



Registration of a Charge

Company name: **GCP TOPCO 2 LIMITED**

Company number: **10657545**



X645L8VN

Received for Electronic Filing: **11/04/2017**

Details of Charge

Date of creation: **05/04/2017**

Charge code: **1065 7545 0002**

Persons entitled: **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **HERBERT SMITH FREEHILLS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10657545

Charge code: 1065 7545 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 5th April 2017 and created by GCP TOPCO 2 LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th April 2017 .

Given at Companies House, Cardiff on 12th April 2017

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**



HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

5 APRIL 2017

GCP TOPCO 2 LIMITED

as the company

and

PGIM REAL ESTATE FINANCE¹

as security trustee

**SUBORDINATED DEBT SECURITY
ASSIGNMENT**

WE HEREBY CERTIFY
THIS TO BE A TRUE AND
ACCURATE COPY OF
THE ORIGINAL

Herbert Smith Freehills LLP
HERBERT SMITH FREEHILLS LLP
Exchange House
Primrose Street
London EC2A 2EG

Herbert Smith Freehills LLP

Date 7 April 2017

¹ PGIM Real Estate Finance is a trading name of The Prudential Insurance Company of America, a company incorporated in New Jersey, USA that is not affiliated in any manner with Prudential Plc, a company incorporated in the United Kingdom.

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THIS AGREEMENT is made on

5 APRIL 2017

BETWEEN:

- (1) **GCP TOPCO 2 LIMITED** (a company incorporated in England and Wales with registration number 10657545) whose registered office is at 51 New North Road, Exeter, United Kingdom, EX4 4EP (the "**Company**"); and
- (2) **THE PRUDENTIAL INSURANCE COMPANY OF AMERICA** as security trustee for the Secured Parties (the "**Security Trustee**").

BACKGROUND

The Original Lender has agreed to provide a Commitment under the Facility Agreement. In addition the Original Lender (in its capacity as lender under the Pool 1 Facility Agreement) has agreed to increase its commitments under the Pool 1 Facility Agreement on the basis that the Company, until the Cross Release Date, provides security over its subordinated debt receivables on the terms set out in this Agreement for the obligations and liabilities of the Pool 1 Obligors under the Pool 1 Finance Documents. In consideration for the provision of the Facility and the increased commitments under the Pool 1 Facility Agreement, the Company has therefore agreed to enter into this Debenture.

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

- 1.1.1 Terms defined in the Facility Agreement shall, unless otherwise defined in this Agreement or unless a contrary intention appears, bear the same meaning when used in this Agreement and the following terms shall have the following meanings:

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the Company's affairs, business and property.

"Ancillary Liabilities" in relation to any of the Subordinated Debt means:

- (a) any refinancing, novation, refunding, restructuring, deferral or extension of any of those liabilities;
- (b) any further advance which may be made under any agreement supplemental to the relevant facilities or credit agreement plus all interest, indemnities, fees and costs in connection therewith;
- (c) any claim for damages or restitution in the event of rescission of any such liabilities or otherwise in connection with any relevant facilities or credit agreement;
- (d) any claim against any Obligor flowing from any recovery by an Obligor of a payment or discharge in respect of those liabilities on the grounds of preference or otherwise; and
- (e) any amounts (including post-insolvency interest) which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

"Assigned Rights" means all rights, titles, benefits and interests, whether present or future, of the Company in, to or arising under the Contract including rights to any sums payable to the Company and the full benefit of any Security, options, indemnities, guarantees and warranties in respect of the Contract.

"Contract" means any document evidencing or recording the terms of any Subordinated Debt.

"Facility Agreement" means the up to £65,000,000 facility agreement between among others (1) GCP Holdco 2 Limited as Borrower; (2) The Prudential Insurance Company of America as the Agent; (3) The Prudential Insurance Company of America as Arranger; (4) the Security Trustee and (5) The Prudential Insurance Company of America as an Original Lender dated on or about the date of this Agreement.

"LPA" means the Law of Property Act 1925.

"Pool 1 Secured Party" has the meaning given to "Secured Party" in the Pool 1 Facility Agreement.

"Receiver" means any person appointed by the Security Trustee to be a receiver or receiver and manager or administrative receiver of the whole or any part of the Assigned Rights or the Undocumented Debt.

"Relevant Assets" means the Contract, the Assigned Rights and the Undocumented Debt.

"Secured Liabilities" means all monies, obligations and liabilities covenanted to be paid or discharged under or pursuant to the Finance Documents.

"Security Period" means:

- (a) in respect of the Secured Liabilities referred to in Clause 2.1.1 (Covenant to Pay Secured Liabilities), the period from the date of this Agreement until the date on which the Security Trustee has determined (acting reasonably) that all of the Secured Liabilities (whether actual or contingent) have been irrevocably and unconditionally paid and discharged in full; and
- (b) in respect of the Secured Liabilities referred to in Clause 2.1.2 (Covenant to Pay Secured Liabilities), the period from the date of this Agreement until the Cross Release Date.

