



Registration of a Charge

Company Name: **KENSINGTON ROW PROPERTY (ELIOT HOUSE) LIMITED**

Company Number: **13908230**



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Details of Charge

Date of creation: **31/05/2022**

Charge code: **1390 8230 0001**

Persons entitled: **SOLUTUS ADVISORS LIMITED**

Brief description: **THE INSTRUMENT CONTAINS CHARGES (NOT EXPRESSED TO BE FLOATING CHARGES) OVER LAND (NO REGISTERED LAND IS SPECIFIED). SECURITY INTERESTS (NOT EXPRESSED AS FLOATING CHARGES) ARE CREATED OVER ALL OF THE COMPANY'S RIGHTS IN RESPECT OF ITS INTELLECTUAL PROPERTY, AS DEFINED IN THE INSTRUMENT (NO REGISTERED INTELLECTUAL PROPERTY IS SPECIFIED). SECURITY INTERESTS (NOT EXPRESSED AS FLOATING CHARGES) ARE CREATED OVER ALL OF THE COMPANY'S RIGHTS IN RESPECT OF VEHICLES (WHICH WOULD INCLUDE SHIPS AND AIRCRAFT). SEE THE INSTRUMENT FOR MORE DETAILS.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

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: **HOLLIE NORMAN, MAYER BROWN INTERNATIONAL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 13908230

Charge code: 1390 8230 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st May 2022 and created by KENSINGTON ROW PROPERTY (ELIOT HOUSE) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st June 2022 .

Given at Companies House, Cardiff on 7th June 2022

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

Dated 31 May 2022

- (1) **THE PERSONS** listed in Schedule 1 as Initial
Chargors
- (2) **SOLUTUS ADVISORS LIMITED** as Security
Agent

SECURITY AGREEMENT

MAYER | BROWN

LONDON

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THIS SECURITY AGREEMENT is dated 31 May 2022 and made between:

- (1) **THE PERSONS** listed in Schedule 1 (*Initial Chargors*) as Initial Chargors (the "**Initial Chargors**"); and
- (2) **SOLUTUS ADVISORS LIMITED**, as trustee for the Secured Parties (the "**Security Agent**").

BACKGROUND:

- (A) By a facilities agreement dated 10 March 2022 entered into between, amongst others, (1) Kensington Row Property Limited as the Borrower, (2) ENIV, acting for and on behalf of its compartment ENIV 2021 – KENSINGTON as the Arranger, (3) the financial institution listed in Schedule 1 to the Facilities Agreement as Original Lender, (4) Solutus Advisors Limited as Agent and (5) Solutus Advisors Limited as Security Agent (the "**Facilities Agreement**"), a £219,400,000 term loan facility has been made available by the Original Lender to the Borrower on the terms of the Facilities Agreement.
- (B) The provision of this Security Agreement is a condition precedent to utilisation of Facility A under the Facilities Agreement. This is a "Security Agreement" as defined in the Facilities Agreement.
- (C) The Security Agent holds this Security and any rights granted in this Security Agreement to any other Secured Parties on trust for the Secured Parties on the terms set out in the Facilities Agreement.
- (D) This document is the deed of each Chargor, even if it has not been duly executed by the Security Agent or has been executed by the Security Agent but not as a deed.

THIS DEED WITNESSES that:

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Facilities Agreement

Terms defined in the Facilities Agreement but not in this Security Agreement shall have the same meanings in this Security Agreement as in the Facilities Agreement.

1.2 Definitions

In addition, in this Security Agreement:

"Accession Deed" means a deed of accession substantially in the form set out in Schedule 6 (*Form of Accession Deed*) or in such other form as the Security Agent may approve.

"Additional Chargor" means any person which becomes a Chargor pursuant to Clause 19.2 (*Accession of Additional Chargors*).

"Administrator" means any administrator appointed under this Security Agreement to manage the affairs, business and assets of any Chargor.

"Assigned Document" means any document rights under which are from time to time assigned under this Security Agreement.

"Chargors" means the Initial Chargors and any Additional Chargor and **"Chargor"** means any of them.

"Debt" means any book or other debt, revenue or claim. In relation to a Chargor, **"its Debts"** means all Debts in which it has any rights.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent or a Receiver.

"Discharge Date" has the meaning given to it in Clause 18.1 (*Definitions relating to release of this Security*).

"Facilities Agreement" has the meaning given to it in Recital (A).

