



Registration of a Charge

Company name: **ASH8 UK ASSET CO LIMITED**

Company number: **11088069**



X6WWO1EJ

Received for Electronic Filing: **04/01/2018**

Details of Charge

Date of creation: **22/12/2017**

Charge code: **1108 8069 0002**

Persons entitled: **LUCID TRUSTEE SERVICES LIMITED AS SECURITY TRUSTEE**

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: **WE 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: **OSBORNE CLARKE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11088069

Charge code: 1108 8069 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd December 2017 and created by ASH8 UK ASSET CO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th January 2018 .

Given at Companies House, Cardiff on 8th January 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We certify that, save for material redacted pursuant to s. 859G of the Companies Act 2006, this copy instrument is a correct copy of the original instrument.

Dated this 04 January 2018

Signed Osborne Clarke LLP

Osborne Clarke LLP

2 Temple Back East

Temple Quay, Bristol

BS1 6EG

Deed of Assignment

relating to certain rights under an acquisition agreement and associated protections

- (1) ASHB UK Asset Co Limited (as AssetCo)
- (2) Lucid Trustee Services Limited (as security trustee)
- (3) U.S. Bank Trustees Limited (as L1 Trustee)
- (4) Metropolitan Life Insurance Company (as L2 Trustee)

Dated 22 December 2017

Osborne Clarke LLP

OAN/1079389/O36315318.7/AAC

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This Deed of Assignment is made on 22 December 2017

Between

- (1) **ASH8 UK Asset Co Limited**, a company incorporated under the laws of England and Wales with registered number 11088069 whose registered office is at Second Floor, 11 Pilgrim Street, London, United Kingdom EC4V 6RN ("**AssetCo**");
- (2) **Lucid Trustee Services Limited**, a company incorporated in England and Wales (registered number 10992576) with its office at 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London, United Kingdom, EC2M 5PG, United Kingdom (the "**Security Trustee**", which expression shall include such company and all other persons for the time being acting as the security trustee or security trustees pursuant to this Deed);
- (3) **U.S. Bank Trustees Limited**, a limited liability company incorporated in England and Wales (registered number 02379632) with its office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR, United Kingdom (the "**L1 Trustee**" which expression shall include all persons for the time being acting as the L1 Trustee or L1 Trustees pursuant to this Deed and the L1 Finance Documents); and
- (4) **Metropolitan Life Insurance Company**, a New York corporation with its office at One MetLife Way, 3rd Floor, Whippany, New Jersey 07981-1449 (the "**L2 Trustee**" which expression shall include all persons for the time being acting as the L2 Trustee or L2 Trustees pursuant to this Deed).

Background:

- (A) Pursuant to the L1 Finance Documents, AssetCo is indebted to the L1 Secured Creditors in accordance with the terms and conditions contained in the L1 Finance Documents.
- (B) The L1 Trustee acts as security trustee in respect of all obligations due to the L1 Secured Creditors under the L1 Finance Documents.
- (C) Pursuant to this Deed only, AssetCo may owe certain sums to the L2 Secured Creditors in accordance with the terms and conditions contained in this Deed.
- (D) The L2 Trustee acts as security trustee in respect of all obligations due to the L2 Secured Creditors under the L2 Finance Documents.
- (E) The Security Trustee has agreed to hold the security created under this Deed on trust for the benefit of (a) the L1 Secured Creditors (represented herein by the L1 Trustee) and (b) the L2 Secured Creditors (represented here by the L2 Trustee).
- (F) The parties to this Deed have entered into it to record (among other things) the terms of:
 - a. the security granted by AssetCo to the Security Trustee;
 - b. the appointment of the Security Trustee as security trustee and agent for the L1 Secured Creditors and the L2 Security Creditors; and
 - c. how any proceeds of recovery and of security granted by AssetCo under this Deed will be shared among the L1 Trustee and the L2 Trustee.

The Parties agree as follows:

1. **Definitions and Interpretation**

1.1 **Definitions**

The following defined terms used in this Deed have the meanings set out below:

"Acquisition Agreement" means the share purchase agreement between AssetCo (as purchaser) and the sellers described therein, relating to the sale and purchase of the entire issued share capital of Study Inn Group Holdings Limited, dated on or about the date of this Deed.

"Acquisition Documents" means all Transaction Documents (under and as defined in the Acquisition Agreement).

"Acquisition Rights" means, together, all of AssetCo's Benefit under and in respect of each of the following:

- (a) the Acquisition Documents;
- (b) the W&I Policy; and
- (c) the Reports Proceeds.

"Ancillary Rights" means in relation to a Right (as defined in the definition of Benefit), all ancillary rights, accretions and supplements to such Right, including any guarantees or indemnities in respect of such Right.

"Appointee" means any attorney, manager, agent, delegate, nominee, custodian or other person appointed by the Security Trustee (or who agrees to act on behalf of the Security Trustee) under this Deed.

"AssetCo Enforcement Event" means circumstances in which each of the following conditions are satisfied:

- (a) either AssetCo, the L1 Trustee or the L2 Trustee has informed the Security Trustee that an event of default (howsoever described) under either or both of the L1 Finance Documents and the L2 Finance Documents has occurred and is continuing; and
- (b) either the L1 Trustee or the L2 Trustee has informed the Security Trustee that it wishes the Security Trustee to take enforcement action under this Deed in respect of Acquisition Rights that exist and are capable of realisation at that time, with a view to recovering proceeds for application in accordance with the Priority of Payments.

"AssetCo Enforcement Notice" means a notice under this Deed (in such form as the Security Trustee shall determine) from the Security Trustee to each of AssetCo, the L1 Trustee and the L2 Trustee, confirming that an AssetCo Enforcement Event has occurred and is continuing and that the Security Trustee is taking action under this Deed to enforce its security assignment over the Assigned Rights.

"Assigned Rights" means together the L1 Assigned Rights and the L2 Assigned Rights.

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

- (a) all right, title, interest and benefit, present and future, actual and contingent (and interests arising in respect thereof) of such person in, to, under and in respect of such Right and all Ancillary Rights in respect of such Right;

- (b) all monies and proceeds payable or to become payable under, in respect of, or pursuant to such Right or its Ancillary Rights and the right to receive payment of such monies and proceeds and all payments made including, in respect of any bank account, all sums of money which may at any time be credited to such bank account together with all interest accruing from time to time on such money and the debts represented by such bank account in which such person has an interest;
- (c) the benefit of all covenants, undertakings, representations, warranties and indemnities in favour of such person contained in or relating to such Right or its Ancillary Rights;
- (d) the benefit of all powers of and remedies for enforcing or protecting such person's right, title, interest and benefit in, to, under and in respect of such Right or its Ancillary Rights, including the right to demand, sue for, recover, receive and give receipts for proceeds of and amounts due under or in respect of or relating to such Right or its Ancillary Rights; and
- (e) all items expressed to be held on trust for such person under or comprised in any such Right or its Ancillary Rights, all rights to deliver notices and/or take such steps as are required to cause payment to become due and payable in respect of such Right and its Ancillary Rights, all rights of action in respect of any breach of or in connection with any such Right and its Ancillary Rights and all rights to receive damages or obtain other relief in respect of such breach.

"Default Rate" means 3% per annum above the base rate of Barclays Bank PLC from time to time.

"Finance Documents" means together the L1 Finance Documents and the L2 Finance Documents.