"Subordinated Debt" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing due or incurred by any Obligor to the Company together with all Ancillary Liabilities relating thereto.

"Undocumented Debt" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing due or incurred by any Obligor to the Company together with any Ancillary Liabilities relating thereto which are not evidenced or recorded by the Contract but which otherwise exists from time to time.

"VAT" means United Kingdom Value Added Tax together with all interest and penalties relating thereto.

- 1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Agreement.

1.2 Construction

The provisions of clause 1.2 (*Construction*) of the Facility Agreement shall apply to this Agreement as if they were set out in this Agreement.

1.3 Third Party Rights

The terms of this Agreement may be enforced only by a party to it and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

1.4 Implied Covenants for Title

The obligations of the Company under this Agreement shall be in addition to the covenants for title deemed to be included in this Agreement by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.5 Effect as a Deed

This Agreement is intended to take effect as a deed notwithstanding that the Security Trustee may have executed it under hand only.

1.6 Security Trust Provisions

The Security Trustee holds the benefit of this Agreement on trust for the Secured Parties in accordance with clause 27 (*Role of the Agent, the Security Trustee and the Arranger*) of the Facility Agreement.

2. COVENANTS TO PAY

2.1 Covenant to Pay Secured Liabilities

The Company covenants that it shall on demand pay to the Security Trustee all monies and discharge all obligations and liabilities:

2.1.1 now or hereafter due, owing or incurred by it or any Obligor to any Secured Party under or pursuant to the Finance Documents; and

2.1.2 until the Cross Release Date, now or hereafter due, owing and incurred by any Pool 1 Obligor under the Pool 1 Finance Documents,

in each case when the same become due for payment or discharge, whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to a Secured Party (or Pool 1 Secured Party) or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever.

2.2 Potential Invalidity

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) nor the obligation to pay interest pursuant to Clause 2.3 (*Interest*) nor the security created by this Agreement shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

2.3 Interest

2.3.1 The Company hereby agrees to pay to the Security Trustee, in respect of any amount demanded from it in accordance with this Agreement (to the extent that interest on such amount is not otherwise being paid pursuant to any agreement between the Company and the relevant Secured Party) interest from first demand by the Security Trustee of the Company at the rate of interest payable or deemed to be payable by the Company in respect of the amount demanded as calculated and compounded in accordance with clause 8.3 (Default Interest) of the Facility Agreement but without double counting any default interest that may be accruing under the terms of any other Finance Document, and subject to Clause 2.4 (*Limited Recourse*).

2.3.2 Such interest shall accrue due on a daily basis from the demand by the Security Trustee until actual payment by the Company (as well as before any further demand or judgment or the liquidation of the Company).

2.4 Limited Recourse

Notwithstanding Clause 2.1 (*Covenant to Pay Secured Liabilities*):

2.4.1 the liability of the Company to the Secured Parties (or Pool 1 Secured Parties) under Clause 2.1 (*Covenant to Pay Secured Liabilities*) and/or otherwise under this Agreement shall be:

- (A) limited in aggregate to an amount equal to that recovered by the Secured Parties (or Pool 1 Secured Parties) as a result of the enforcement of this Agreement with respect to the Assigned Rights and the Undocumented Debt; and
 - (B) satisfied only from the proceeds of sale or other disposal or realisation of the Assigned Rights and the Undocumented Debt pursuant to this Agreement; and
- 2.4.2 the Secured Parties (or Pool 1 Secured Parties) shall not have any recourse under Clause 2.1 (*Covenant to Pay Secured Liabilities*) and/or otherwise under this Agreement to any assets of the Company other than the Assigned Rights and the Undocumented Debt.

3. SECURITY

As a continuing security for the payment and discharge of the Secured Liabilities, the Company with full title guarantee hereby:

- 3.1.1 assigns by way of security to the Security Trustee, the Assigned Rights;
- 3.1.2 charges to the Security Trustee by way of first fixed charge, the Undocumented Debt; and
- 3.1.3 (to the extent not effectively assigned under Clause 3.1.1 above) charges to the Security Trustee by way of fixed charge, the Assigned Rights.

4. FURTHER ASSURANCE

The Company must promptly upon request by the Security Trustee execute (in such form as the Security Trustee may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Security Trustee or its nominees and do all such assurances and things as the Security Trustee may reasonably require for:

- 4.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Agreement; and
- 4.1.2 for exercising all powers, authorities and discretions conferred on the Security Trustee or any Receiver pursuant to this Agreement or by law.

