matters relating to the Share Charge including, but not limited to, our ability to assign/transfer all or any of our rights under the Share Charge to other persons, your liability to us for certain costs and expenses that may be incurred in connection with the Share Charge and the process for releasing the security under the Share Charge at the end of the Security Period.

SECTION A: ABOUT THESE SHARE CHARGE CONDITIONS

Important note: *You have agreed to enter into the Share Charge for the purpose of providing security for the Borrower's liabilities to the Secured Parties in connection with all loans and other facilities the Secured Parties have extended (or may extend) to the Borrower from time to time. You should be aware that, amongst other things, a breach by you of the terms of the Share Charge, a misrepresentation made by you under the Share Charge or the occurrence of certain events in respect of you (including, but not limited to, your insolvency or, as applicable, bankruptcy) may lead us to make a demand on the Borrower in respect of the Debt which, in turn, may mean that we have rights against you and/or the Charged Property in accordance with the terms of the Share Charge.*

- (1) These terms and conditions constitute the Share Charge Conditions and form part of the Share Charge and are to be read together with the Share Charge. Please read the Share Charge Conditions carefully as, when the Share Charge is dated and delivered, you will be bound by them. You should retain a copy of the Share Charge Conditions as they contain important terms relating to your liabilities and obligations to us and our rights against you and/or the Charged Property should the Borrower default in the performance of its obligations in respect of the Debt. If you are unsure as to the meaning of the Share Charge Conditions or their consequences for you then you should ask for advice from your solicitor.
- (2) Please note that it is a condition to the Lender(s) extending (or, as applicable, continuing to extend) credit to the Borrower (i) that you enter into the Share Charge and (ii) in so doing and unless we otherwise agree, that you have sought, and have confirmed to us that you have sought, independent legal advice in relation to the terms of the Share Charge.

SECTION B: GLOSSARY

- (1) In the Share Charge (including the Share Charge Conditions) the following terms have the following meanings:

Advance means each amount of money lent to the Borrower under the Mortgage;

Affiliate means, in respect of any person, any other person controlling, controlled by or under the common control of that person. For the purposes of this definition:

- (A) **control** means: (A) the direct or indirect legal and/or beneficial ownership of (i) 50 per cent. or more of the shares, voting securities or other voting interests in a person; (ii) 50 per cent. or more of the interest in the profit or income of a person; or (iii) in the case of a limited partnership, any other comparable interest in the general partner; or (B) the ability to give directions with respect to the operating, financial and/or investment policies of a person which the directors or other equivalent officers of that person are obliged to comply and **controlling** and **controlled** shall be construed accordingly; and
- (B) a fund shall be deemed to be controlled by (and be an Affiliate of) its investment adviser;

Borrower means the company identified in Box B of the Share Charge;

Business Day means any day other than a Saturday, a Sunday or a public holiday in England and Wales;

Charged Property means all the assets and property for the time being subject to the Security created by, or pursuant to, the Share Charge;

Debt means the Mortgage Debt and, if applicable, any Other Debt;

Delegate means any person appointed by us or any Receiver as a delegate under the Share Charge and any person appointed as attorney of us, a Receiver or a Delegate;

Development means the Approved Development referred to, and as defined in, the Loan Agreement(s) currently in force;

Enforcement Event means:

- (A) any demand made by us (or any other Secured Party) on you or the Borrower for repayment of all or any part of the Mortgage Debt in accordance with the Mortgage Documents; or
- (B) any of the Other Debt becoming due and payable by the Borrower in accordance with its terms but remaining unpaid;

Financial Collateral has the meaning given to that term in the Financial Collateral Regulations;

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

First Advance means the first Advance made to the Borrower under the Mortgage;

Further Advance means, subsequent to the First Advance, any further Advance made to the Borrower under the Mortgage;

Intercompany Debts means all present and future book and other debts, and any other monetary or intercompany claims, in each case due or owing to you from the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by you in relation to any of them;

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

- (A) the Shares;
- (B) any dividend, interest or other distribution paid or payable in relation to any of the Investments;
- (C) any right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise; and
- (D) any Related Rights in respect of the applicable Investments;

Lender means each member of our Group which is named as a lender under a Loan Agreement and any assignee, transferee or successor of such Lender;

Loan Agreement means each loan agreement (including any applicable Loan Conditions) between the Borrower and the Lender(s) under which the Borrower has been advanced (and there remains outstanding) a loan or loans for the purposes of financing or refinancing the Property and/or funding the Development;

Loan Conditions means, in relation to a Loan Agreement, any conditions incorporated by reference into that Loan Agreement;

LPA means the Law of Property Act 1925;

Mortgage means, in relation to the financing or refinancing of the Property and/or the funding of the Development, the mortgage contract between the Borrower, us and each other applicable Secured Party;

Mortgage Debt means all present and future amounts owed by you or the Borrower to a Secured Party under a Mortgage Document, whether actual or contingent and whether owed jointly or severally, including all interest accruing in respect of those amounts;

Mortgage Deed means the mortgage deed between us and the Borrower under which the Borrower has charged the Property in our favour as security for the Debt and any deed of substituted or additional security relating to the Property which the Borrower has given to secure the Debt;

Mortgage Document means the Mortgage Offer, any Loan Agreement, the Share Charge (including the Share Charge Conditions), the Mortgage Deed, any other Transaction Security Document under and as defined in a Loan Agreement, the Tariff of Charges, any guarantee granted by any person in respect of the Borrower's obligations under a Loan Agreement, any other security document entered into by you in connection with a Loan Agreement and any other document that the Borrower and we (or a Lender) designate as a Mortgage Document;