"HSBC Account" means the rent collection account held at HSBC Bank plc in the name of Study Inn Group Limited, an entity that will become an indirect Subsidiary of AssetCo following completion of the Acquisition Agreement, bearing account number 00053872 and sort code 40-11-60.

"L1 Acquisition Rights" means all Acquisition Rights that relate to any of the L1 Assets.

"L1 Assets" means each of the properties (and the companies that own such properties) listed in Schedule 1 Part A to this Deed.

"L1 Assigned Rights" means the L1 Acquisition Rights of AssetCo that are the subject of the security assignment created in or pursuant to this Deed.

"L1 CTA" means the common terms agreement relating to indexed notes and fixed rate notes dated on or about the date of this Deed, between (among others) the L1 Issuer, AssetCo, Elavon Financial Services DAC, UK Branch and the L1 Trustee (in various capacities).

"L1 Finance Documents" means the L1 CTA and this Deed, together with the Loan Agreement and the AssetCo Security Documents (as each are defined in the L1 CTA) and any other document designated an AssetCo Finance Document under (and as defined in) the L1 CTA from time to time.

"L1 Floating Charge" means any floating charge over the Assigned Rights granted by AssetCo in favour of the L1 Trustee under the L1 Finance Documents.

"L1 Issuer" means ASH8 Debt Co UK 1 Plc (company number 11087927).

"L1 Secured Creditors" means the L1 Issuer, all other parties defined as AssetCo Secured Creditors under the L1 CTA, and the L1 Trustee (for itself and on behalf of all other L1 Secured Creditors).

"L1 Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent) of AssetCo to any L1 Secured Creditor under each L1 Finance Document to which it is a party.

"L2 Acquisition Rights" means all Acquisition Rights that relate to any of the L2 Assets.

"L2 Assets" means each of the properties (and the companies that own such properties) listed in Schedule 1 Part B to this Deed.

"L2 Assigned Rights" means the L2 Acquisition Rights of AssetCo that are the subject of the security assignment created in or pursuant to this Deed.

"L2 Borrower" means ASH8 Debt Co Uk 2 Plc (company number 11087906).

"L2 Collection Account" means the Collection Account under (and as defined in) the L2 SFA, the account number and sort-code of which are to be notified to AssetCo, the L1 Trustee and the Security Trustee in writing after the date of this Deed.

"L2 Finance Documents" means the L2 SFA and this Deed, together with the Security Documents (as defined in the L2 SFA) and any other document designated a Finance Document under (and as defined in) the L2 SFA from time to time.

"L2 Lenders" mean Metropolitan Life Insurance Company and MetLife Europe Designated Activity Company, together with any other party defined as a Lender under the L2 SFA from time to time.

"L2 Secured Creditors" means the L2 Lenders, all other parties defined as Secured Parties under the L2 SFA, and the L2 Trustee (for itself and on behalf of all other L2 Secured Creditors).

"L2 Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent) of the L2 Borrower to any L2 Secured Creditor under each L2 Finance Document to which it is a party.

"L2 SFA" means the senior facilities agreement dated on or about the date of this Deed, between (among others) the L2 Borrower, the L2 Lenders and the L2 Trustee (in various capacities).

"LPA" means the Law of Property Act 1925.

"Notice Details" means the provisions set out in Schedule 4 (*Notice Details*).

"Notice of Assignment" means a notice of assignment in substantially the form set out in Schedule 3 Part A (*Form of Notice of Assignment*) or in such form as may be specified by the Security Trustee.

"Party" means a party to this Deed.

"Priority of Payments" means the provisions relating to the order of application of payments received by the Security Trustee under this Deed (either before or following delivery of an AssetCo Enforcement Notice), as set out in Schedule 2 (*Priority of Payments*).

"Receiver" means any receiver, manager, receiver and manager or administrative receiver who (in the case of an administrative receiver) is a qualified person in accordance with the Insolvency Act 1986 and who is appointed by the Security Trustee under this Deed.

"Reports Proceeds" means the net proceeds of any compensation or recovery actions received by AssetCo or the Security Trustee from the authors and/or providers of any of the following reports procured by AssetCo for the benefit of both the L1 Trustee and the L2 Trustee: the reports, valuations and/or surveys produced by each of:

- (a) Faithful+Gould Limited;
- (b) Savills Plc;
- (c) McGuireWoods London LLP; and
- (d) Grant Thornton LLP

In connection with the transaction contemplated by the Acquisition Agreement.

"Secured Creditors" means together the Security Trustee, the L1 Secured Creditors and the L2 Secured Creditors.

"Secured Liabilities" means together the L1 Secured Liabilities and (subject to clause 3 (*Limited Recourse*)) the L2 Secured Liabilities, and any liabilities owed to the Security Trustee under this Deed.

"W&I Policy" means the warranty and indemnity liability insurance policy, with AssetCo as the policyholder, underwritten by Neon Underwriting Limited, as more fully described and defined in the Acquisition Agreement.

1.2 **Construction and Interpretation**

Unless otherwise provided in this Deed or the context otherwise requires, a reference to:

- (a) the **"L1 Trustee"**, the **"L2 Trustee"**, the **"Security Trustee"**, the **"Issuer Security Trustee"** or **"AssetCo"** shall be construed so as to include its and any subsequent successors and any transferees in accordance with their respective interests and documents to which they are a party;
- (b) an "Act of Parliament" or any section or schedule to or other provision of an Act of Parliament or any other Governmental Authority is a reference to such act, section, schedule or provision as amended, superseded, supplemented or replaced from time to time;
- (c) "agency" of a state is a reference to any political sub division thereof, and any ministry, department or authority thereof and any company or corporation which is controlled and of which 50% or more of the issued share capital is owned by one or more of such agencies;
- (d) an "amendment" includes a supplement, novation, restatement or re-enactment and "amended" will be construed accordingly;
- (e) an "approval" shall be construed as a reference to any approval, consent, authorisation, exemption, permit, licence, registration, filing or enrolment by or with any competent authority;
- (f) "assets" includes present and future assets, properties, revenues and rights of every description wherever situated;
- (g) an "authorisation" includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- (h) a "currency" is a reference to the lawful currency for the time being of the relevant country;
- (i) "disposal" means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and "dispose" will be construed accordingly;

- (j) a reference to any document includes all amendments and supplements to that document, including supplements providing for further advances;
- (k) "guarantee" includes any guarantee, indemnity, contingent liability, surety obligation or liability in respect of the obligations of any person other than the grantor;
- (l) "including" shall be construed as a reference to 'including without limitation', so that any list of items or matters appearing after the word 'including' shall be deemed not to be an exhaustive list, but shall be deemed rather to be a representative list, of those items or matters forming a part of the category described prior to the word 'including';
- (m) a "law" shall be construed as any law (including common or customary law), statute, constitution, decree, judgment, treaty, regulation, directive, by law, order or any other legislative measure of any government, supranational, local government, statutory or regulatory body or court;
- (n) a "person" includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- (o) "principal" shall, where applicable, include premium;
- (p) a "regulation" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self regulatory or other authority or organisation;
- (q) "repay", "redeem" and "pay" shall each include both of the others and cognate expressions shall be construed accordingly;
- (r) a reference to any person defined as a "Party" or any other party in this Deed shall be construed so as to include its and any subsequent successors and permitted transferees in accordance with its respective interests;
- (s) a "successor" of any party shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of the jurisdiction of incorporation or domicile of such party has assumed the rights and obligations of such party under the relevant Transaction Document or to which, under such laws, such rights and obligations have been transferred or any permitted assignee in accordance with the terms of the relevant document;
- (t) a time of day is a reference to London time;
- (u) singular includes the plural and vice versa;
- (v) the headings in this Deed do not affect its interpretation;
- (w) all calculations and payment obligations will be made without double counting; and
- (x) a reference to £, GBP or Sterling is a reference to the lawful currency of the United Kingdom.