5. UNDERTAKINGS

5.1 The Company undertakes to the Security Trustee that:

5.1.1 Payments and performance

it shall pay all sums due by it (if any) under the Contract and observe and perform the covenants and conditions on its part to be observed and performed as set out in the Contract;

5.1.2 Negative Pledge

it shall not, except as expressly permitted by or consented to under the Facility Agreement, create or attempt to create or permit to subsist or arise any Security on, over or affecting any of the Relevant Assets;

5.1.3 Disposals

it shall not dispose of any of the Relevant Assets or agree so to do other than as expressly permitted by or consented to under the Facility Agreement. For these purposes the term "dispose" shall include any form of disposal including any transfer, declaration of trust, assignment, sale, novation or the creation of any other form of legal or equitable interest in or over any of the Relevant Assets;

5.1.4 Consents and Other Necessary Action

it shall take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Agreement which shall include, without limitation, the obtaining of any necessary consent (in form and content satisfactory to the Security Trustee) to enable the Relevant Assets to be assigned or charged pursuant to this Agreement; and

5.1.5 General

it shall:

- (A) notify the Security Trustee within three Business Days of any material default by it or any other party under the Contract (other than non-payment or otherwise as a result of the operation of as Finance Document);
- (B) provide the Security Trustee with such information as the Security Trustee may from time to time reasonably request with respect to the Relevant Assets;
- (C) except where such amendment, modification, waiver or release does not prejudice any Secured Party not, without the Security Trustee's prior written consent, amend, modify, waive or release any provision of or terminate any of the Relevant Assets;
- (D) not take or omit to take any action the taking or omission of which might adversely affect the interests of the Security Trustee or the Secured Parties in relation to the Relevant Assets; and
- (E) not give any consent, waiver or approval under the Contract or exercise any right in respect of the Assigned Rights or Undocumented Debt without the prior written consent of the Security Trustee (or as agreed in the Deed of Subordination).

5.2 Notices of Assignment

- 5.2.1 The Company shall forthwith give notice to each counterparty to the Contract in the form set out in Schedule 1 (*NOTICE TO COUNTERPARTY*) and procure that each such counterparty acknowledges such notice to the Security Trustee in the form set out in Schedule 2 (*ACKNOWLEDGEMENT OF COUNTERPARTY*).
- 5.2.2 The notices of assignment and acknowledgement referred to in Clause 5.2.1 shall be in a form substantially similar to those contained in Schedule 1 and Schedule 2 or such other form as the Security Trustee may require.

5.3 No Liability

Notwithstanding anything contained in this Agreement:

- 5.3.1 the Secured Parties shall be under no obligation or liability under or in respect of the Relevant Assets or be liable to make any payment under or in respect of the Relevant Assets;
- 5.3.2 the Secured Parties shall not be obliged to take any steps necessary to preserve the Relevant Assets or enforce against the Company or any other person any term of the Contract, or to make any enquiries as to the nature or sufficiency of any payment received by the Company pursuant to the terms of the Contract; and
- 5.3.3 the Company shall remain solely and fully liable under or in respect of the Contract to perform all the obligations and to pay all losses, costs, expenses, taxes and damages payable by it under or in connection with the Contract.

6. RIGHTS OF THE AGENT

6.1 Enforcement

At any time on and after the occurrence of an Event of Default which is continuing, the security created pursuant to this Agreement shall be immediately enforceable and the Security Trustee may in its absolute discretion and without notice (other than as required under Clause 24.18 (*Acceleration*) of the Facility Agreement) to the Company or the prior authorisation of any court:

- 6.1.1 enforce all or any part of the security created by this Agreement and take possession of or dispose of all or any of the Assigned Rights and any of the Undocumented Debt in each case at such times and upon such terms as it sees fit;
- 6.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions granted to a Receiver by this Agreement or by law;
- 6.1.3 settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands relating in any way to any of the Relevant Assets;
- 6.1.4 bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Relevant Assets which may seem to it to be expedient;
- 6.1.5 exercise in relation to any of the Assigned Rights and any of the Undocumented Debt all the powers, authorities and things which it would be capable of exercising if it were the absolute owner of the same;
- 6.1.6 apply for and maintain any regulatory permission, consent or licence required in connection with any of the Relevant Assets; and
- 6.1.7 fulfil, as a claim to rank as Secured Liability, its obligations (if any) under the Contract.

6.2 Restrictions on Consolidation of Mortgages

Section 93 of the LPA shall not apply to this Agreement or to any sale made under it or to the right of the Security Trustee to consolidate all or any of the security created by or pursuant to this Agreement with any other security in existence at any time. Such power may be exercised by the Security Trustee at any time on or after the occurrence of an Event of Default which is continuing.

6.3 Restrictions on Exercise of Power of Sale

Section 103 of the LPA shall not apply to this Agreement to restrict the exercise by the Security Trustee of its power of sale which shall arise on the date of this Agreement (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Agreement and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Security Trustee at any time on or after the occurrence of an Event of Default which is continuing.