Mortgage Offer means, in relation to the financing or refinancing of the Property and/or the funding of the Development, any mortgage offer or offer of additional borrowing by which we (or another member of our Group) offer to make available to the Borrower a loan on the security of the Property, including any subsequent or other offers or documents we (or a member of our Group) provide to the Borrower and which the Borrower agrees to which add to or change an earlier offer and, for the avoidance of doubt, where an offer of a Further Advance is made to the Borrower, references to the Mortgage Offer in any Mortgage Document cover, as applicable, both the offer relating to the Advance(s) originally contemplated by the relevant Loan Agreement and any offer relating to such Further Advance;

Notification Event means any event or circumstance specified in Section F (*Notification Events*);

Other Debt means all present and future amounts owed by the Borrower to a Secured Party which is a member of our Group under any agreement other than a Mortgage Document (including, but not limited to, any loan agreement in relation to the financing or refinancing of a property other than the Property and/or the funding of a development other than the Development), whether actual or contingent and whether owed jointly or severally, including all interest accruing in respect of those amounts;

Permitted Security means any Security over any of the Charged Property in favour of a third party which we (or another member of our Group) has consented to in writing;

Potential Notification Event means any event or circumstance specified in Section F (*Notification Events*) which would, on the giving of notice, expiry of any grace period or making of any determination under the Mortgage Deed, become a Notification Event;

Property means the property identified in Box C in the Share Charge;

Receiver means a receiver or a receiver and manager of any or all of the Charged Property;

Regulatory Requirements means any obligation we or any other Secured Party have to comply with any law, regulation or rule or decision of any court, ombudsman or any other regulatory authority;

Related Rights means:

- (A) the proceeds of sale of any part of the Investments;
- (B) all warrants, options and other rights to subscribe or otherwise acquire the Investments;
- (C) all rights, powers, offers, benefits, claims, contracts, warranties, remedies, Security, guarantees, indemnities or covenants for title in respect of the Investments; and
- (D) all monies and proceeds paid or payable in respect of the Investments,

both present and future (including all rights against any trustee, nominee, fiduciary or clearing system);

Representations means the representations and warranties made by you as set out in Section D (*Your Representations and Acknowledgements to us*);

Representatives means, in relation to any person, their employees, directors, professional advisers and/or agents (including, but not limited to, any loan servicer or collection agent appointed by any member of our Group as an agent to service and/or administer the Mortgage);

Rights means, with respect to the Borrower, any Security or other right or benefit you have with respect to the Borrower whether arising by way of monies lent to the Borrower, set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise;

Secured Parties means us, each Lender, any other party to a Mortgage Document for whom we may hold the benefit of the security created under the Share Charge on trust (including any assignee or transferee under a Loan Agreement), any other member of our Group to whom the Borrower owes any Other Debt and any Receiver or Delegate (and **Secured Party** shall be construed accordingly);

Security means any mortgage, charge (whether fixed or floating, legal or equitable), 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 Financial Collateral Arrangement has the meaning given to that term in the Financial Collateral Regulations;

Security Period means the period starting on the date the Borrower receives the First Advance and ending on the date on which all the Debt has been unconditionally and irrevocably paid and discharged in full and no further Debt is capable of being outstanding to a Secured Party;

Share Charge means the share charge between you and us under which you have charged the Charged Property in our favour as security for the Debt and in respect of which the Share Charge Conditions form part and any deed of substituted or additional security relating to the Charged Property which you have given to secure the Debt;

Share Charge Conditions means these share charge general conditions (2017) (as may be amended, varied or substituted from time to time in accordance with the terms of the Share Charge Conditions);

Shares means the shares in the Borrower as identified in Box B of the Share Charge; and

Tariff of Charges means the tariff of charges as referred to in the Mortgage Offer (as available at <https://www.lendinvest.com/wp-content/uploads/2016/02/LendInvest-Tariff-of-Mortgage-Fees-Charges-2.pdf> or such other website as we (or a Lender) may provide from time to time) as may be varied by us (or a Lender) (in each case acting reasonably) from time to time on notice to the Borrower.

- (2) Unless otherwise provided to the contrary or the context otherwise requires, a reference in the Share Charge (including the Share Charge Conditions) to:
- (A) **we** means LendInvest Security Trustees Limited (company number: 08743617) and our successors and any transferees or assignees of our (or our successor's) rights (and **us** and **our** shall be construed accordingly);
 - (B) **you** means the person named in Box A in the Share Charge and that person's successors or, where applicable, legal representatives including, in the case of an individual after their death, any personal representative to whom the Charged Property passes (and **your** shall be construed accordingly);
 - (C) a **charge** of, or over, any Charged Property includes the proceeds of sale of that Charged Property and any other monies paid or payable in respect of that Charged Property;
 - (D) any party to a Mortgage Document (including the Share Charge) shall include that party's successors, permitted assigns and permitted transferees and that Mortgage Document shall be binding on, and enure to the benefit of, the parties to that Mortgage Document and their respective successors, permitted assignees and permitted transferees;
 - (E) a provision in a statute includes any changes which are made to it and to any provision which replaces it;
 - (F) the singular includes the plural and vice versa;
 - (G) a Mortgage Document (or any provision of it) or to any other agreement or document referred to in a Mortgage Document is a reference to that Mortgage Document, that provision or such other agreement or document as amended, varied, supplemented or replaced from time to time (including, but not limited to, under the provisions of paragraph 1(E) of Section H (*Our Rights and Remedies*));
 - (H) any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
 - (I) a paragraph or Section is to the relevant paragraph and/or Section of the Share Charge Conditions;
 - (J) an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);

- (K) any **assets** (including, for the avoidance of doubt, any of the Charged Property) includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (L) an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (M) a **person** includes a natural person, corporate or unincorporated body or any state or any agency of any person; and
- (N) a person's **Group** means that person and each of that person's Affiliates.
- (3) The headings and summary of contents used in the Share Charge Conditions are for guidance and ease of reference only.