1.3 ***Third Party Rights***

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

- (b) Unless expressly provided to the contrary in this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed.

1.4 Conflict with Finance Documents

If there is any conflict between the provisions of this Deed and the provisions of any Finance Document, the provisions of this Deed shall prevail.

2. Trust

2.1 Appointment of the Security Trustee

The Secured Creditors, acting by the L1 Trustee and L2 Trustee (as applicable), hereby appoint the Security Trustee to act as trustee of the trusts constituted under this Deed in accordance with the terms hereof. The Security Trustee shall exercise such rights, powers and discretions as are specifically given to the Security Trustee under this Deed and pursuant to the general law.

2.2 Trust

The Security Trustee shall hold the benefit of this Deed and the security created over the Acquisition Rights under this Deed on trust for itself and the other Secured Creditors on the terms and subject to the conditions contained in this Deed.

2.3 The Original Security

The Parties acknowledge and agree that the security initially to be held by, or to the order of, the Security Trustee, upon the trusts constituted under this Deed, shall comprise the benefit of the encumbrances, rights and obligations arising in favour of the Security Trustee, for itself and each of the other Secured Creditors under the Finance Documents and any other security document and all notices of assignment or charge given pursuant to any such document and all acknowledgements given in respect of such notices.

2.4 Instructions

- (a) When exercising its rights or discretions under this Deed insofar as they relate to the L1 Assets only, the Security Trustee shall only act in accordance with any instructions from the L1 Trustee in relation to the exercise of such rights or discretions and all references in any document to which the Security Trustee is a party shall be construed accordingly.
- (b) When exercising its rights or discretions under this Deed insofar as they relate to the L2 Assets only, the Security Trustee shall only act in accordance with any instructions from the L2 Trustee in relation to the exercise of such rights or discretions and all references in any document to which the Security Trustee is a party shall be construed accordingly.
- (c) When exercising its rights or discretions under this Deed insofar as they relate to both the L1 Assets and the L2 Assets, the Security Trustee shall only act in accordance with the joint instructions from the L1 Trustee and the L2 Trustee in relation to the exercise of such rights or discretions and all references in any document to which the Security Trustee is a party shall be construed accordingly. The L1 Trustee and the L2 Trustee shall provide each other with reasonable co-operation in exercising their discretion to provide instructions under this sub-clause at all times.
- (d) The Security Trustee shall be entitled to assume that any such instruction given pursuant to sub-Clauses 2.4(a), (b) or (c) is:
- (i) properly given in accordance with the provisions of this Deed; and

- (ii) properly given, where appropriate, in accordance with the provisions of the agreements by which the instructing L1 Trustee and/or L2 Trustee (as the case may be) are bound,

and the Security Trustee shall not be liable to any person for any action taken or omitted to be taken under or in connection with this Deed in accordance with any such instruction.

- (e) The Security Trustee shall be entitled to request instructions, or clarification of any instruction, from (as applicable) the L1 Trustee and/or the L2 Trustee as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion under this Deed and the Security Trustee may refrain from acting unless and until it receives those instructions or that clarification.
- (f) The Security Trustee may refrain from acting in accordance with any instructions of either the L1 Trustee or the L2 Trustee until it has received any indemnification and/or security that it may in its discretion require for any cost, loss or liability (together with any applicable VAT) which it may incur in complying with those instructions.

2.5 Discretions and duties

Where the Security Trustee exercises or fails to exercise any power, trust, authority or discretion vested in it under this Deed, it shall be in no way responsible for any losses, costs, damages or expenses which may be suffered by any other Secured Creditor or any other party hereto as a result of the exercise or non-exercise thereof save in the case of its own gross negligence, wilful default or fraud. Notwithstanding any provision of this Deed to the contrary, under no circumstances will the Security Trustee be liable to any person for any special, indirect, punitive or consequential loss (being, inter alia, loss of business, goodwill, opportunity, reputation, anticipated saving or profit) or damage of any kind, whether or not foreseeable, even if advised of the possibility of such loss or damage and regardless of whether any claim for loss or damage is made in negligence, for breach of contract, or otherwise.

3. AssetCo's Covenant to Pay

- (a) AssetCo undertakes to the Security Trustee (for itself and as trustee for the L1 Trustee) that it shall duly, unconditionally and punctually pay and discharge to each of the L1 Secured Creditors, when due, all monies and liabilities, whatsoever, constituting the L1 Secured Liabilities, in accordance with the terms of the relevant L1 Finance Documents.
- (b) Subject to clause 4 (*Limited Recourse to AssetCo of L2 Secured Creditors*) below, AssetCo undertakes to the Security Trustee (for itself and as trustee for the L2 Trustee) that it shall duly, unconditionally and punctually pay and discharge to each of the L2 Secured Creditors, when due in accordance with the terms of the relevant L2 Finance Documents, all monies and liabilities, whatsoever, constituting the L2 Secured Liabilities.

4. Limited Recourse to AssetCo of L2 Secured Creditors

Each Party (other than the Security Trustee) agrees that notwithstanding any other provision of this Deed or any other Finance Document, all obligations of AssetCo to the L2 Trustee and each of the L2 Secured Creditors hereunder, including to contribute to the L2 Secured Liabilities, are limited in recourse as set out below:

- (a) each party will have a claim only in respect of the L2 Assigned Rights and will not have any claim, by operation of law or otherwise, against, or recourse to any of the other assets, right or the contributed capital of AssetCo;

- (b) the aggregate amount of all sums due and payable to each L2 Secured Creditor in respect of AssetCo's obligations to such party hereunder shall reduce by the amount by which the aggregate amount of sums due and payable to such party exceeds the aggregate amounts received, realised or otherwise recovered by or for the account of AssetCo in respect of the L2 Assigned Rights, whether pursuant to enforcement of this Deed or otherwise; and
- (c) upon the Security Trustee giving written notice to the L2 Secured Creditors that it has determined in its sole opinion, that there is no reasonable likelihood of there being any further realisations in respect of the L2 Assigned Rights (whether arising from an enforcement of this Deed or otherwise) which would be available to pay unpaid amounts outstanding under the L2 Finance Documents, each party shall have no further claim against AssetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

5. **Creation of Assignment**

As continuing security for the payment or discharge of the Secured Liabilities, AssetCo, with full title guarantee, in favour of the Security Trustee, for itself and as trustee for the other Secured Creditors, hereby grants an assignment by way of security of AssetCo's Benefit in the Acquisition Rights.

6. **Notices of Assignment**

AssetCo shall deliver to the Security Trustee (or procure delivery of) Notices of Assignment duly executed by AssetCo in respect of each of the following:

- (a) the Acquisition Documents; and
- (b) the W&I Policy,

and shall use all reasonable endeavours to procure that each notice is acknowledged by the relevant counterparty to each such notice.