6.4 No Prior Notice Needed

The powers of the Security Trustee set out in Clauses 6.2 (*Restrictions on Consolidation of Mortgages*) and 6.3 (*Restrictions on Exercise of Power of Sale*) above may be exercised by the Security Trustee without prior notice to the Company.

7. EXONERATION

7.1 Exoneration

No Secured Party shall, nor shall any Receiver, by reason of its or the Receiver entering into possession of the Assigned Rights, Undocumented Debt or any part thereof, be liable

to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Security Trustee under this Agreement shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Agreement when the provisions hereof shall prevail and every such Receiver and the Security Trustee shall in any event be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

7.2 Indemnity

Without double counting any amount recovered under any other indemnity or similar provision of any other Finance Document, the Security Trustee and every Receiver, attorney, delegate, manager, agent or other person appointed by the Security Trustee hereunder shall be entitled to be indemnified out of the Assigned Rights, the Undocumented Debt or any part of them in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Agreement and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Assigned Rights, the Undocumented Debt or any part of them. The Security Trustee and any such Receiver may retain and pay all sums in respect of the same out of any moneys received under the powers conferred by this Agreement.

8. APPOINTMENT OF RECEIVER

8.1 Appointment

At any time on or after the occurrence of an Event of Default which is continuing, or at the request of the Company or its Directors, the Security Trustee may, without prior notice to the Company, in writing (under seal, by deed or otherwise under hand) appoint a Receiver in respect of the Relevant Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead.

8.2 More than one Receiver

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receivers, except to the extent that the Security Trustee may specify to the contrary in the appointment.

8.3 Receiver as agent

A Receiver shall be the agent of the Company which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of any Secured Party.

8.4 Receiver's Remuneration

A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Security Trustee from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

9. RECEIVER'S POWERS

9.1 Powers

A Receiver shall have (and be entitled to exercise) in relation to the Relevant Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Agreement):

- 9.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

- 9.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 9.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Company itself could do or omit to do;
- 9.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Agreement or upon receivers by statute or law generally (including, without limitation, the bringing or defending of proceedings in the name of, or on behalf of, the Company; the collection and/or realisation of the Assigned Rights in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Company (whether under hand, or by way of deed or by utilisation of the company seal of the Company).

9.2 **Powers may be Restricted**

The powers granted to a Receiver pursuant to this Agreement may be restricted by the instrument (signed by the Security Trustee) appointing him but they shall not be restricted by any winding-up or dissolution of the Company.

10. **PROTECTION OF PURCHASERS**

10.1 **Absence of Enquiry**

No person or persons dealing with the Security Trustee or any Receiver appointed by it shall be concerned to enquire whether any event has happened upon which any of the powers in this Agreement are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Agreement. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Security Trustee or any such Receiver.

10.2 **Receipt: Conclusive Discharge**

The receipt of the Security Trustee or any Receiver shall be a conclusive discharge to any purchaser of the Relevant Assets.

11. **POWER OF ATTORNEY AND DELEGATION**

11.1 **Power of Attorney: General**

The Company hereby irrevocably and by way of security appoints the Security Trustee and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

- 11.1.1 to execute and deliver any documents or instruments which the Security Trustee or such Receiver may require for perfecting the title of the Security Trustee to the Relevant Assets or for vesting the same in the Security Trustee, its nominee or any purchaser;
- 11.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which the Company is required to enter into pursuant to this Agreement; and
- 11.1.3 otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Security Trustee or any Receiver under this Agreement or which the Company is required to do pursuant to this Agreement or which may be deemed expedient by the Security Trustee or a Receiver in connection with any preservation, disposition, realisation or getting in by the Security Trustee or such Receiver of the Relevant Assets or

any part thereof or in connection with any other exercise of any other power under this Agreement;

provided that the power of attorney granted in Clause 11.1 shall only be exercisable: (a) if a Default has occurred and is continuing; or (b) following a failure by a Company to comply with its obligations under this Agreement.

11.2 Power of Attorney: Ratification

The Company ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 11 (*POWER OF ATTORNEY AND DELEGATION*) does or purports to do in exercise of the powers granted by this Clause.

11.3 General Delegation

The Security Trustee and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Agreement (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

12. APPLICATION OF MONIES RECEIVED UNDER THIS AGREEMENT

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Agreement, be applied for the following purposes and in the following order of priority:

- 12.1.1 in satisfaction of all costs, charges, expenses, payments and liabilities (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Security Trustee or the Receiver (including any interest thereon at the rate set out in clause 8.3 (*Default interest*) of the Facility Agreement, both before and after judgment from the date on which they were made or incurred until the date on which they were irrevocably paid in full) and of remuneration to the Receiver in such order as the Security Trustee shall in its absolute discretion decide; and
- 12.1.2 in accordance with clause 28 (*Application of proceeds*) of the Facility Agreement; and
- 12.1.3 the surplus, if any, shall be paid to the Company or other person or persons entitled to it;

save that the Security Trustee may credit any monies received under this Agreement to an interest bearing suspense account for so long and in such manner as the Security Trustee may from time to time determine and the Receiver may retain the same for such period as he and the Security Trustee consider appropriate, subject always to the provisions of clause 28 (*Application of the proceeds*) of the Facility Agreement.