SECTION C: THE SHARE CHARGE

- (1) The Share Charge secures the Debt and the Charged Property constitutes security for the Secured Parties under the Share Charge.
- (2) The Share Charge shall remain in full force and effect as a continuing security for the repayment of all of the Debt (notwithstanding any settlement of account or intermediate payment) and we shall not be obliged to release the Charged Property from the security created by the Share Charge except, subject to paragraph (4) of Section I (*Other Provisions*), where the Debt has been repaid in full and no Secured Party has any continuing liability to make any amount available to the Borrower.
- (3) Without prejudice to paragraph (1), the Share Charge secures both the First Advance and any Further Advance. Subject to the terms of the relevant Mortgage Document, each Secured Party agrees that it must perform its obligations under each Mortgage Document.
- (4) Your liability under the Share Charge in respect of all or any part of the Debt shall not be discharged or prejudiced by (i) any intermediate payment, settlement of account or discharge in whole or in part of the Debt, (ii) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which any Secured Party may have from or against the Borrower or any other person in connection with the Debt, (iii) any termination, amendment, variation, novation or supplement to or in respect of the Debt, (iv) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law or any change in the constitution or name of you or the Borrower or any other person, (v) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security held from, the Borrower or any other person in connection with the Debt or (vi) any other act or omission which would not have discharged or affected your liability had you been a principal debtor or by anything done or omitted by any person which, but for this provision, may operate to discharge or exonerate you or otherwise reduce or extinguish your liability under the Share Charge.

SECTION D: YOUR REPRESENTATIONS AND ACKNOWLEDGEMENTS TO US

- (1) Unless otherwise expressly provided, you make each of the Representations to us on the date of the Share Charge and you shall be deemed to repeat each of the Representations on each day during the Security Period.
- (2) You represent and warrant to us that:

- (A) where you are a company or limited liability partnership, you are validly existing and, in the case of a company, duly incorporated in each case under the law of the jurisdiction in which you were, as applicable, incorporated, formed or registered;
- (B) you have the power to own your own assets and, in the case of a company or limited liability partnership, carry on your business as it is being conducted;
- (C) you have, as applicable, the full capacity, power and authority to enter into the Share Charge and to perform your obligations under it and all necessary action required or desirable to authorise the execution of the Share Charge by you and the performance by you of your obligations under the Share Charge has been duly taken. Any such authorisations are in full force and effect;
- (D) the execution, delivery and performance of the obligations in, and transactions contemplated by, the Share Charge do not and will not contravene or conflict with:
 - (i) (where and as applicable) your constitutional documents, partnership agreement or other applicable incorporation documents;
 - (ii) any agreement binding on you or your assets or constitute a default or termination event (howsoever described) under any such agreement or instrument;
 - (iii) any law or regulation or judicial or official order applicable to you;
- (E) the Share Charge creates, and will constitute, valid, legally binding and enforceable obligations on you;
- (F) to the best of your knowledge, the information, in written or electronic format, supplied by you to us in connection with the Share Charge and/or the Charged Property:
 - (i) was complete, true and accurate in all material respects at the time it was supplied; and
 - (ii) was not and is not misleading in any material respect, nor rendered misleading by a failure to disclose other information,except to the extent that it has been amended, superseded or updated by more recent information supplied by you to us;
- (G) there is no litigation, arbitration or administrative proceedings taking place, pending or, to your knowledge, threatened against you or any of the Charged Property;
- (H) none of your assets are entitled to immunity on any grounds from any legal action or proceeding (including, without limitation, suit, attachment prior to judgment, execution or other enforcement);
- (I) you:
 - (i) have not suspended, or threatened to suspend, payment of your debts;
 - (ii) are not unable to pay your debts as they fall due;

- (iii) have not admitted an inability to pay your debts and are not deemed either unable to pay your debts or as having no reasonable prospect of so doing;
 - (iv) have not commenced negotiations with all or any class of your creditors with a view to rescheduling any of your debts and have not made a proposal for or entered into any compromise or arrangement with any of your creditors;
 - (v) are not the subject of any order for (as applicable) administration, liquidation, winding up or bankruptcy;
- (J) no person has become entitled to appoint (as applicable) a receiver, administrator, liquidator or a bankruptcy trustee over any of your assets and no (as applicable) receiver, administrator, liquidator or bankruptcy trustee has been appointed over any of your assets;
- (K) no creditor or encumbrancer has attached or taken possession of, and no distress, execution, sequestration or other such process has been levied or enforced on or sued against, any of your assets;
- (L) no event has occurred and no proceeding has been taken in any jurisdiction which has an effect equivalent or similar to any of the events mentioned in paragraphs (I) – (K) above (inclusive);
- (M) no Notification Event has occurred;
- (N) you have sole legal and beneficial title to the Charged Property;
- (O) the constitutional documents of the Borrower do not and could not restrict or inhibit (whether absolutely, partly, under a discretionary power or otherwise) the transfer of the Investments in relation to the enforcement of the Security created by or under this Share Charge;
- (P) any shares falling within the definition of Investments are fully paid;
- (Q) no "warning notice" or "restrictions notice" (both as defined in paragraph 1(2) of Schedule 1B of the Companies Act 2006) has been issued to, and remains in effect in respect of, you; and
- (R) neither you nor any member of your Group is or has at any time been (a) an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) or (b) "connected" with or an "associate" (as those terms are used in sections 39 and 43 of the Pensions Act 2004) of such an employer.
- (3) You acknowledge that:
- (A) the Charged Property will be at risk if payments under a Loan Agreement (or any other document pursuant to which any Debt is constituted) are not made by the Borrower on their due date or when otherwise demanded for payment;
 - (B) it is your responsibility to obtain your own advice in respect of legal, investment, accounting and taxation matters relating to the Share Charge and the transactions contemplated by the Share Charge and that you are not relying on us for the same; and