7. **Ranking and Agreement as to Application of Proceeds**

7.1 Each Party to this Deed agrees, and AssetCo and the Security Trustee hereby acknowledge, that all monies received or recovered by:

- (a) AssetCo;
- (b) the Security Trustee; or
- (c) any Receiver or Appointee pursuant to the exercise of any power under this Deed or the powers conferred by it,

shall (subject to the claims of any person having prior rights thereto) be applied and paid in accordance with the Priority of Payments, and each Secured Creditor's claims shall rank according thereto.

7.2 Each Party agrees that the application agreed in clause 7.1 shall apply both prior to and after the issue of an AssetCo Enforcement Notice.

7.3 The L1 Trustee agrees that, in the event it receives any proceeds in respect of the Assigned Rights that are directly relating to enforcement of the L1 Floating Charge, it shall pay an amount equal to such proceeds (net of any costs of recovery) to the Security Trustee for application in accordance with clause 7.1 above.

8. Further Assurance

8.1 Further Assurance: General

- (a) The covenant set out in Section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to include the obligations set out in sub-Clause 8.1(b) below.
- (b) AssetCo shall promptly at its own cost do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s)):
 - (i) to perfect the assignment created or intended to be created in respect of the Assigned Rights or to enable the exercise of the Assigned Rights;
 - (ii) to confer on the Security Trustee security over any property and assets of AssetCo located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the Assigned Rights.

8.2 Necessary Action

AssetCo shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any assignment or security conferred or intended to be conferred on the Security Trustee by or pursuant to this Deed.

8.3 Consents

AssetCo shall use all reasonable endeavours to obtain as soon as possible any consents necessary including any consents necessary to enable the Assigned Rights to be the subject of an effective fixed security assignment pursuant to Clause 5 (*Creation of Assignment*) and, immediately upon obtaining any such consent, the asset concerned shall become subject to such assignment and AssetCo shall promptly deliver a copy of each consent to the Security Trustee upon request.

8.4 Implied Covenants for Title

The obligations of AssetCo under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

9. Negative Pledge and Restrictions on Dealings

- 9.1 AssetCo shall not at any time during the subsistence of this Deed create or permit to subsist any assignment or other security over all or any part of the Assigned Rights or dispose of or otherwise deal with any part of the Assigned Rights, save for the L1 Floating Charge.
- 9.2 AssetCo shall not at any time during the subsistence of this Deed agree to amend, vary, restate or waive any provision of the Acquisition Documents or the W&I Policy that would have an adverse impact on the interests of the Secured Creditors without the prior written consent of the Security Trustee (acting on the instructions of both the L1 Trustee and the L2 Trustee).

10. Representations by AssetCo

AssetCo makes the following representations on the date of this Deed to the Security Trustee:

- 10.1 It is a private limited company, duly incorporated and validly existing under the laws of England and Wales and whose shares are fully paid up.
- 10.2 It has the power and authority to own, lease and operate its assets and carry on its business as it is being conducted.
- 10.3 It has the power to enter into and perform, and has taken all necessary action to authorise the entry into and performance of this Deed and the transactions contemplated by this Deed.
- 10.4 The obligations expressed to be assumed by AssetCo under this Deed are legal and valid obligations, binding on it and enforceable against it in accordance with its terms.
- 10.5 It is the legal and beneficial owner of the Assigned Rights free from any security (other than the L1 Floating Charge) or other assignments.

11. Provisions relating to the HSBC Account

- 11.1 AssetCo shall monitor payment inflows into the HSBC Account and, while it remains the primary collection account for rent payable by occupiers of the L1 Assets and / or the L2 Assets, provide information on request to any Secured Creditor and at the same time, to the L2 Borrower as to the source of such payment flows and, in particular, which L1 Asset and / or L2 Asset those payments relate to.
- 11.2 The Parties agree that, subject to sub-clause 11.3 below and prior to the issue of any AssetCo Enforcement Notice, until such time as the HSBC Account is closed, all amounts which flow into the HSBC Account and which relate to the L2 Assets will be held on trust by AssetCo for the L2 Borrower and the L2 Trustee and AssetCo shall promptly pay all such sums (which relate to the L2 Assets) to the L2 Collection Account as soon as such account is open or such other account (in circumstances where such Collection Account has at that time not been opened) as the L2 Trustee shall notify AssetCo in writing.
- 11.3 The Parties agree that, after the issue of an AssetCo Enforcement Notice, in the event that the Security Trustee or the L1 Trustee receives any proceeds in respect of the HSBC Account or any security over it that relate to the L2 Assets, it shall pay an amount equal to such proceeds to the Security Trustee for application in accordance with clause 7.1.

12. Enforcement of Security

12.1 Enforcement

- (a) An AssetCo Enforcement Notice may only be delivered in respect of an AssetCo Enforcement Event that is continuing.
- (b) At any time after the delivery of an AssetCo Enforcement Notice that has not been withdrawn or if a petition or application is presented for the making of an administration order in relation to AssetCo or if any person who is entitled to do so gives written notice of its intention to appoint an administrator of AssetCo or files such a notice with the court, the security and assignment created by or pursuant to this Deed is immediately enforceable and the Security Trustee may (or shall, if directed by the L1 Trustee and/or the L2 Trustee as applicable and in accordance with the requirements of clause 2.4 (*Instructions*)), without notice to AssetCo or prior authorisation from any court, in its absolute discretion:
 - (i) enforce all or any part of this Deed (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Assigned Rights; and
 - (ii) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the LPA (as varied or extended by

this Deed) on mortgagees and by this Deed on any Receiver or otherwise conferred by law on mortgagees or Receivers.

12.2 No Liability as Mortgagee in Possession

Neither the Security Trustee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Assigned Rights; or be liable for any loss upon realisation or for any neglect, default or omission in connection with the Assigned Rights to which a mortgagee in possession might otherwise be liable.

13. Extension and Variation of the LPA

13.1 Extension of Powers

The power of sale or other disposal conferred on the Security Trustee and on any Receiver by this Deed shall operate as a variation and extension of the statutory power of sale under Section 101 of the LPA and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Deed.

13.2 Restrictions

The restrictions contained in Sections 93 and 103 of the LPA shall not apply to this Deed or to the exercise by the Security Trustee of its right to consolidate all or any of the Security created by or pursuant to this Deed with any other Security in existence at any time or to its power of sale, which powers may be exercised by the Security Trustee without notice to AssetCo on or at any time after the delivery of an AssetCo Enforcement Notice which has not been withdrawn.

14. Appointment of Receiver

14.1 Appointment and Removal

After the delivery of an AssetCo Enforcement Notice which has not been withdrawn or if a petition is presented for the making of an administration order in relation to AssetCo or if requested to do so by AssetCo, the Security Trustee may by deed or otherwise (acting through an authorised officer of the Security Trustee), without prior notice to AssetCo:

- (a) appoint one or more persons to be a Receiver of the whole or any part of the Assigned Rights; and/or
- (b) remove (so far as it is lawfully able) any Receiver so appointed.

14.2 Capacity of Receivers

Each person appointed to be a Receiver pursuant to Clause 14.1 (*Appointment and Removal*) shall be:

- (a) entitled to act individually or together with any other person appointed or substituted as Receiver;
- (b) for all purposes shall be deemed to be the agent of the AssetCo which shall be solely responsible for his acts, defaults and liabilities and for the payment of his remuneration and no Receiver shall at any time act as agent for the Security Trustee; and
- (c) subject to sub clause (b) above, be entitled to remuneration for his services at a rate to be fixed by the Security Trustee from time to time (without being limited to the maximum rate specified by the LPA).