"Finance Documents" has the meaning given to it in the Facilities Agreement and includes the Facilities Agreement and this Security Agreement.

"Finance Party" has the meaning given to it in the Facilities Agreement and includes any Lenders and the Security Agent.

"Headlease" means a Lease under which a Chargor holds title to any Mortgaged Property.

"IA" means the Insolvency Act 1986.

"Insolvency Event" in relation to a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief from debtors and any equivalent or analogous proceeding, whatever it is called, in any jurisdiction.

"Insurance" means any policy or contract of insurance. In relation to a Chargor, **"its Insurances"** means all Insurances in which it has any rights (including as loss payee or additional insured).

"Intellectual Property" means:

- (a) all patents, utility models, trade and service marks, trade names, domain names, design rights, copyrights, moral rights, topography rights, rights in databases, trade secrets, know-how and other intellectual property, whether or not registered or registrable; and including
- (b) registrations and applications for registration of any of these and rights to apply for the same,

and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these anywhere in the world. In relation to a Chargor, **"its Intellectual Property"** means all Intellectual Property in which it has any rights.

"Investment" means any share, stock, debenture, bond, partnership interest or other security or investment, including but not limited to, the Specified Investments. In relation to a Chargor, **"its Investments"** means all Investments in which it has any rights and all its rights against any nominee or other trustee, fiduciary, custodian or clearing system with respect to any Investments.

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right.

"Lease Document" in relation to a Mortgaged Property has the meaning given to it in relation to a Property in the Facilities Agreement.

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

"LPA" means the Law of Property Act 1925.

"Mortgaged Properties" means the Property and any other land in which a Chargor has any rights from time to time, **"Mortgaged Property"** means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of each relevant Mortgaged Property.

"Notice of Assignment/Charge" means a notice of assignment substantially in the form set out in Schedule 5, Part 1 (*Notice of assignment of Occupational Lease*), Part 2 (*Notice of assignment/charge of Contract*) or Part 3 (*Notice of assignment of Insurance*), as appropriate, or in such other form as the Security Agent may approve.

"Notice of Account Charge" means a notice of charge substantially in the form set out in Schedule 5, Part 4 (*Notice of account charge*) or in such other form as the Security Agent may approve.

"Notice of Security" means a Notice of Assignment/Charge or a Notice of Account Charge, as applicable.

"Occupational Lease" in relation to a Mortgaged Property has the meaning given to it in relation to a Property in the Facilities Agreement.

"Party" means a party to this Security Agreement.

"Property" means the property brief details of which are set out in Schedule 2 (*Property*) and any reference to the Property includes all or any part of it.

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Security Agreement by the Security Agent over all or any of the Security Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time.

"Rental Income" in relation to a Mortgaged Property has the meaning given to it in relation to a Property in the Facilities Agreement.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity) of each Transaction Obligor to any Secured Party under each Finance Document, but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Security Agreement to be unlawful or prohibited by any applicable law or regulation.

"Secured Party" means a Finance Party, a Receiver or any Delegate.

"Security Assets" means the assets from time to time the subject of this Security, **"Security Asset"** means any of them and any reference to one or more of the Security Assets includes all or any part of it or each of them.

"Security Enforcement Party" means the Security Agent, any Receiver or any Delegate.

"Security Interest" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Specified Account" means any bank account listed or referred to in Schedule 3 (*Specified Accounts*) or in the corresponding schedule in any Accession Deed.

"Specified Investments" means any investments listed or referred to in Schedule 4 (*Specified Investments*) or in the corresponding schedule in any Accession Deed.

"Subordinated Debt" has the meaning given to it in the Facilities Agreement.

"Subordinated Debt Document" means any agreement or other document constituting or evidencing any Subordinated Debt or the terms of any Subordinated Debt.

"Transaction Obligor" has the meaning given to it in the Facilities Agreement.

1.3 Construction

- (a) Clause 1.2 (*Construction*) of the Facilities Agreement shall apply as if set out in full again here, with references to "this Agreement" being construed as references to this Security Agreement and with such other changes as are appropriate to fit this context.
- (b) In addition, in this Security Agreement, unless a contrary indication appears any reference to:
 - (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to **an asset** includes any proceeds of disposal of all or part of that asset and any other monies

paid or payable in respect of that asset and any reference to a **particular type or category of assets** includes any present or future assets of that type or category;