- (C) we have not, and you will not claim that we have, rendered advisory services of any nature, or owe a fiduciary or similar duty, to you in connection with the Share Charge or in respect of any transactions related to, or contemplated by, the Share Charge or the Mortgage.

SECTION E: YOUR OBLIGATIONS

Unless otherwise expressly provided, each undertaking you give in the Share Charge shall remain in force for the duration of the Security Period. Where during the Security Period you seek our consent or approval to do something which is otherwise prohibited by the terms of the Share Charge, we may withhold our consent in our sole discretion.

(1) OBLIGATIONS RELATING TO THE CHARGED PROPERTY

- (A) Upon execution of the Share Charge (or immediately upon the acquisition of the relevant Investment if that acquisition follows the date of the Share Charge) you shall deposit with us in respect of each Investment:
 - (i) all share certificates, warrants or other documents of title;
 - (ii) duly executed undated blank stock transfer forms; and
 - (iii) forms of waiver of any pre-emption rights and any other documents, consents and monies necessary to enable transfers of the relevant Investments to be registered by us.
- (B) Prior to the occurrence an Enforcement Event, you may continue to exercise all voting and other rights (including the right to collect dividends, interest, principal or other payments of money) relating to the Investments provided that such rights are not exercised in a way which (and you shall not permit anything which):
 - (i) jeopardises the Security constituted by the Share Charge;
 - (ii) varies the rights attaching to the Investments; or
 - (iii) relates to a participation in a rights issue or to receiving dividends other than in cash or concerns a merger, consolidation, allotment of shares, change to constitutional documents, transfer of ownership (legal or beneficial), liquidation, striking off, insolvency or matters which would otherwise be prohibited by the Mortgage Documents.
- (C) Following the occurrence of an Enforcement Event, we may (without notice to or consent from you) exercise any rights (including the right to collect dividends, interest, principal or other payments of money but excluding the right to vote) in respect of the Investments and may do anything necessary to complete any transfer form in favour of us, our nominee or otherwise.
- (D) Following the occurrence of an Enforcement Event and the service of notice upon you, we may (without your consent) exercise any right to vote in respect of the Investments.

- (E) You shall promptly pay all calls, costs and/or other payments in respect of the Investments and shall give us, at the time of issue, copies of all information, offers, notices or other materials supplied to the members of the issuers of the Investments and shall advise us promptly of any material occurrence affecting the Investments and shall give us such information as we may require relating to the Investments.
- (F) You undertake that you shall not without our prior written consent:
 - (i) create, or permit to subsist, any Security over any of the Charged Property with the exception of:
 - (a) any of the Security created under the Share Charge;
 - (b) any Permitted Security; and
 - (c) any lien arising by operation of law and in the ordinary course of business;
 - (ii) enter into, in the case of a company or limited liability partnership, any amalgamation, demerger, merger or corporate reconstruction;
 - (ii) sell, lease, transfer or otherwise dispose of any of the Charged Property.
- (G) You shall:
 - (i) within the relevant timeframe, comply with any notice you receive pursuant to Part 21A of the Companies Act 2006 from the Borrower; and
 - (ii) promptly provide the Security Trustee with a copy of any such notice.

(2) YOUR GENERAL PROMISES TO US

You shall:

- (A) promptly notify us of any Potential Notification Event or Notification Event (and the steps, if any, being taken to remedy it) promptly on becoming aware of its occurrence;
- (B) promptly on our request, supply us a certificate (signed, in the case of a company, by a director or, in the case of a limited liability partnership, a member) certifying that no Notification Event is continuing (or, if a Notification Event is continuing, specifying the Notification Event and the steps, if any, being taken to remedy it);
- (C) obtain all consents and authorisations necessary (and do all that is needed to maintain them in full force and effect) under any law or regulation of your, as applicable, jurisdiction of incorporation, registration or domicile to enable you to perform your obligations under the Share Charge and to ensure the legality, validity, enforceability and admissibility in evidence of the Share Charge in the jurisdiction of, as applicable, your incorporation, registration or domicile;
- (D) comply, in all respects, with all relevant laws to which you or the Charged Property may be subject;
- (E) supply us with any information about your financial condition, business and operations that we may reasonably request; and

- (F) ensure that no member of your Group is or has been at any time an employer (for the purposes of sections 38 to 51 of the Pensions Act 2004) of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993) or "connected" with or an "associate" of (as those terms are used in sections 39 or 43 of the Pensions Act 2004) such an employer."