13. RELEASE OF SECURITY

13.1 Release

- 13.1.1 At the end of the Security Period the Security Trustee shall, at the request and cost of the Company, execute or procure the execution by its nominee (in each case in a form acceptable to the Security Trustee) and do all such deeds, acts and things as may be necessary to release and/or reassign the Assigned Rights and Undocumented Debt from the security created by or in accordance with this Agreement.
- 13.1.2 On the Cross Release Date, the Company is automatically, irrevocably and immediately released from this Agreement in respect of the Secured Liabilities set out in Clause 2.1.2 (*Covenant to Pay Secured Liabilities*) only. This Clause 13.1.2 releases only the Secured Liabilities set out in Clause 2.1.2 (*Covenant to Pay*

Secured Liabilities) and is without prejudice to the continued existence and enforceability of all other Secured Liabilities and security over any assets, properties and other interests created by the Company pursuant to this Agreement in respect of those other Secured Liabilities, which shall remain in full force and effect. Nothing in this Clause 13.1.2 shall impair the rights and remedies of the Security Trustee in respect of such other Secured Liabilities.

13.2 Avoidance of Payments

- 13.2.1 No amount paid, repaid or credited to a Secured Party shall be deemed to have been irrevocably paid if the Security Trustee considers (acting reasonably) that the payment or credit of such amount is capable of being avoided or reduced by virtue of any laws applicable on bankruptcy, insolvency, liquidation or similar laws.
- 13.2.2 If any amount paid, repaid or credited to a Secured Party is avoided or reduced by virtue of any laws applicable on bankruptcy, insolvency, liquidation or similar laws then any release, discharge or settlement between the Security Trustee and the Company shall be deemed not to have occurred and that Secured Party shall be entitled to enforce this Agreement subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

14. AMOUNTS PAYABLE

14.1 No Deduction

Subject to clause 12 (*Tax Gross-up and Indemnities*) of the Facility Agreement, all payments to be made by the Company under this Agreement shall be made without any set-off, counterclaim or equity and (subject to the following sentence) free from, clear of and without deduction for any taxes, duties, levies, imposts or charges whatsoever, present or future.

14.2 Currency of Payment

The obligation of the Company under this Agreement to make payments in any currency shall not be discharged or satisfied by any tender, or recovery pursuant to any judgment or otherwise, expressed in or converted into any other currency, except to the extent that tender or recovery results in the effective receipt by a Secured Party of the full amount of the currency expressed to be payable under this Agreement.

14.3 Currency Indemnity

- 14.3.1 If any sum due from the Company under this Agreement (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:
- (A) making or filing a claim or proof against the Company;
 - (B) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings; or
 - (C) applying the Sum in satisfaction of any of the Secured Liabilities,
- the Company shall, as an independent obligation, within three Business Days of demand, indemnify each Secured Party against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that Secured Party at the time of its receipt of that Sum.
- 14.3.2 The Company waives any right it may have in any jurisdiction to pay any amount under this Agreement in a currency unit other than that in which it is payable.

15. REPRESENTATIONS AND WARRANTIES

15.1 Representations

The Company represents and warrants in favour of each of the Secured Parties that:

15.1.1 Status

It is a limited liability corporation, duly formed and validly existing under the law of its jurisdiction of incorporation.

15.1.2 Power and authority

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Agreement.

15.1.3 Legal validity

The obligations expressed to be assumed by it in this Agreement are, subject to the Reservations, legal, valid, binding, and enforceable obligations.

15.1.4 Non-conflict

The entry into and performance by it of, and the transactions contemplated by, this Agreement do not and will not conflict with:

- (A) any law or regulation or judicial or official order applicable to it; or
- (B) its constitutional documents; or
- (C) any agreement or document which is binding upon it or any of its assets or result in a requirement for the creation of any Security over any of the Assigned Rights or any of the Undocumented Debt (other than as contemplated by this Agreement); and

the terms of the Contract do not restrict or prohibit the assignment of the Assigned Rights to the Security Trustee (or if they do, consent has been duly given).

15.1.5 Status of assets and security

It is the legal and beneficial owner of the Assigned Rights and the Undocumented Debt free from Security (other than this Agreement) and (subject to paragraph (f) of the definitions of Reservations in the Facility Agreement and to the registrations referred to in clause 18.10 (*No filing or stamp taxes*) of the Facility Agreement) this Agreement confers the security it purports to confer over the Assigned Rights and the Undocumented Debt and the security created under or pursuant to this Agreement is not subject to any prior or *pari passu* Security and is not liable to avoidance on liquidation or bankruptcy, composition or any other similar insolvency proceedings.