- (ii) the **"Chargors"** includes a reference to any one or more of them as well as a reference to all of them;
 - (iii) any **Finance Document** or other **document** is to that Finance Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);
 - (iv) the masculine, feminine or neuter **gender** respectively includes the other genders and the **singular** includes the plural (and vice versa);
 - (v) **"including"** means "including without limitation" (with related words being construed accordingly), **"in particular"** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
 - (vi) a **"Recital"** is to a statement made under the heading "Background" above and any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Security Agreement (as the case may be);
 - (vii) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to a **Chargor's rights** in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
 - (viii) **"this Security"** means the Security Interests constituted by or pursuant to this Security Agreement; and
 - (ix) **this Security Agreement** includes the Recitals and Schedules and any Accession Deed, which form part of this Security Agreement for all purposes.
- (c) The index and Clause and Schedule headings are for ease of reference only.
- (d) If there is any inconsistency between the terms of this Security Agreement and those of the Facilities Agreement, the terms of the Facilities Agreement shall prevail.

1.4 Third party rights

- (a) A person who is not a Party (other than any Receiver or Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Security Agreement.
- (b) Notwithstanding Clause 1.4(a), no consent of any person who is not a Party is required to rescind or vary this Security Agreement at any time.

1.5 Disposition of land

The terms of the other Finance Documents and any related documents are incorporated into this Security Agreement to the extent necessary for any purported disposition of land contained in the Finance Documents to be valid in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Joint and several

Each covenant and other obligation given or entered into by the Chargors in or pursuant to this Security Agreement is given or entered into by them jointly and severally. Each Chargor shall be bound by this Security Agreement even if any person who was intended to execute it or be bound by it as a Chargor has not duly executed or become bound by it.

2. PAYMENT OF THE SECURED LIABILITIES

2.1 Covenant to pay

Each Chargor covenants with the Security Agent to pay and discharge, or procure the payment or discharge of, each of the Secured Liabilities at the time and in the manner provided in the relevant document for their payment or discharge by the relevant Transaction Obligor.

2.2 Further advances

This Security Agreement is made to secure any further advances or other facilities made available by any Finance Party under the Finance Documents. It does not create any obligation on any Finance Party to make any further advances or other facilities available.

3. CREATION OF SECURITY INTERESTS

3.1 General provisions regarding Security Interests

- (a) Each of the charges and assignments created under this Security Agreement:
 - (i) is granted to the Security Agent as trustee for the Secured Parties;
 - (ii) secures the payment and discharge of the Secured Liabilities; and
 - (iii) is made with full title guarantee.

- (b) Each fixed charge created under this Security Agreement over rights in any chattels takes effect as an equitable mortgage.
- (c) Each assignment under this Security Agreement is subject to a proviso for re-assignment on redemption in accordance with Clause 18.2 (*Release of this Security*).
- (d) If, to the extent and for so long as any charge or assignment under this Security Agreement fails to take effect over a Chargor's rights in any asset because an Authorisation necessary for it to do so has not been obtained or made, the relevant Chargor shall:
 - (i) use its reasonable endeavours to obtain or make the Authorisation as soon as possible; and
 - (ii) until it is obtained or made, hold the relevant rights on trust for the Security Agent.

3.2 **Land**

- (a) Each Chargor charges:
 - (i) by way of first legal mortgage, all estates or interests owned by it at the date of this Security Agreement in the Property and any other land in England and Wales; and
 - (ii) by way of first fixed charge, all of its other rights in any land.
- (b) In this Security Agreement, unless a contrary indication appears any reference to any land includes all buildings, plant, machinery and other fixtures and fittings from time to time on that land.
- (c) Each Chargor assigns absolutely all of its rights in any:
 - (i) Lease Document (including any Occupational Lease); and
 - (ii) Rental Income or other payment,
 relating to any Mortgaged Property.

3.3 **Accounts**

Each Chargor charges by way of first fixed charge all of its rights:

- (a) in any credit balances on the Specified Accounts and the indebtedness represented by them; and
- (b) in any credit balances on any other bank accounts and the indebtedness represented by them.

3.4 **Debts**

- (a) Each Chargor charges by way of first fixed charge all of its rights in its Debts.
- (b) In this Security Agreement, unless a contrary indication appears any reference to a Debt includes the benefit of any Security Interest, guarantee or other right in relation to that Debt.

3.5 **Investments**

- (a) Each Chargor charges by way of first fixed charge all of its rights in its Investments.
- (b) In this Security Agreement, unless a contrary indication appears any reference to an Investment includes:
 - (i) any associated dividends and interest and any other payments and distributions; and
 - (ii) any right, money or assets accruing or offered at any time in respect of the Investment by way of redemption, exchange, bonus or otherwise.