(3) FURTHER ASSURANCE

Promptly upon our request you agree to execute any document or do any act or thing which we may reasonably require you to do in order to perfect any security created or intended to be created under the Share Charge or any related security or which we may require to facilitate the exercise or the purported exercise of any of our or another Secured Party's rights or in connection with the protection, management and realisation of the Charged Property. If you fail to do so promptly following our request we or any Receiver or Delegate that we appoint have the right to execute such documents or do such things using the power of attorney provided for in paragraph (7) of Section H (*Our Rights and Remedies*). Any fees, costs or expenses we (or any Receiver or Delegate) incur in so doing shall be payable by you.

SECTION F: NOTIFICATION EVENTS

Each of the following events or circumstances shall constitute a Notification Event for the purposes of the Share Charge:

- (1) you fail to comply with any provision of the Share Charge;
- (2) any representation, warranty or statement made, repeated or deemed made you in, or pursuant to, the Share Charge is (or proves to have been) incomplete, untrue, incorrect or misleading in any material respect when made, repeated or deemed made;
- (3) you stop or suspend payment of any of your debts, or you are unable to, or admit an inability to, pay your debts as they fall due;
- (4) you commence negotiations, or enters into any composition or arrangement, with one or more of your creditors with a view to rescheduling any of your indebtedness (because of actual or expected financial difficulties);
- (5) a moratorium is declared in respect of any of your indebtedness;
- (6) any action, proceedings, procedure or step is taken for:
 - (A) (as applicable) the suspension of payments, winding up, sequestration, dissolution, administration, bankruptcy or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of you; or
 - (B) the appointment of, as applicable, a liquidator, receiver, administrative receiver, administrator, compulsory manager, bankruptcy trustee or other similar officer in respect of you or your assets;
- (7) any event occurs in relation to you that is analogous to those set out in paragraph (6) in any jurisdiction outside England and Wales;

- (8) all or any part of the Share Charge becomes invalid, unlawful, unenforceable, terminated, or ceases to have full force and effect, unless such invalidity, unlawfulness, unenforceability, termination or ceasing to have force and effect occurs as a result of negligence or any unlawful act or omission on our part; or
- (9) you repudiate or evidence an intention to repudiate the Share Charge.

SECTION G: SUBORDINATION AND RESTRICTIONS ON YOUR RIGHTS

- (1) You agree that until all the Debt has been paid or discharged in full (which expression shall not include payment of a dividend in, as applicable, a bankruptcy, liquidation, administration or formal or informal scheme of arrangement of less than one hundred per cent. of the amount due) you waive all rights of subrogation and will not demand or accept repayment from any person (including the Borrower) of any monies due from the Borrower to a Secured Party nor claim any set-off or counterclaim against the Borrower or claim or prove in competition with any Secured Party in the event of, as applicable, the insolvency or bankruptcy of the Borrower or have the benefit of any share in any other guarantee or security held by us or any Secured Party.
- (2) During the Security Period you undertake not to create or permit to subsist any Security from the Borrower for any obligations the Borrower owes to you. In the event that any such Security is created or does subsist you agree that such Security shall not be capable of being enforced in any manner whatsoever without our prior written consent and that such Security is hereby subordinated in point of priority to any Security granted by the Borrower to us.
- (3) In the event that, as a result of the existence of or the exercise or enforcement of any Rights, you receive any monies or other assets from the Borrower (or, as applicable, the Borrower's administrator, liquidator or trustee in bankruptcy) prior to the end of the Security Period, all such monies or assets at any time received or held in respect of those Rights shall be held by you on trust for us for application in or towards the discharge of the Debt.
- (4) You shall on demand by us promptly transfer, assign and/or pay to us all Rights and all monies and assets from time to time held on trust pursuant to paragraph (3) above.

SECTION H: OUR RIGHTS AND REMEDIES

(1) OUR GENERAL RIGHTS UNDER THE SHARE CHARGE

- (A) Our rights and powers under the Share Charge are cumulative, may be exercised as often as we require and are in addition to any of our rights under the general law.
- (B) No act, course of conduct or negotiation by us or another Secured Party (or on behalf of us or another Secured Party) shall preclude us from exercising any right or power under the Share Charge or constitute a suspension or variation of any such right or power.
- (C) Any omission, failure or delay on our part in exercising any of our rights under the Share Charge shall not prevent us from doing so either later or on another occasion.
- (D) Subject to paragraph (E), any waiver or variation of our rights under, or amendment of, the Share Charge shall only be effective if such waiver, variation or amendment is in writing and signed or acknowledged by us. Such waiver, variation or amendment shall only take effect in accordance with the specific terms of such waiver, variation or amendment.

- (E) We may change, vary, substitute, remove or add to any part of the terms and conditions which govern the Share Charge (including amending the Share Charge or the standard terms and conditions applicable to the Share Charge or issuing new standard conditions) at any time for the following reasons:
- (i) to take account, in a proportionate way, of any changes in general mortgage provider practice for the benefit of our customers as a whole;
 - (ii) to be more fair to our customers as a whole;
 - (iii) to take account of, in a proportionate way, any code of conduct which is applicable to our business now or in the future;
 - (iv) to correct any errors or to otherwise make the terms and conditions of the Share Charge more easy to understand;
 - (v) to enable us (or a member of our Group) to comply with a Regulatory Requirement or to otherwise reflect a change in the relevant law to which we (or a member of our Group) are subject or the way in which we (or a member of our Group) are regulated; or
 - (vi) to reflect, in a way which does not disadvantage you, a change in our systems or procedures, including any change arising from any reorganisation of our business as a result of it being acquired by, or by our (or a member of our Group) acquiring, another mortgage provider or organisation.