14.3 Statutory Powers of Appointment

The powers of appointment of a Receiver shall be in addition to all statutory and other powers of appointment of the Security Trustee under the LPA (as extended by this Deed) or otherwise and such powers shall remain exercisable from time to time by the Security Trustee in respect of any part of the Assigned Rights.

15. Powers of Receiver

Every Receiver shall (subject to any restrictions in the instrument appointing him but notwithstanding any winding up or dissolution of AssetCo) have and be entitled to exercise, in relation to the Assigned Rights in respect of which he was appointed, and as varied and extended by the provisions of this Deed (in the name of or on behalf of AssetCo or in his own name and, in each case, at the cost of AssetCo):

- (a) all the powers conferred by the LPA on mortgagors and on mortgagees in possession and on receivers appointed under that Act;
- (b) all the powers and rights of an absolute owner and power to do or omit to do anything which AssetCo itself could do or omit to do; and
- (c) the power to do all things (including bringing or defending proceedings in the name or on behalf of AssetCo) which seem to the Receiver to be incidental or conducive to (i) any of the functions, powers, authorities or discretions conferred on or vested in him or (ii) the exercise of the Assigned Rights or (iii) bringing to his hands any assets of AssetCo forming part of, or which when got in would be, Assigned Rights.

16. Protection of Purchasers

16.1 Consideration

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

16.2 Protection of Purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound to inquire whether the right of the Security Trustee or such Receiver to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Security Trustee or such Receiver in such dealings.

17. Power of Attorney

17.1 Appointment and Powers

AssetCo by way of security irrevocably appoints the Security Trustee and any Receiver severally to be its attorney and in its name, on its behalf and as its act and deed to (following the delivery of an AssetCo Enforcement Notice) execute, deliver and perfect all documents and do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on AssetCo by this Deed (including the execution and delivery of any mortgages, deeds, charges, assignments or other security and any transfers of the Assigned Rights); and
- (b) enabling the Security Trustee and any Receiver to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on them by or pursuant to this Deed or by law (including, after the delivery of an AssetCo Enforcement Notice which has not been withdrawn, the exercise of any right of a legal or beneficial owner of the Assigned Rights).

17.2 Ratification

AssetCo shall ratify and confirm all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers.

18. Effectiveness of Security

18.1 Continuing Security

The Security created by or pursuant to this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Security Trustee (acting on the instructions of the L1 Trustee and the L2 Trustee, as the case may be).

18.2 Cumulative Rights

The Security created by or pursuant to this Deed and the Assigned Rights shall be cumulative, in addition to and independent of every other security which the Security Trustee may at any time hold for the Secured Liabilities or any other obligations or any rights, powers and remedies provided by law. No prior Security held by the Security Trustee over the whole or any part of the Assigned Rights shall merge into the Security constituted by this Deed.

18.3 No Prejudice

The Security created by or pursuant to this Deed and the Assigned Rights, and AssetCo's liability under the Finance Documents to which it is a party shall not be discharged, prejudiced or affected by:

- (a) any intermediate payment, settlement of account or discharge in whole or part of the Secured Liabilities;
- (b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy which a Secured Creditor may now or after the date of this Deed have from or against AssetCo or any other person in connection with the Secured Liabilities;
- (c) any act or omission by an Secured Creditor or any other person in taking up, perfecting or enforcing any security, indemnity or guarantee from or against AssetCo or any other person;
- (d) any termination, amendments, variation, novation or supplement of or to any of the Secured Liabilities;
- (e) any grant of time, indulgence, waiver or concession to AssetCo or any other person;
- (f) any insolvency, bankruptcy, liquidation, administration, winding up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution of, or security held from, AssetCo or any other person in connection with the Secured Liabilities;
- (g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or security held from, AssetCo or any other person in connection with the Secured Liabilities; and
- (h) any claim or enforcement of payment from AssetCo or any other person, or any other act or omission which would not have discharged or affected the liability of AssetCo had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge AssetCo or otherwise reduce or extinguish its liability under this Deed.

18.4 Remedies and Walvers

Except where this Deed specifically provides otherwise, the rights and remedies contained in this Deed are cumulative and not exclusive of rights or remedies provided by law.

18.5 No Liability

To the extent permitted by law, none of the Security Trustee, its nominee(s) nor any Receiver shall be liable to any person for any matter or thing done or omitted in any way in connection with or in relation to this Deed, the Assigned Rights or the Finance Documents except in the case of gross negligence or wilful default upon its part.

18.6 Partial Invalidity

The invalidity, illegality or unenforceability of a provision of this Deed does not affect or impair the continuation in force of the remainder of this Deed.

18.7 Waiver of defences

The obligations assumed, and the security created, by AssetCo under this Deed, and the Assigned Rights, will not be affected by any act, omission, matter or thing which, but for this Clause 18.7 would reduce, release or prejudice any of its obligations under, or the security created by, this Deed (without limitation and whether or not known to AssetCo or any Secured Creditor) including:

- (a) any time, waiver or consent granted to, or composition with any person;
- (b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any 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;
- (c) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (d) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatever nature, and whether or not more onerous) or replacement of a Finance Document or any other document or security or of the Secured Liabilities;
- (e) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security or of the Secured Liabilities; and
- (f) any insolvency event.

18.8 AssetCo Intent

Without prejudice to the generality of Clause 18.7 (*Waiver of defences*), AssetCo expressly confirms that it intends that the security created under this Deed shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents and any fees, costs and/or expenses associated therewith.

19. Release of Security

19.1 Redemption of Security

Upon proof being given (in accordance with the following sentence) to the satisfaction of the Security Trustee as to the Irrevocable and unconditional payment or discharge of the Secured Liabilities and AssetCo having no further actual or contingent obligation under any of the

Finance Documents the Security Trustee shall, at the request and cost of AssetCo, release and cancel the security constituted by this Deed and procure the reassignment to AssetCo of the property and assets assigned to the Security Trustee pursuant to this Deed, in each case subject to Clause 19.2 (*Avoidance of Payments*) and without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees. Written confirmation of such discharge of the Secured Liabilities shall be provided to Security Trustee by the Secured Creditors (other than the Security Trustee) as soon as reasonably practicable after the discharge of the relevant Secured Liabilities.

19.2 *Avoidance of Payments*

If the Security Trustee considers that any amount paid or credited to it or any other Secured Creditor is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws then the security constituted hereby shall continue and such amount shall not be considered to have been irrevocably paid.

19.3 *Retention of Security*

The Security Trustee may retain this Deed and the security constituted by or pursuant to this Deed and all documents of title, certificates and other documents relating to or evidencing ownership of all or any part of the Assigned Rights for a period of seven months after any discharge in full of the Secured Liabilities provided that if at any time during that seven month period a petition is presented for an order for the winding up of, or the making of an administration order in respect of, AssetCo, or AssetCo commences to be wound up voluntarily or any analogous proceedings are commenced in respect of it, the Security Trustee may continue to retain such security and such documents for such further period as the Security Trustee may determine and the security and such documents shall be deemed to have continued to have been held as security for the Secured Liabilities.