3.6 **Insurances**

Each Chargor assigns absolutely all of its rights in its Insurances.

3.7 **Assignment of documents**

- (a) Each Chargor assigns absolutely all of its rights in:
 - (i) any Subordinated Debt and Subordinated Debt Documents; and
 - (ii) any other document from time to time designated as an Assigned Document, either by the relevant Chargor (or the Obligors' Agent on its behalf) and the Security Agent or in an Accession Deed.
- (b) For the avoidance of doubt, each Chargor will remain at all times liable in respect of all of its obligations under each Assigned Document and no Secured Party will be under any obligation or liability under or in respect of those Assigned Documents.

3.8 **Miscellaneous fixed charges**

Each Chargor charges by way of first fixed charge, in each case to the extent not otherwise validly and effectively charged or assigned in Clause 3.2 to Clause 3.7 or in the matching provisions in an Accession Deed:

- (a) any agreement pursuant to which it acquired any Mortgaged Property and any transfer of any Mortgaged Property;
- (b) the Forward Purchase Agreement;

- (c) any appointment of an asset manager, an operator (including a care operator) or managing agent in relation to any Mortgaged Property (including, but not limited to, the Care Framework Agreement and the Deed of Adherence (as such term is defined in the CFA Duty of Care Agreement));
- (d) any environmental, building, structural or other report relating to any Mortgaged Property;
- (e) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock-in-trade or work-in-progress);
- (f) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
- (g) all of its rights in its Intellectual Property;
- (h) all licences, consents and other Authorisations held in connection with its business or the use of any Security Assets and all of its rights in connection with them;
- (i) all of its rights in any agreement, collateral warranty or other document relating to the construction, demolition, structural alteration, addition, development or similar operation in respect of any Mortgaged Property (including, for the avoidance of doubt, its rights in any Borrower Collateral Warranty); and
- (j) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets.

3.9 Floating charge

- (a) Each Chargor charges by way of first floating charge the whole of its undertaking and other assets.
- (b) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by each Chargor in this Security Agreement.
- (c) The Security Agent may at any time by notice to a Chargor convert the floating charge created by that Chargor in this Security Agreement into a fixed charge with immediate effect as regards any Security Asset specified in the notice if:
 - (i) an Event of Default has occurred and is continuing; or
 - (ii) the Security Agent (acting reasonably) considers that those assets are in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy.
- (d) The floating charge created by a Chargor in this Security Agreement shall automatically be converted into a fixed charge with immediate effect as regards all assets subject to it if:

- (i) that Chargor breaches Clause 5 (*Negative pledge and disposals*) or attempts to do so; or
 - (ii) an administrator is appointed or the Security Agent receives notice of any intention to appoint an administrator of that Chargor.
- (c) Nothing in this Clause 3.9:
- (i) shall affect the crystallisation of the floating charge created by any Chargor under applicable law and regulation; or
 - (ii) shall permit the floating charge created by a Chargor to be crystallised solely as a result of the obtaining of, or of anything done with a view to obtaining, a moratorium under Part A1 IA.

4. **PERFECTION OF SECURITY AND FURTHER ASSURANCE**

4.1 **Notice of Security**

- (a) Each Chargor shall deliver a Notice of Security (with a copy to the Security Agent), duly completed:
- (i) promptly following the occurrence of an Event of Default which is continuing, to each tenant and each other party to any Occupational Lease;
 - (ii) forthwith, to any bank with which it opens or maintains any Specified Account or other bank account;
 - (iii) forthwith, to each counterparty to the Forward Purchase Agreement;
 - (iv) promptly following the occurrence of an Event of Default which is continuing, to any counterparty to a Borrower Collateral Warranty;
 - (v) upon request, to any person against which it has rights in respect of any other Debt;
 - (vi) forthwith, to any insurer in respect of any Insurance; and
 - (vii) upon request, to any party to any other document,

in each case in respect of which that Chargor has granted a Security Interest in this Security Agreement.