We will give you 14 days' notice before we exercise our right under this paragraph (E) above provided that where we, acting reasonably, consider any change, variation, substitution, removal or addition is not to your disadvantage we may make that change, variation, substitution, removal or addition immediately and we will then advise you within 14 days of the change, variation, substitution, removal or addition which has been made.

- (F) We (or any other Secured Party) may, at our/the other Secured Party's discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to the Share Charge in respect of any of the Debt (or of any other Security for it) without prejudice to your obligations under the Share Charge.
- (G) We shall be entitled (but shall not be obliged) to remedy, at any time, a breach by you of any of your obligations contained in the Share Charge and you irrevocably authorise us and our agents to do all things that are necessary or desirable for that purpose.
- (H) If we receive, or are deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, we may open a new account for you in our books. Without prejudice to our right to combine accounts, no money paid to the credit of you in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Debt. If we do not open a new account immediately on receipt of the notice, or deemed notice, referred to above, then, unless we give express written notice to the contrary to you, all payments made by you to us (or another member of our Group as applicable) shall be treated as having been credited to your new account and not as having been applied in reduction of the Debt, as from the time of receipt or deemed receipt of the relevant notice by us.

- (I) We or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested by the Share Charge. That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that we or the Receiver may, in our or the Receiver's discretion, think fit and neither we nor any Receiver shall be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub delegate.
- (J) We and each Receiver are entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers.
- (K) Neither we nor any Receiver or Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property by reason of the exercise of any powers or rights under the Share Charge nor otherwise, nor shall any of us be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.
- (L) If we, any Receiver or Delegate enters into or takes possession of the Charged Property, we, the Receiver or Delegate (as applicable) may at any time relinquish possession.

(2) OUR RIGHTS ON AND AFTER AN ENFORCEMENT EVENT

- (A) The security constituted by the Share Charge shall be immediately enforceable if an Enforcement Event occurs and, in these circumstances, we may in our absolute discretion and without further notice to you enforce all or any part of the security constituted by the Share Charge at the times, in the manner and on the terms as we think fit including:
 - (i) taking possession of the Charged Property or collecting any dividend or other income payable in connection with the Charged Property;
 - (ii) selling the Charged Property;
 - (iii) appointing a Receiver;
 - (iv) exercising any other enforcement powers which we have under the LPA.
- (B) Our power of sale (and other powers conferred by section 101 of the LPA as varied or extended by the Share Charge) arises on the date of the Share Charge and is free from the restrictions in section 103 of the LPA. However we will only exercise our power of sale on the occurrence of an Enforcement Event.
- (C) You waive any right you may have to require us to enforce any Security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing the Share Charge against you.
- (D) To the extent permitted by law, any right, power or discretion conferred by the Share Charge on a Receiver may, after the occurrence of an Enforcement Event, be exercised by us in relation to any of the Charged Property whether or not we have taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

- (E) At any time after an Enforcement Event or if you have otherwise defaulted in the performance of your obligations under the Share Charge or any other Mortgage Document, you will allow us and/or a Receiver, without further notice or demand, immediately to exercise all our rights, powers and remedies in particular (and without limitation) to take possession of any Charged Property and for that purpose to enter on any premises where any Charged Property is situated (or where we or a Receiver reasonably believes Charged Property to be situated) without incurring any liability to you for, or by any reason of, that entry. You must, at all times, use your best endeavours to allow us or a Receiver access to any premises for the purpose of this paragraph (2)(E) (including obtaining any necessary consents or permits of other persons) and ensure that, where applicable, your employees and officers do the same.
- (F) In circumstances where the Charged Property has been mortgaged or charged (including pursuant to any Permitted Security) in a way that gives another person a first claim on the Charged Property or a person has an interest in the Charged Property which ranks in priority to the Security constituted by the Share Charge, we may at any time after:
- (i) an Enforcement Event; or
 - (ii) any powers conferred by the prior ranking interest in the Charged Property have become exercisable,
- buy out (whether by redemption or settlement) that other person's rights and our agreement or settlement with that other person will be conclusive and binding on you. All monies paid by us to that other person in connection with their buy-out shall be, as from its payment by us, due from you to us and be secured and accrue interest as part of the Mortgage Debt.
- (G) To the extent that any of the Charged Property constitutes Financial Collateral and the Share Charge and your obligations under the Share Charge constitute a Security Financial Collateral Arrangement we shall have the right at any time after the security constituted by the Share Charge has become enforceable to appropriate all or any of the relevant Charged Property in or towards the payment and/or discharge of the Debt in such order as we, in our absolute discretion, may from time to time determine. The value of any Charged Property appropriated in accordance with this paragraph (G) shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index or determined by such other method as we may select (including independent valuation). You agree that the methods of valuation provided for in this paragraph (G) are commercially reasonable for the purposes of the Financial Collateral Regulations.

(3) APPOINTING A RECEIVER

- (A) At any time after the occurrence of an Enforcement Event, or at your request, we may, without further notice, appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Charged Property.
- (B) We may, without further notice, from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by us and may, whenever we think fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

- (C) We may fix the remuneration of any Receiver appointed by us without the restrictions contained in section 109 of the LPA and the remuneration of the Receiver shall be a debt secured by the Share Charge, to the extent not otherwise discharged.
- (D) The power to appoint a Receiver conferred by the Share Charge shall be in addition to all statutory and other powers we have under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA or otherwise.
- (E) The power to appoint a Receiver (whether conferred by the Share Charge or by statute) shall be, and remain, exercisable by us despite any prior appointment in respect of all or any part of the Charged Property.
- (F) Any Receiver we appoint under the Share Charge shall be your agent and you shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. If the agency of a Receiver terminates that Receiver shall act as principal and shall not become our agent.