19.4 *Information*

Each Secured Creditor (other than the Security Trustee) shall provide the Security Trustee, on request, with a certificate containing accurate and up-to-date information as to the Secured Liabilities owing (actually or contingently) to such Secured Creditor, to enable the Security Trustee to perform its functions under this Deed, such certificate to be in a form required by the Security Trustee.

AssetCo expressly consents to the Secured Creditors supplying such information to the Security Trustee. If a Secured Creditor does not provide a certificate within ten Business Days of request, the Security Trustee shall be entitled to rely on a certificate provided by AssetCo to determine the Secured Liabilities owing to such Secured Creditor.

The Security Trustee shall not incur any liability to any person for so relying and shall have no duty to enquire as to the accuracy of any certificate provided to it pursuant to the terms of this Clause 19.4

20. *Set Off*

AssetCo authorises the Security Trustee (but the Security Trustee shall not be obliged to exercise such right), after the delivery of an AssetCo Enforcement Notice which has not been withdrawn, to set off against the Secured Liabilities any amount or other obligation (contingent or otherwise) owing by the Security Trustee to AssetCo and apply any credit balance to which AssetCo is entitled on any account with the Security Trustee in accordance with Clause 7 (*Ranking and Agreement as to Application of Proceeds*) (notwithstanding any specified maturity of any deposit standing to the credit of any such account).

21. *Notices*

21.1 *Communications in writing*

Any Notice under this Deed:

- (a) shall be in writing;
- (b) shall be in the English language; and
- (c) shall be delivered personally or sent by first class post pre-paid recorded delivery (and air mail if overseas) or by e-mail to the party due to receive the Notice at its address or e-mail address and marked for the attention of the person or persons set out or referred to in the Notices Details or to another address or e-mail address or marked for the attention of another person or persons specified by the receiving party by not less than 7 days' written notice to the other Parties received before the Notice was despatched.

21.2 **Time of receipt**

Unless there is evidence that it was received earlier, a Notice marked for the attention of the person specified in accordance with Paragraph 21.1 (*Communications in writing*) above is deemed given:

- (a) if delivered personally, when left at the relevant address referred to in the Notices Details;
- (b) if sent by post, except air mail, 2 Business Days after posting it;
- (c) if sent by air mail, 6 Business Days after posting it; and
- (d) if sent by e-mail when it is received in legible form.

22. **Assignment**

A corporation into which the Security Trustee for the time being may be merged or converted or a corporation with which the Security Trustee may be consolidated, or a corporation resulting from any merger, conversion or consolidation to which the Security Trustee is a party and sells or otherwise transfers all or substantially all the assets or the business of the Security Trustee shall, on the date when the merger, conversion, consolidation, sale or transfer becomes effective, to the extent permitted by applicable laws and subject to any credit rating requirements set out in this Deed, be the successor Security Trustee under this Deed without the execution or filing of any paper or any further act on the part of any of the parties to this Deed, unless otherwise required by both the L1 Trustee and the L2 Trustee.

23. **Remuneration and Indemnification of Security Trustee**

- 23.1 AssetCo shall (without double counting) pay to the Security Trustee, by way of remuneration for its services as trustee under this Deed, such amount and on such date(s) as shall be agreed from time to time between AssetCo and the Security Trustee. Such remuneration shall accrue from day to day and be payable up to and including the date when, all the Secure Liabilities having become due for redemption, the redemption moneys and interest thereon to the date of redemption have been paid.
- 23.2 If the Security Trustee determines or is required to exercise any enforcement rights under this Deed or if the Security Trustee considers it expedient or necessary or is requested by AssetCo to undertake duties of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under this Deed, AssetCo shall (without double counting) pay to the Security Trustee such additional remuneration at the applicable rate of the Security Trustee at such time.
- 23.3 AssetCo shall also (without double counting) pay or discharge or reimburse the Security Trustee and every Appointee on an after tax basis for all liabilities (including any VAT) properly incurred by the Security Trustee, any Appointee and (if applicable) any Receiver, in

relation to the preparation and execution of, the exercise of its powers and the performance of its duties under, and in any other manner in relation to, this Deed, including but not limited to properly incurred legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid or payable by the Security Trustee or any Appointee in connection with any action taken by or on behalf of the Security Trustee or any Appointee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Deed.

23.4 All amounts due and payable pursuant to this Clause 23 (*Remuneration and Indemnification of Security Trustee*) shall be payable by AssetCo on the date specified in a demand by the Security Trustee and the rate of interest applicable to such payments to be made by AssetCo shall be the Default Rate and interest shall accrue:

- (a) in the case of a demand relating to payments made by the Security Trustee prior to the date of the demand, from the date on which the payment was made by the Security Trustee or such later date as specified in such demand; and
- (b) in the case of payments made by the Security Trustee on or after the date of the demand, from the date on which the payment was made by the Security Trustee.

23.5 All remuneration payable to the Security Trustee shall carry interest at the Default Rate from the due date thereof.

23.6 Unless otherwise specifically stated in any discharge of this Deed the provisions of this Clause 23 shall continue in full force and effect notwithstanding such discharge and whether or not the Security Trustee is then trustee of this Deed.

23.7 AssetCo will pay all stamp duties, registration taxes, capital duties and other similar duties or taxes (if any) payable on:

- (a) any action taken by the Security Trustee (or any Secured Creditor where permitted or required under this Deed so to do) to enforce the provisions of this Deed; and
- (b) the execution of this Deed.

If the Security Trustee shall take any proceedings against AssetCo in any other jurisdiction and if for the purpose of any such proceedings this Deed are taken into any such jurisdiction and any stamp duties or other duties or Taxes become payable thereon in any such jurisdiction, AssetCo will pay (or reimburse the person making payment of) such stamp duties or other duties or Taxes (including penalties).

23.8 Sterling is the sole currency of account and payment for all sums payable by AssetCo under or in connection with this Deed including damages.

- (a) An amount received or recovered in a currency other than Sterling (whether as a result of a judgment or order of a court of any jurisdiction, or the enforcement thereof, or the winding up or dissolution of AssetCo) by the Security Trustee in respect of any sum expressed to be due to such recipient from AssetCo will only discharge AssetCo to the extent of the sterling amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).
- (b) If that sterling amount is less than the sterling amount expressed to be due to the recipient under this Deed, AssetCo will indemnify such recipient against any liability sustained by it as a result. In any event, AssetCo will indemnify the recipient against the cost of making any such purchase.

23.9 Without prejudice to the right of indemnity by law given to trustees or any indemnity contained in any other Finance Document, AssetCo shall (without double counting) indemnify the

Security Trustee and each Receiver appointed in respect of this Deed and keep it or him indemnified against all liabilities to which it or he may be or become subject (other than due to its or his wilful default, gross negligence or fraud) or which may be properly incurred by it or him in the preparation of and the execution or purported execution of any of its or his trusts, powers, authorities and discretions under this Deed or its or his functions under any such appointment or in respect of any other matter or thing done or omitted in any way relating to this Deed or any such appointment (including any liabilities in disputing or defending the foregoing).

- 23.10 The indemnities in this Deed constitute separate and independent obligations from the other obligations in this Deed, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Security Trustee and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under this Deed or any other judgment or order. Any such liability as referred to in sub-Clause 23.8(b) shall be deemed to constitute a liability suffered by the Security Trustee and no proof or evidence of any actual liability shall be required by AssetCo or its liquidator.