- (b) In Clause 4.1(a):
- (i) **"forthwith"** means promptly and in any event within five Business Days of the date of this Security Agreement or the relevant Accession Deed or, if later, upon the relevant document, account, Debt (including Subordinated Debt) or Insurance being entered into or otherwise coming into existence; and

- (ii) **"upon request"** means promptly and in any event within five Business Days of request by the Security Agent.
- (c) Each Chargor shall use reasonable endeavours to procure that each addressee of a Notice of Security promptly acknowledges that Notice of Security in the form attached to that Notice of Security (or in such other form as the Security Agent may approve).
- (d) The execution of this Security Agreement or the relevant Accession Deed by each Chargor and the Security Agent shall constitute notice to each Chargor of any Security Interest over any indebtedness owed to it by a Chargor.

4.2 **Further assurance**

- (a) Each Chargor shall promptly and at its own expense take such action as the Security Agent or any Receiver may reasonably require:
 - (i) to perfect or protect the security created (or intended to be created) by this Security Agreement or the priority of it; or
 - (ii) to facilitate the realisation or enforcement of any Security Asset or the exercise of any of the rights of any Secured Party in relation to the same.
- (b) The action required under Clause 4.2(a) may include the execution of any Security Interest, any assignment or transfer over or of any asset, any notice of this Security or any other document.

5. **NEGATIVE PLEDGE AND DISPOSALS**

5.1 **Negative pledge**

Each Chargor undertakes that it will not create or permit to subsist any Security Interest over any Security Asset except as expressly permitted by the Facilities Agreement.

5.2 **No disposals**

Each Chargor undertakes that it will not dispose of (or agree to dispose of) any Security Asset except as expressly permitted by the Facilities Agreement.

6. **LAND**

6.1 **Registration at HM Land Registry**

- (a) The Chargors shall:
 - (i) do all things requested by the Security Agent that are necessary to facilitate the registration of this Security against any HM Land Registry title comprised in the Mortgaged Properties from time to time. In particular, each Chargor shall:
 - (A) apply to the Chief Land Registrar for a restriction to be entered on each such title in the following terms: "No disposition of the

registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of Solutus Advisors Limited referred to in the charges register (or its conveyancer)"; and

- (B) if the Security Agent so requests, certify that the security over the Mortgaged Properties created by this Security Agreement does not contravene any of the provisions of its constitutional documents.
- (b) No Chargor shall permit any other person to be registered at HM Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties).

6.2 Future acquisitions

- (a) Each Chargor shall notify the Security Agent immediately of any proposal, contract, conveyance, transfer or other disposition for or effecting the acquisition by it or any nominee on its behalf of any rights in any land.
- (b) If a Chargor acquires any rights in any land, it shall at its own cost promptly on request by the Security Agent execute and deliver to the Security Agent a first priority Security Interest in favour of the Security Agent over those rights in any form which the Security Agent may reasonably require.

6.3 Deposit of Mortgaged Property title documents

- (a) Each Chargor shall effect or procure the deposit with (or to the order of) the Security Agent of all title deeds and documents (including all local land charges, land charges, HM Land Registry search certificates and planning and other statutory consents) relating to any property referred to in Clause 6.2.
- (b) On completion of the registration of this Security Agreement against any HM Land Registry title comprised in the Mortgaged Properties, the relevant Chargor shall supply the Security Agent with a copy of the title information document for that title.

6.4 Application of property undertakings to Mortgaged Properties

Each Chargor shall comply with Clause 22 (*Property undertakings*) of the Facilities Agreement in relation to each Mortgaged Property (whether or not it is a Borrower or the Mortgaged Property is a "Property" as defined in the Facilities Agreement).

7. ACCOUNTS AND DEBTS

7.1 Maintenance of accounts

Each Chargor shall comply with the provisions in Clause 16 (*Bank accounts*) of the Facilities Agreement relating to the maintenance and operation of bank accounts.

7.2 Realisation of Debts

- (a) Each Chargor shall get in and realise its Rental Income and other Debts in accordance with the Facilities Agreement and, subject to that, in the ordinary course of its business. For the avoidance of doubt, this does not permit the realisation of Debts by means of block discounting, factoring or the like.
- (b) All monies received by or on behalf of a Chargor in respect of its Debts shall be paid into a bank account of the Chargor, if applicable in accordance with Clause 16 (*Bank accounts*) of the Facilities Agreement.

7.3 Withdrawals from accounts

Each Chargor shall comply with the provisions of Clause 16 (*Bank accounts*) of the Facilities Agreement with regard to the making of withdrawals from any bank account.