(4) POWERS OF A RECEIVER

- (A) Any Receiver we appoint under the Share Charge shall, in addition to the powers conferred by statute, have the power in your name and as your agent to:
 - (i) enter and repossess the Charged Property;
 - (ii) sell the Charged Property;
 - (iii) manage the Charged Property and do anything else arising as a result of managing the Charged Property which a receiver may or can do legally as your agent;
 - (iv) insure the Charged Property for any amounts and against any risks and through any agency as the Receiver or we see fit;
 - (v) exercise all powers provided for in the LPA in the same way as if the Receiver had been duly appointed under the LPA and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986;
 - (vi) raise money by borrowing from a member of our Group (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which the Receiver is appointed on any terms that the Receiver thinks fit (including, if we consent, terms under which that Security ranks in priority to the Share Charge);
 - (vii) redeem any prior Security and settle the accounts to which the Security relates. Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on you, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver;
 - (viii) delegate the Receiver's powers in accordance with the Share Charge;
 - (ix) exercise all powers, authorisations and rights the Receiver would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Charged Property or any part of the Charged Property; and

- (x) do any other acts and things:
 - (a) that the Receiver may consider desirable or necessary for realising any of the Charged Property;
 - (b) that the Receiver may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of the Share Charge or law; or
 - (c) that the Receiver lawfully may or can do as agent for you.
- (B) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under the Share Charge individually and to the exclusion of any other Receiver.

(5) PROTECTION OF THIRD PARTIES

- (A) No purchaser, mortgagee or other person dealing with us, any Receiver or Delegate shall be concerned to enquire (i) whether any of the Debt has become due or payable, or remains unpaid or undischarged, (ii) whether any power we, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable or (iii) how any money paid to us, any Receiver or any Delegate is to be applied.
- (B) The receipt by us or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, we, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that we or the relevant Receiver or Delegate thinks fit.

(6) APPLICATION OF PROCEEDS

- (A) All monies received by us, a Receiver or any Delegate under or in connection with the Share Charge, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied in the following order of priority:
 - (i) *first*, in or towards payment of all costs, charges and expenses incurred by us, any Receiver and any Delegate in connection with the Share Charge (including, but not limited to, payment of any fees (at the rate we agree with the Receiver) due to any Receiver we appoint);
 - (ii) *second*, in or towards payment to the relevant Secured Party/ies to discharge the Debt in any order and manner that we may determine (or are otherwise directed by the relevant Secured Party/ies); and
 - (iii) *third*, in payment of the surplus (if any) to you or any other person entitled to it.
- (B) Neither we nor any Receiver or other Secured Party shall be bound (whether by virtue of section 109(8) of the LPA, which is varied accordingly, or otherwise) to pay any monies first towards interest rather than principal or otherwise in any particular order in respect of the Debt or to pay off the Mortgage Debt or the Other Debt in any particular order.
- (C) All monies received by us, a Receiver or a Delegate under the Share Charge:

- (i) may, at the discretion of us or the relevant Receiver or Delegate, be credited to any interest-bearing suspense or securities realised account;
- (ii) may be held in that account for so long as we or the relevant Receiver or Delegate think expedient without having any obligation to apply the monies towards the discharge of the Debt.

(7) POWER OF ATTORNEY

- (A) For the purposes of securing our interest in the Charged Property, you irrevocably appoint us for the duration of the Security Period and (as a separate appointment) every Receiver and every Delegate to be your attorney (with full power of substitution and delegation) to do the following in your name and on your behalf:
 - (i) execute any document and do any act and thing that you are required to execute and/or do under the Share Charge but have not done; and
 - (ii) execute any document and do anything which is needed to allow any of our (or another Secured Party's) rights, powers and remedies under the Share Charge or by law to be effectively exercised, enforced or defended.
- (B) We will not be (and no Receiver or Delegate will be) liable for anything done under this power of attorney unless we (or the Receiver or Delegate) have failed to use reasonable care in exercising that power.
- (C) You hereby ratify and confirm, and agree to ratify and confirm, anything that any of your attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in this paragraph (7).

SECTION I: OTHER PROVISIONS

(1) ASSIGNMENTS AND TRANSFERS

- (A) We may:
 - (i) assign all or any of our rights under the Share Charge; or
 - (ii) transfer all or any of our rights or obligations under the Share Charge by novation, to any person at any time and for any purpose (including, but not limited to, in connection with any securitisation of all or part of the Debt) and without the consent of, or any obligation to consult with or notify, you.
- (B) The power for us to assign or transfer, as applicable, our rights under the Share Charge includes the power for us to assign or transfer such rights as security for any borrowing by us or any other member of our Group.
- (C) Unless the terms of the assignment or transfer provide otherwise, an assignee or transferee of any of our rights under the Share Charge will be able to exercise those rights (and related powers and remedies) in the same manner as we could prior to the transfer or assignment.
- (D) You may not assign or transfer any of your rights or obligations under the Share Charge.

- (E) We may disclose any information relating to you or your business which we have (or a member of our Group has) acquired under or pursuant to any Mortgage Document to any (actual or potential) assignee or transferee.