24. Payments Free of Deduction

All payments to be made under this Deed shall be made free and clear of and without deduction for or on account of tax unless AssetCo is required to make such payment subject to the deduction or withholding of tax, in which case the sum payable by AssetCo in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Security Trustee receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.

25. Resignation and Removal of Security Trustee

25.1 Retirement

The Security Trustee may retire at any time on giving not less than three months' prior written notice to AssetCo, L1 Trustee and L2 Trustee without assigning any reason and without being responsible for any costs occasioned by such retirement provided that no such resignation shall be effective until a successor trustee has been appointed (being a trust corporation or a professional corporate trustee of repute) in accordance with this Clause 25.

25.2 Removal

The Security Trustee may be removed by L1 Trustee and L2 Trustee acting together. Notwithstanding the above, the removal of the Security Trustee shall not become effective until a successor trustee (being a trust corporation or a professional corporate trustee of repute) is appointed (such appointment to include the vesting of the trust property in the successor Security Trustee and all other necessary actions to effect the transfer to the successor Security Trustee, including in respect of the security and assignments created by this Deed), provided that if a replacement has not been appointed by the day falling 30 days prior to the date on which such retirement or removal becomes effective, the Security Trustee may appoint such successor trustee (being a trust corporation or a professional corporate trustee of repute).

25.3 General

Upon the vesting of the assets subject to the trust constituted under this Deed in the replacement security trustee and the replacement security trustee agreeing in writing that it shall assume the duties and obligations assumed by the Security Trustee under this Deed (and the Security Trustee and the replacement security trustee shall execute any agreement, deed or document to effect the foregoing), it shall have all the rights, trusts, powers, authorities, discretions, duties and obligations of and vested in the Security Trustee under this Deed.

The Security Trustee shall:

- (a) on the date on which the termination takes effect deliver to the replacement security trustee any documents and records maintained by it in respect of AssetCo (except those documents and records which it is obliged by law or regulation to retain or not to release); and
- (b) at the cost of AssetCo, make available for a period of 30 days following such retirement (or such longer period as the Security Trustee may, in its absolute discretion, agree) to the successor Security Trustee such other documents and records (except those documents and records which it is obliged by law or regulation to retain or not to release) and provide for a period of 30 days following such retirement (or such longer period as the Security Trustee may, in its absolute discretion, agree) such assistance as the successor Security Trustee may reasonably request for the purpose of performing its functions as Security Trustee under this Deed.

26. Covenants and Rights of Secured Creditors

26.1 Subject to sub-clause 26.2, L1 Trustee (on behalf of itself and each L1 Secured Creditor) and L2 Trustee (on behalf of itself and each L2 Secured Creditor) agree that:

- (a) only the Security Trustee is entitled to:
 - (i) deliver an AssetCo Enforcement Notice;
 - (ii) exercise any enforcement rights against AssetCo under this Deed (whether directly or through a Receiver appointed by it in accordance with this Deed); or
 - (iii) take proceedings or to exercise any rights, discretions or powers, or to grant any consents or releases in respect of the security given under or pursuant to this Deed or otherwise have direct recourse to the Assigned Rights;
- (b) neither it nor any person acting on its behalf (other than the Security Trustee or a Receiver appointed by the Security Trustee) shall have any right to take or initiate any proceedings or steps against AssetCo in respect of the Assigned Rights; and
- (c) it shall not be entitled to take any steps or proceedings which would result in the Priority of Payments not being observed.

26.2 Nothing in this clause 26 shall restrict the rights and ability of the L1 Trustee and the L1 Secured Creditors to take any action under any other L1 Finance Document other than this Deed.

27. Discretion and Delegation

27.1 Discretion

Any liberty or power which may be exercised or any determination which may be made hereunder by the Security Trustee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

27.2 Delegation

Each of the Security Trustee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Deed (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or

discretion by the Security Trustee or the Receiver itself or any subsequent delegation or revocation thereof.

28. Miscellaneous

28.1 Nothing in this Deed constitutes the Security Trustee as an agent, trustee or fiduciary of AssetCo,

28.2 The Security Trustee shall not be bound to account to any other Secured Creditor for any sum or the profit element of any sum received by it for its own account.

28.3 The Security Trustee may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts. The Security Trustee may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Trustee or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.

28.4 Notwithstanding any other provision of any Finance Document to the contrary, the Security Trustee is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.

28.5 Notwithstanding any provision of any Finance Document to the contrary, the Security Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

29. Counterparts

This Deed and document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument.

30. Governing Law

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

31. Enforcement

Jurisdiction of English courts

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

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

Schedule 1

Part 1 – The L1 Assets

<i>Property name</i>	<i>Company owning that property</i>	<i>Company number</i>
10-12 Market Way, Coventry	Study Inn Investments (Market Way) Limited	07201973
165 Corporation Street, Coventry	Study Inn Investments (Corporation St) Limited	07549445
17 Trinity Street, Coventry	Study Inn Investments (Trinity St) Limited	06952042
175 Corporation Street, Coventry	Study Inn Investments (175 Corp St) Limited	07381670
71 Hertford Street, Coventry	J. Hansam Estates Limited	02561751
Burgess House, Cross Cheaping, Coventry	Study Inn Investments (The Burges) Limited	08083893
Chapel St Tower, Well Street, Coventry	Study Inn Investments (Well St) Limited	08182284
Lawrence House, Clarendon Street, Nottingham	Study Inn Investments (Clarendon St) Limited	07925531
Lease of 10-12 Market Way, Coventry	Study Inn (Market Way) Limited	07242935
Lease of 165 Corporation Street, Coventry	Study Inn (Corporation St) Limited	07549569
Lease of 17 Trinity Street, Coventry	Study Inn (Trinity St) Limited	06905261
Lease of 175 Corporation Street, Coventry	Study Inn (175 Corp St) Limited	07380468
Lease of 71 Hertford Street, Coventry	Pillar Box Properties Limited	05988962
Lease of Burgess House, Cross Cheaping, Coventry	Study Inn (The Burges) Limited	08083897
Lease of Chapel St Tower, Well Street, Coventry	Study Inn (Well St) Limited	08182264
Lease of Lawrence House, Clarendon Street, Nottingham	Study Inn (Clarendon St) Limited	07925550

Part 2 – The L2 Assets

<i>Property Name</i>	<i>Company owning that property</i>	<i>Registered number</i>
Skills House, 3-7 Holy Green, Sheffield and Fitzwilliam House, Fitzwilliam Gate, Sheffield	Study Inn Investments (The Moor) Limited	07380336
Castle Court, Castle Street, Cambridge CB3 0AU	Study Inn Investments (Castle Street) Limited	09174113

Schedule 2

Priority of Payments

Whether before or following the delivery of an AssetCo Enforcement Notice, all amounts received by the Security Trustee (including the proceeds of any enforcement of the security) under this Deed shall be applied by the Security Trustee (or any Receiver of appointee on its behalf) as follows:

- (a) first, in or towards satisfaction, *pro rata* and *pari passu* of the amounts due in respect of the fees and other remuneration, indemnity payments (if any), costs, charges, liabilities and expenses payable to the Security Trustee, the L1 Trustee, the L2 Trustee, any Receiver or any Appointee of any such party and any costs, charges, liabilities and expenses incurred by the Security Trustee, the L1 Trustee, the L2 Trustee or any Receiver of any such party;
- (b) second:
 - (i) to the extent the underlying proceeds relate to the L1 Assets only, in payment to the L1 Trustee towards satisfaction of the L1 Secured Liabilities or otherwise as the L1 Trustee shall determine;
 - (ii) to the extent the underlying proceeds relate to the L2 Assets only, in payment to the L2 Trustee towards satisfaction of the L2 Secured Liabilities or otherwise as the L2 Trustee shall determine; and
 - (iii) to the extent the underlying proceeds relate to both the L1 Assets and the L2 Assets and are not capable of being divided as set out in sub-paragraphs (i) and (ii) above, to the L1 Trustee and the L2 Trustee in a ratio of 4:1, for application in satisfaction of the L1 Secured Liabilities and the L2 Secured Liabilities respectively (or otherwise as the L1 Trustee and the L2 Trustee shall determine);
- (c) third, to any other creditor entitled; and
- (d) fourth, any remaining amount to AssetCo.