15.1.6 Stamp taxes and registration

It is not necessary that this Agreement be filed, recorded or enrolled with any court or other authority in any jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Agreement.

15.1.7 No proceedings pending or threatened

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which are reasonably likely to be adversely determined, and which would have or, in the opinion of the Majority Lenders (acting reasonably) are reasonably likely to have, a Material Adverse Effect have been started or threatened which affect or involve the Relevant Assets or the Company's ability to perform its obligations under this Agreement.

15.2 Times for Making Representations and Warranties

The representations and warranties set out in Clause 15.1 (*Representations*) are made on the date of this Agreement and are deemed to be repeated on the date of the Utilisation Request, the Utilisation Date and the first day of each Interest Period by reference to the facts and circumstances then existing.

16. NEW ACCOUNTS

If a Secured Party receives notice of any subsequent charge or other interest affecting any part of the Relevant Assets (the date of receipt of such notice being the "**Notice Date**") it may, without prejudice to its rights under this Agreement, open a fresh account or accounts with the Company and continue any existing account in the name of the Company and may appropriate to any such fresh account any monies paid in, received or realised for the credit of the Company after such time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If a Secured Party fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

17. MISCELLANEOUS

17.1 The Company

This Agreement is binding on the successors and assigns of the Company.

17.2 Assignment and Transfer

17.2.1 The Company may not assign any of its rights or transfer any of its rights or obligations under this Agreement.

17.2.2 The Security Trustee may assign and transfer all or any part of its rights and obligations under this Agreement in accordance with the Facility Agreement.

17.3 Remedies and Waivers Cumulative

No failure to exercise, or delay in exercising, on the part of any party hereto any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise, or the exercise of any other right, power or privilege. No waiver by the Security Trustee shall be effective unless it is in writing. The rights and remedies of the Security Trustee are cumulative and not exclusive of any rights or remedies provided by law.

17.4 Set-Off

A Secured Party may set-off any matured obligation due from the Company to that Secured Party under this Agreement or any of the other Finance Documents against any matured obligation owed by that Secured Party to the Company, regardless of the place of payment, booking branch or currency of either obligation and apply any credit balance to which the Company is entitled on any account with that Secured Party in accordance with Clause 12 (*APPLICATION OF MONIES RECEIVED UNDER THIS Agreement*). If the obligations are in different currencies, a Secured Party may, at the cost of the Company, convert either obligation at a market rate of exchange as such Secured Party considers appropriate for the purpose of such set-off.

17.5 Partial Invalidity

If, at any time, any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any relevant jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Agreement, nor the legality, validity or enforceability of that provision under the law of any other jurisdiction, shall in any way be affected or impaired.

17.6 Property

This Agreement is and will remain the property of the Security Trustee until the end of the Security Period.

17.7 Continuing Security and Indemnity

17.7.1 This Agreement shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

17.7.2 If any purported obligation or liability of any Obligor to the Secured Parties which if valid would have been the subject of any obligation or charge created by this Agreement is or becomes unenforceable, invalid or illegal on any ground whatsoever whether or not known to any Secured Party, the Company shall nevertheless be liable in respect of that purported obligation or liability as if the same were fully valid and enforceable and the Company was the principal debtor in respect thereof. Subject to Clause 2.4 (*Limited Recourse*), the Company hereby agrees to keep the Secured Parties fully indemnified against all damages, losses, costs and expenses arising from any failure of any Obligor to carry out any such purported obligation or liability.

17.7.3 The obligations of the Company under this Agreement will not be affected by an act, omission, matter or thing which, but for this Clause 17.7, would reduce, release or prejudice any of its obligations under this Agreement (without limitation and whether or not known to any Secured Party) including:

- (A) any time, waiver or consent granted to, or composition with, the Company, any Obligor or other person;
- (B) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any person;
- (C) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Company, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Company, any Obligor or any other person;
- (E) any amendment (however fundamental) or replacement of any Finance Document or any other document or security;
- (F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (G) any insolvency or similar proceedings.

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

17.7.5 Until the Security Period has ended, the Security Trustee may refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same.

- 17.7.6 Until the Security Period has ended and unless the Security Trustee otherwise directs, the Company will not exercise any rights which it may have by reason of performance by it of its obligations under this Agreement:
- (A) to be indemnified by any Obligor (including any rights it may have by way of subrogation);
 - (B) to claim any contribution from any guarantor of any Obligor of the obligations under the Finance Documents;
 - (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Security Trustee or any of the other Secured Parties under any Finance Document or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents;
 - (D) to claim, rank, prove or vote as a creditor of any Obligor or its estate in competition with the Security Trustee or any of the other Secured Parties; and/or
 - (E) receive, claim or have the benefit of any payment, distribution or security from or on account of any Obligor, or exercise any right of set-off against any Obligor, other than as permitted under the Deed of Subordination.
- 17.7.7 The Company shall hold on trust for and immediately pay or transfer to the Security Trustee any payment or distribution or benefit of security received by it contrary to this Clause 17.