8. THE INVESTMENTS

8.1 Delivery of documents and information

- (a) Each Chargor shall, on the date of this Security Agreement and from time to time, deliver to the Security Agent (or its nominee) in respect of each of its Investments:
 - (i) any share certificate or other document of title to or representing it;
 - (ii) an instrument of transfer or assignment of it in a form specified by the Security Agent, duly executed by each person in whose name it is registered or held (with the name of the transferee or assignee, the consideration and the date left blank); and
 - (iii) any other documents (including duly executed waivers of pre-emption and other rights) which the Security Agent may request to enable it (or its nominee) to:
 - (A) obtain legal title to (or otherwise be registered as the owner of) the Investment; or
 - (B) be in a position to exercise any rights under this Security Agreement in respect of it.
- (b) The Security Agent may, at any time following the occurrence of an Event of Default which is continuing, have any of each Chargor's Investments registered in its name or in the name of a nominee specified by it acting on its behalf.
- (c) Each Chargor shall send a copy of any notice or other document received by it relating to any of its Investments promptly to the Security Agent.

8.2 Income on Investments

- (a) All dividends, interest and other income received by a Chargor in relation to its Investments prior to this Security becoming enforceable received by or on

behalf of that Chargor shall be paid into a bank account of that Chargor, if applicable in accordance with Clause 16 (*Bank Accounts*) of the Facilities Agreement. Any such income received by the Security Agent (or its nominee) will be paid to that Chargor to be applied in accordance with this Clause 8.2(a).

- (b) All income received or payable to a Chargor (or received by the Security Agent or its nominee) in relation to that Chargor's Investments after this Security has become enforceable shall be paid to (or, as applicable, retained by) the Security Agent and until that payment is made shall be held on trust for the Security Agent.

8.3 Voting and other rights

- (a) Subject to Clause 8.2 and the remainder of this Clause 8.3:
 - (i) each Chargor may exercise all voting and other rights attached to its Investments; and
 - (ii) if any of those rights are exercisable by the Security Agent or its nominee, the relevant Chargor may direct in writing how they are to be exercised.
- (b) No Chargor shall exercise, or direct the exercise of, any rights attached to its Investments in any manner which is or is reasonably likely to be prejudicial to the value of the Transaction Security or its realisation.
- (c) If at any time following the occurrence of an Event of Default which is continuing the Security Agent gives notice to the Chargors that this Clause 8.3(c) applies, then from the date of that notice and to the extent specified in it:
 - (i) the Security Agent (or its nominee) may at the Security Agent's discretion (and in the name of the relevant Chargor or otherwise) exercise, or refrain from exercising, any voting or other rights attached to the Investments; and
 - (ii) no Chargor shall exercise any of those rights.

8.4 Calls and other obligations

- (a) Each Chargor shall duly and promptly pay (or ensure that there are paid) all calls, instalments or other monies which may from time to time become due in respect of any of its Investments, without deduction or set-off.
- (b) Each Chargor shall comply with all reasonable requests for information relating to any of its Investments made in accordance with any law or regulation or its constitutional documents or by any listing or other authority, sending a copy of the information to the Security Agent.

9. **INTELLECTUAL PROPERTY**

Each Chargor shall do all acts and things which may be necessary to preserve and maintain the subsistence and validity of its Intellectual Property and any related registrations.

10. **ENFORCEMENT – GENERAL PROVISIONS**

10.1 **Enforcement**

- (a) On or at any time after the occurrence of an Event of Default which is continuing, this Security shall become immediately enforceable and the Security Agent may enforce this Security, and its rights under this Security Agreement, in the manner and on the terms it thinks fit.
- (b) In particular, it may without further notice exercise in relation to the Security Assets:
 - (i) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law, in each case as extended or otherwise amended by this Security Agreement;
 - (ii) to the extent that Clause 11 (*Right of appropriation*) applies, the power to appropriate the relevant Security Assets in accordance with Clause 11.2 (*Exercise of right of appropriation*); and
 - (iii) (whether or not it has appointed a Receiver) any or all of the rights which are conferred by this Security Agreement (whether expressly or by implication) on a Receiver.

10.2 **LPA provisions**

- (a) The Secured Liabilities shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Security Agreement.
- (b) The Security Agent and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.
- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

10.3 **Protection of third parties**

- (a) No purchaser, mortgagee or other person dealing with a Security Enforcement Party shall:

- (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Liabilities remain outstanding; or
 - (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Security Enforcement Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Security Enforcement Party as if the Secured Liabilities had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had arisen on the date of this Security Agreement.