Schedule 3

Part A: Form of Notice of Assignment to counterparties

[Date]

To: [Name of Counterparty]

From: ASH8 UK Asset Co Limited ("AssetCo")

Dear Sirs,

Notice of Assignment: Deed of security assignment relating to acquisition rights between (among others) ASH8 UK Asset Co Limited and Lucid Trustee Services Limited (the "Security Trustee") dated [●] 2017 (the "Deed of Assignment")

1. Unless otherwise defined in this letter or the context requires otherwise, words and expressions used in this letter have the meanings and constructions ascribed to them in the Deed of Assignment.
2. We hereby give you notice of the creation of a legal assignment pursuant to the Deed of Assignment in respect of [insert assigned asset].
3. This notice is irrevocable.
4. Please acknowledge receipt of this notice to AssetCo and the Security Trustee on the enclosed Acknowledgement of Assignment.

Yours faithfully,

Signed for and on behalf of:
acting by:

[●]

Title

Name

Part B: Form of Acknowledgement of Assignment to counterparties

[Date]

To: **ASH8 UK Asset Co Limited and Lucid Trustee Services Limited**

From: [•]

Dear Sirs,

Acknowledgement of Assignment

Deed of security assignment relating to acquisition rights between (among others) ASH8 UK Asset Co Limited and Lucid Trustee Services Limited (the "Security Trustee") dated [•] 2017 (the "Deed of Assignment")

1. We acknowledge receipt of the Notice of Assignment dated [•].
2. Words and expressions used in this acknowledgement shall have the meanings assigned to them in the Notice of Assignment.
3. We confirm that as at the date of this Acknowledgement of Assignment we have not received from any other person any notice of assignment or charge of, or of any interest in any of the Transaction Documents.

Yours faithfully,

Signed for and on behalf of:
acting by:

[Name of Counterparty]

Title

Name

Schedule 4

Notice Details

The Notice Details are the address and e-mail address indicated in relation to that Party in this Schedule.

ASH8 UK AssetCo Limited (as AssetCo)

Entity name: **ASH8 UK AssetCo Limited**
Address: Second Floor, 11 Pilgrim Street, London EC4V 6RN
Email: sm@arlingtonadvisors.co.uk
Attention: Sean McKeown

Lucid Trustee Services Limited (as Security Trustee)

Entity name: **Lucid Trustee Services Limited**
Address: 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London EC2M 5PG
Email: deals@lucid-ats.com
Attention: Lucid Agency and Trustee Services Limited

U.S. Bank Trustees Limited (as L1 Trustee)

Entity name: **U.S. Bank Trustees Limited**
Address: 125 Old Broad Street,
London
EC2N 1AR
Email: mbs.relationship.management@usbank.com
Attention: Structured Finance Relationship Management

Metropolitan Life Insurance Company (as L2 Trustee)

Entity name: **Metropolitan Life Insurance Company**

Address: Metropolitan Life Insurance Company
One MetLife Way
3rd Floor
Whippany
New Jersey 07981-1449, U.S.A.

Attention: Senior Managing Director
Real Estate Investments

With copy to: MetLife Investments Limited
Level 34
One Canada Square
Canary Wharf
London

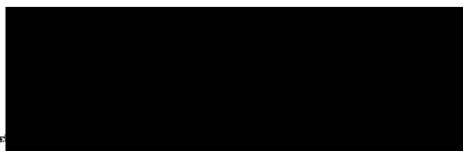
Att: Paul Wilson, Regional Managing Director

Execution of this Deed

This Deed has been executed as a deed by all the parties hereto and is delivered by them on the date specified above.

AssetCo

Executed as a deed)
by ASH8 UK Asset Co Limited)
acting by a director or an)
attorney in the presence:)
of the witness whose details)
are set out below:)



Director/Attorney



As Witness

Witness details:

Full Name:

Adam Collins

Occupation:

Finance Director

Address:

Osborne Clarke LLP
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

The Security Trustee

Executed as a deed)
by Lucid Trustee Services)
Limited)
acting by an)
authorised signatory in the presence:)
of the witness whose details)
are set out below:)

Authorised Signatory

As Witness

Witness details:

Full Name:

Occupation:

Address:

Execution of this Deed

This Deed has been executed as a deed by all the parties hereto and is delivered by them on the date specified above.

AssetCo

Executed as a deed)
by ASH8 UK Asset Co Limited)
acting by a director or an)
attorney in the presence:)
of the witness whose details)
are set out below:)

Director/Attorney

As Witness

Witness details:

Full Name:

Occupation:

Address:

The Security Trustee

Executed as a deed)
by Lucid Trustee Services)
Limited)
acting by an)
authorised signatory in the presence:)
of the witness whose details)
are set out below:)

Authorised

Christopher Eastlake

As Witness

Paul Barton

Witness details:

Full Name: Paul Barton

Occupation: Director

Address: 6th Floor, No 1 Building, 1-5 London Wall Buildings, London Wall, London EC2M 5PG

L1 Trustee

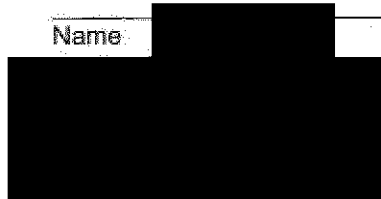
Executed as a deed)
by U.S. Bank Trustees)
Limited)
in its capacity as L1)
Security Trustee acting by:)



Authorised Signatory

Laurence Griffiths
Authorised Signatory

Name: _____



Authorised Signatory

Chris Hobbs
Authorised Signatory

Name

L2 Trustee

Executed as a deed)
by Metropolitan Life)
Insurance Company)
in its capacity as L2)
Security Trustee acting by:)

Attorney

Name

L1 Trustee

Executed as a deed
by U.S. Bank Trustees
Limited
in its capacity as L1
Security Trustee acting by:

)
)
)
)
)

Authorised Signatory

Name

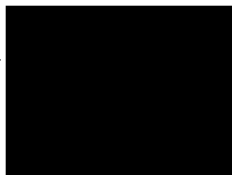
Authorised Signatory

Name

L2 Trustee

Executed as a deed
by Metropolitan Life
Insurance Company
in its capacity as L2
Security Trustee acting by:

)
)
)
)
)



Attorney Authorised Signatory

GWAHMSIDG

Name

Witnessed by:



CHARLOTTE REAMMONT

Address: DMF LLP,
20 FENCHURCH STREET, LONDON
EC3M 3AG