(2) NOTICES

- (A) Each notice or other communication given under or in connection with the Share Charge shall be in writing, delivered personally or sent by pre-paid first-class letter or e-mail, and sent:
 - (i) to you at:
 - (a) your address which is set out in Box A in the Share Charge or such other address as you may notify to us in writing from time to time after the date of the Share Charge; and/or
 - (b) your e-mail address (if any) last provided to us;
 - (ii) to us at the address set out by our name on the first page of the Share Charge or any email address specifically provided by us to you for this purpose or such other address or email address as we may notify you in writing from time to time.
- (B) You agree that any notices to be sent by us under the Share Charge, or any service of any proceedings, may be served by us on you as set out in paragraph (A)(i) above and the service of any such notices or proceedings shall be deemed to be received by you:
 - (i) if sent by e-mail, when it is transmitted;
 - (ii) if given by hand, at the time of actual delivery; and
 - (iii) if posted, on the second Business Day after the day it was sent by pre-paid first-class post.
- (C) Any notice or other communication given to us by you shall be deemed to have been received only on actual receipt.
- (D) You must tell us if your name or any of your contact details change. If you do not tell us we will continue to use the details you last gave us or, if those details have not been updated, as otherwise provided for in paragraph (A)(i) above. We will not be responsible if we fail to contact you because we are using the details you last gave us or, if those details have not been updated, as otherwise provided for in paragraph (A)(i) above. We will also not be responsible if we send you any information relating to the Share Charge to the wrong address (including an electronic address) using the details you last gave us.
- (E) All notices and communications given in connection with the Share Charge shall be in English.

- (F) Where you are not incorporated or domiciled in England and Wales, you irrevocably appoint the person specified in Box D in the Share Charge as your agent to receive on your behalf in England and Wales service of any proceedings in relation to the Share Charge. Such service shall be deemed completed on delivery to such agent (whether or not it is forwarded to and received by you) and shall be valid until such time as we have received prior written notice from you that such agent has ceased to act as your agent for these purposes. If for any reason such agent ceases to be able to act as agent or no longer has an address in England or Wales, you shall immediately appoint a substitute acceptable to us and deliver to us the new agent's name, address within England or Wales, fax number and email address, failing which we may select a substitute agent to receive on your behalf service of any proceedings in relation to the Share Charge.

(3) PRESERVATION OF OTHER SECURITY AND RIGHTS

The Share Charge is in addition to, and independent of, any other security or guarantee for the Debt which is held by us (or any other Secured Party) now or in the future.

(4) SECURITY RELEASE

- (A) Subject to paragraphs (4)(B) and (4)(C) below, on the expiry of the Security Period (but not otherwise) we shall, where you request and at your cost, take whatever action you may reasonably require to release the Charged Property from the security constituted by the Share Charge.
- (B) Any release, discharge or settlement between you and us shall be conditional on no payment or security received by the relevant Secured Parties in respect of the Debt being avoided, reduced or ordered to be refunded under any law in any jurisdiction relating to insolvency, winding-up, administration, receivership or otherwise. As a result, notwithstanding such release, re-assignment, discharge or settlement:
- (i) we may retain the Share Charge and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that we deem necessary to provide us with security against any such avoidance, reduction or order for refund;
 - (ii) we may recover the value or amount of such security or payment from you subsequently as if the release, re-assignment, discharge or settlement had not occurred.
- (C) If we consider that an amount paid by you or the Borrower in respect of the Debt is capable of being avoided or otherwise set aside on your or the Borrower's insolvency or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of the Share Charge.

(5) COSTS AND INDEMNITIES

You shall on demand reimburse us and any Receiver and any Delegate, on a full indemnity basis, in respect of all costs, charges, expenses, taxes, losses and any other liabilities of any kind (including legal and out-of-pocket costs and expenses and any value added tax on those costs and expenses) suffered or incurred by us or any Receiver or any Delegate in connection with:

- (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under the Share Charge or by law in respect of the Charged Property;

- (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of their rights under the Share Charge;
- (iii) any actual or proposed amendment, variation, supplement, waiver or consent under or in connection with the Share Charge;
- (iv) taking proceedings for, or recovering, any of the amounts demanded from you under, or in connection with, the Share Charge;
- (v) all stamp duty, registration and other similar taxes payable in respect of the Share Charge;
- (vi) remedying a breach by you of your obligations contained in the Share Charge; and
- (vii) the release of the Share Charge and/or any part of the Charged Property from the security constituted by the Share Charge.

(6) GENERAL / MISCELLANEOUS

- (A) The Share Charge may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party has signed the same document.
- (B) If any provision (or part of a provision) of the Share Charge is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this paragraph (6)(B) shall not affect the legality, validity and enforceability of the rest of the Share Charge.
- (C) For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any other Mortgage Document and of any side letters between any parties in relation to any Mortgage Document are incorporated into the Share Charge.
- (D) Unless expressly provided to the contrary (including under paragraph (E) below), it is not intended that a third party should have the right to enforce a provision of the Share Charge pursuant to the Contracts (Rights of Third Parties) Act 1999.
- (E) Where the Share Charge grants any right or benefit to a Secured Party which is not party to the Share Charge or to a member of our Group or to any of our Representatives then such person may rely on and enforce that right or benefit notwithstanding that they are not party to the Share Charge.
- (F) It is intended that the Share Charge takes effect as a deed even though a party may only execute it under hand.

(7) GOVERNING LAW AND JURISDICTION

- (A) The Share Charge and any non-contractual obligations arising out of or in relation to the Share Charge shall be governed by English law.
- (B) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Share Charge (including a dispute relating to the existence, validity or termination of the Share Charge or any non-contractual obligation arising out of or in connection with the Share Charge) (a **Dispute**).

- (C) You agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly you will not argue to the contrary.
- (D) We shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, we may take concurrent proceedings in any number of jurisdictions.