17.8 Additional Security

This Agreement shall be in addition to and not be affected by any other security or guarantee at any time held by a Secured Party for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to a Secured Party of or by any person not a party to this Agreement be in any way impaired or discharged by this Agreement nor shall this Agreement in any way impair or discharge such other security or guarantee.

17.9 Variation of Security

This Agreement shall not in any way be affected or prejudiced by any Secured Party now or hereafter dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 17.8 (*Additional Security*) above or any rights which any Secured Party may now or hereafter have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

17.10 Enforcement of Other Security

No Secured Party shall be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Agreement.

17.11 Redemption of Prior Incumbrances

The Security Trustee may redeem or take a transfer of any prior Security over the Assigned Rights or Undocumented Debt and may agree the accounts of prior incumbrancers. Such agreed accounts shall be conclusive and binding on the Company. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Company to the Security Trustee and until such payment shall form part of the Secured Liabilities.

17.12 Stamp Taxes

The Company covenants to pay to each Secured Party or any Receiver, attorney, manager, agent or other person appointed by the Security Trustee under this Agreement immediately on demand a sum equal to any liability which that Secured Party, Receiver, attorney, manager, agent or other person incurs in respect of stamp duty, registration fees

and other taxes which is or becomes payable in connection with the entry into, performance or enforcement of this Agreement (including any interest, penalties, liabilities, costs and expenses resulting from any failure to pay or delay in paying any such duty, fee or tax).

17.13 Costs and Expenses

Without double counting any amount which the Secured Party may be paid or recover under any other Finance Document, the Company shall, within three Business Days of demand, reimburse each Secured Party and any Receiver, attorney, manager, agent or other person appointed by the Security Trustee under this Agreement for all costs and expenses (including legal fees):

17.13.1 reasonably incurred by that Secured Party, Receiver, attorney, manager, agent or other person in connection with the completion of the transactions and perfection of the security created or contemplated by this Agreement, and the negotiation, preparation, printing and execution of this Agreement; and

17.13.2 incurred by that Secured Party, Receiver, attorney, manager, agent or other person (on a full indemnity basis) in connection with the enforcement or attempted enforcement of the security created or contemplated by, or the preservation of any rights under, this Agreement,

in each case with any applicable VAT.

18. CALCULATIONS AND CERTIFICATES

18.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with this Agreement, the entries made in the accounts maintained by the Security Trustee in connection with this Agreement are *prima facie* evidence of the matters to which they relate.

18.2 Certificates and Determinations

Any certification or determination by the Security Trustee of a rate or amount under this Agreement is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

18.3 Day Count Convention

Any interest accruing under this Agreement will accrue from day to day and is calculated on the basis of the actual number of days elapsed.

19. NOTICES

19.1 Communications in writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by fax, electronic mail (e-mail) or letter.

19.2 Addresses

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party to this Agreement for any communication or document to be made or delivered under or in connection with this Agreement is that identified with its name below or any substitute address, fax number or department or officer as the Security Trustee or the Company may notify to the other party by not less than five Business Days' notice.

19.3 Delivery

- 19.3.1 Any communication or document made or delivered by the Security Trustee under or in connection with this Agreement will only be effective:
- (A) if by way of fax, when received in legible form; or
 - (B) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,
- and, if a particular department or officer is specified as part of its address details provided under Clause 19.2 (*Addresses*), if addressed to that department or officer.
- 19.3.2 Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer identified with the Security Trustee's signature below (or any substitute department or officer as the Security Trustee shall specify for this purpose).
- 19.3.3 Any communication or document which becomes effective, in accordance with Clauses 19.3.1 and 19.3.2 above, after 5.00p.m. in the place of receipt shall be deemed only to become effective on the following day.

19.4 English language

- 19.4.1 Any notice given under or in connection with this Agreement must be in English.
- 19.4.2 All other documents provided under or in connection with this Agreement must be:
- (A) in English; or
 - (B) if not in English accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

20. COUNTERPARTS

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

21. LAW

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

22. ENFORCEMENT

22.1 Jurisdiction of English courts

- 22.1.1 The courts of England have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual dispute or claim) (a "**Dispute**").
- 22.1.2 Subject to Clause 22.1.3 below, the parties to this Agreement agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly the Company will not:
- (A) argue to the contrary; or
 - (B) initiate or pursue any proceedings relating to a Dispute in any jurisdiction other than England.

22.1.3 This Clause 22.1 is for the benefit of each of the Secured Parties only. As a result, a Secured Party shall not be prevented from initiating or pursuing proceedings relating to a Dispute in any other courts with jurisdiction nor from contending that such courts are appropriate and convenient. To the extent allowed by law, a Secured Party may initiate or pursue:

(A) proceedings in any other court; and

(B) concurrent proceedings in any number of jurisdictions,

irrespective of whether proceedings have already been initiated by any party in England.