10.4 Delegation

- (a) The Security Agent and (to the extent his or her appointment so permits) a Receiver (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Security Agreement. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 10.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither the Security Agent nor any Receiver shall be liable or responsible to any Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.
- (d) For the avoidance of doubt, a Delegate shall have the benefit of any term of this Security Agreement or of the Facilities Agreement which expressly confers a right on "Delegates" (as defined in the Facilities Agreement).

10.5 No liability

- (a) No Security Enforcement Party or Administrator shall:
 - (i) owe any duty to any Chargor to exercise any of its rights under this Security Agreement; or
 - (ii) be liable or responsible to any Chargor for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Security Agreement.
- (b) Neither a Security Enforcement Party nor any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Security Assets for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession.

11. RIGHT OF APPROPRIATION

11.1 Application of right of appropriation

This Clause 11 applies to the extent the Security Assets constitute "financial collateral" and this Security Agreement constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003) (the "**Regulations**").

11.2 Exercise of right of appropriation

- (a) If and to the extent that this Clause 11 applies, the Security Agent may appropriate the Security Assets in or towards discharge of the Secured Liabilities in such order as the Security Agent may (subject to any specific provisions of the Finance Documents in this regard) determine.
- (b) If the Security Agent exercises its right of appropriation then it shall for these purposes value:
 - (i) any relevant Specified Account or other bank account at the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation; and
 - (ii) any other relevant Security Asset by reference to a commercially reasonable independent valuation (as referred to in the Regulations) or other procedure determined by the Security Agent, acting reasonably, at the time of the appropriation.

12. RECEIVERS

12.1 Appointment of Receiver

- (a) Subject to the remainder of this Clause 12.1, the Security Agent may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the relevant Chargor or the Obligors' Agent so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 12.1:
 - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under Part A1 IA; or
 - (ii) of an administrative receiver if that appointment would contravene s72A IA.
- (c) If at any time two or more persons hold office as Receivers, each of those Receivers shall (subject to the terms of his or her appointment) be entitled to

exercise individually all of the rights conferred on Receivers under this Security Agreement to the exclusion of the other or others.

12.2 Remuneration

The Security Agent may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

12.3 Removal and replacement

The Security Agent may:

- (a) subject to obtaining a court order if required by law, remove any Receiver by written notice; and
- (b) replace (by appointment pursuant to Clause 12.1) any Receiver whose appointment has terminated.

12.4 Agent of the relevant Chargor

- (a) Any Receiver appointed under this Security Agreement whether acting solely or jointly shall be deemed to be the agent of the relevant Chargor and to be in the same position as a receiver appointed under the LPA.
- (b) The relevant Chargor shall be solely responsible for the acts, omissions, defaults, losses and misconduct of any Receiver and for his or her remuneration. The Security Agent shall not be in any way liable or responsible either to the relevant Chargor or to any other person for any Receiver.

13. POWERS OF SECURITY ENFORCEMENT PARTIES

13.1 General

- (a) A Receiver has:
 - (i) all of the rights set out below in this Clause 13;
 - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
 - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,

in each case as such rights are varied and extended by this Security Agreement.
- (b) The Security Agent has after this Security has become enforceable the rights referred to in Clause 13.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 13.1(a) to the extent provided in its, his or her appointment.

- (d) Any reference in this Clause 13 to any Security Assets includes, in the case of a Receiver or Delegate, only those Security Assets over or in respect of which it, he or she has been appointed.
- (e) A Security Enforcement Party may exercise its, his or her rights under this Clause 13 in such manner and on such terms as it, he or she thinks fit.

13.2 Collection, leasing and disposal of Security Assets

- (a) The right to enter into, take possession of, give up possession of, get in and collect any Security Asset.
- (b) The right to grant, vary, surrender or accept the surrender of Leases, easements or other rights over or in respect of Security Assets on such terms as the Security Enforcement Party may think fit, without the need to comply with ss99 and 100 LPA.
- (c) The right to sell or otherwise dispose of any Security Asset on any terms and for any consideration as the Security Enforcement Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (d) The right to sever any plant, machinery or other fixtures from the premises to which they are attached and the right to dispose of them separately in accordance with Clause 13.2(c).
- (e) The right, in connection with or to facilitate any disposal, to release or discharge, whether or not for any consideration, any Debts comprised in the Security Assets.
- (f) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper or desirable to realise any Security Asset.

13.3 Upkeep of Security Assets

- (a) The right to repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Security Assets.
- (b) The right to develop any Security Asset and for that purpose to apply for any Authorisations, enter into any documents and carry out any works.
- (c) The right to insure any Security Assets.