IN WITNESS whereof this Agreement has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

NOTICE TO COUNTERPARTY

[on the letterhead of the Company]

To: [Counterparty]

Date: []

Dear Sirs,

**Subordinated Creditor's Security Assignment dated [] between []
and [] (the "Agreement")**

We refer to the [**describe contract**] dated [] and made between [], [] and ourselves (the "**Contract**").

This letter constitutes notice to you that under the Agreement we assigned (by way of security) to [] (the "**Security Trustee**") all our rights, benefits and interests (including any and all sums payable to us under the Contract and the benefit of all security, options, indemnities, guarantees and warranties) under the Contract.

We irrevocably instruct and authorise you to:

- (A) disclose to the Security Trustee, without any reference to or further authority from us and without any inquiry by you as to the justification for the disclosure, any information relating to the Contract (including the performance of our obligations thereunder) which the Security Trustee may request from you; and
- (B) following a confirmation from the Security Trustee that an Event of Default (as defined in the Facility Agreement (defined in the Agreement)) is continuing, pay any sum payable by you under the Contract to the Rent Account with the Account Bank (as the terms Rent Account and Account Bank are defined in the Facility Agreement (defined in the Agreement))) at [], Sort Code [], Account No. [].

We will remain liable to perform all our obligations under the Contract and the Security Trustee shall not be under any obligation or liability under the Contract by reason of the Agreement or anything arising therefrom.

We will also remain entitled to exercise all our rights, powers and discretions under the Contract and you should continue to give notices under the Contract to us, in each case unless and until you receive notice from the Security Trustee to the contrary stating that the Agreement has become enforceable. In this event, all the rights, powers and discretions under the Contract will be exercisable by, and notices should be given to, the Security Trustee or as it directs.

The instructions in this letter apply until you receive notice from the Security Trustee to the contrary and notwithstanding any previous instructions given by us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Trustee.

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

Please confirm your agreement to the above by sending the enclosed acknowledgement to the Security Trustee at [], Attention [], with a copy to ourselves.

Yours faithfully,

.....

(Authorised signatory)

[Company]

SCHEDULE 2
ACKNOWLEDGEMENT OF COUNTERPARTY

To: [Security Trustee; Address]

Attention: []

Copy: [Company; Address]

Date: []

Dear Sirs,

Subordinated Debt Security Assignment dated [] between []
and [] (the "Agreement")

We confirm receipt from [] (the "**Assignor**") of a notice dated [] (the "**Notice**") of an assignment upon the terms of the Agreement of all the Assignor's rights, benefits and interests under the Contract (as defined in the Notice).

We confirm that:

- (A) we have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Assignor under or in respect of the Contract;
- (B) following a confirmation from you that an Event of Default (as defined in the Facility Agreement (defined in the Agreement)) is continuing, we will pay any amount payable by us under the Contract to the Rent Account with the Account Bank (as the terms Rent Account and Account Bank are defined in the Facility Agreement (defined in the Agreement)) at [], Sort Code [], Account No. [];
- (C) we will accept your instructions in relation to the Assignor's rights under the Contract following confirmation from you that the Agreement has become enforceable; and
- (D) we will not agree to any amendment, waiver or variation of the terms of the Contract without your prior written consent or as permitted in the Deed of Subordination.

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

Yours faithfully

.....
(Authorised signatory)
[Counterparty]

EXECUTED AS A DEED by
GCP TOPCO 2 LIMITED

acting by ROBERT NAISH

in the presence of:

)
)
)
)
)
)



Director

Signature of witness



Name of witness
(in BLOCK CAPITALS)

SOPHIE DEVLIN

Address of witness

4 MORE LONDON RIVERSIDE
SE1 2AU

Notice details for Clause 19

Address of company: 51 NEW NORTH ROAD, EXETER, UNITED KINGDOM, EX4 4EP

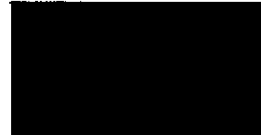
Fax:

01392 253282

Attention:

THE COMPANY SECRETARY

SIGNED for and on behalf of)
THE PRUDENTIAL INSURANCE)
COMPANY OF AMERICA)
a company incorporated in New Jersey)
by **SCOTT HEATH**)
being a person who in accordance with)
the laws of that territory is acting under)
the authority of that company)



.....
/s/ Authorised signatory

Notice details for Clause 19

Address: PGIM Real Estate Finance
Grand Buildings
1-3 Strand, Floor 6
London, WC2N 5HR

Attention: Asset Management Department
Email: servicing@pgim.com

Copy to:

Address: Prudential Asset Resources, Inc.
2100 Ross Avenue
Suite 2500
Dallas TX 75201

Attention: Legal Department
Email: servicing@pgim.com