13.4 Carrying on business

- (a) The right to carry on any business of any Chargor.
- (b) The right to appoint or dismiss officers, employees, agents, contractors, advisors and others.
- (c) The right to purchase, lease or otherwise acquire any assets.

- (d) The right to borrow or otherwise raise money either unsecured or on the security of the Security Assets (whether ranking in priority to, pari passu with or behind this Security).
- (e) The right to lend money or advance credit to any customer of a Chargor.

13.5 Contracts and proceedings

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Security Asset.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Security Assets.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Security Asset.

13.6 Other rights

- (a) The right to form a subsidiary of a Chargor and the right to lease, license or transfer any Security Asset to it.
- (b) The right to do any other act or thing which the Security Enforcement Party may consider:
 - (i) desirable or necessary to protect, preserve or realise any Security Asset; or
 - (ii) incidental or conducive to any rights conferred on the Security Enforcement Party under or by virtue of this Security Agreement or by law.
- (c) The right to exercise and do in relation to any Security Asset all the rights and things which the Security Enforcement Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Security Asset.
- (d) The right to use the name of any Chargor to exercise any of the rights referred to in this Clause 13.

14. APPOINTMENT OF ADMINISTRATOR

14.1 Appointment of Administrator

- (a) The Security Agent may without notice appoint any one or more persons to be an administrator of any Chargor pursuant to Schedule B1, Paragraph 14 IA at any time after this Security has become enforceable.
- (b) Clause 14.1(a) shall not apply to any Chargor if Schedule B1, Paragraph 14 IA does not permit an administrator of that Chargor to be appointed.

- (c) Any appointment under Clause 14.1(a) shall be made in the prescribed form by the Security Agent.

14.2 Replacement of an Administrator

The Security Agent may apply to the court for the termination of the appointment of any Administrator and/or the appointment of a replacement for any Administrator whose appointment ends for any reason.

15. APPLICATION OF PROCEEDS OF ENFORCEMENT, ETC

Any monies received by the Security Agent or any Receiver under this Security Agreement after this Security has become enforceable shall be applied in accordance with Clause 28.1 (*Order of application*) of the Facilities Agreement; this is without prejudice to the right of the Security Agent to recover any shortfall from the Chargors.

16. GENERAL SECURITY PROVISIONS

16.1 Continuing security

This Security is, and shall remain in force as, a continuing security for the Secured Liabilities, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Security Agent.

16.2 Additional security

This Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of any Secured Party.

16.3 Waiver of defences

The obligations of each Chargor under this Security Agreement will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 16.3, would reduce, release or prejudice any of its obligations under this Security Agreement, including (whether or not known to it or any Secured Party):

- (a) any time, waiver or consent granted to, or composition with, any Transaction Obligor or any other person;
- (b) the release of any Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (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 Interest over the assets of, any Chargor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any document or any failure to take, or failure to realise the full value of, any Security Interest;
- (d) any supplement, extension, restatement, other amendment or novation or replacement of any Finance Document or any other security or other document,

however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other Security Interest or other document;

- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Transaction Obligor or any other person;
- (f) any unenforceability, illegality or invalidity of any of the Secured Liabilities or any other obligation of any person under any Finance Document or any other document or Security Interest; or
- (g) any Insolvency Event in relation to any person.

16.4 Non-competition

Until the Discharge Date, no Chargor shall exercise any rights it may have by reason of a claim being made against it under this Security Agreement or its performing any of its obligations under it:

- (a) to claim any indemnity or contribution from any person;
- (b) to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party;
- (c) to bring legal or other proceedings for an order requiring any Transaction Obligor to make any payment, or perform any obligation, in respect of any Secured Liability;
- (d) to claim or prove as a creditor of any person in competition with any Secured Party; or
- (e) to receive, claim or have the benefit of any payment, distribution or Security Interest from or on account of any Transaction Obligor or exercise any right of set-off against any Transaction Obligor.

Each Chargor shall hold any payment or other benefit received by it contrary to this Clause 16.4 on trust for the Security Agent and promptly pay or transfer the same to the Security Agent for application in accordance with Clause 15 (*Application of proceeds of enforcement, etc*).

16.5 Immediate recourse

Each Chargor waives any right it may have of first requiring any Finance Party to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Security Agreement. This waiver applies irrespective of any applicable law and regulation or any provision of any Finance Document to the contrary.

16.6 Redemption of prior Security Interests

- (a) The Security Agent may at any time after this Security has become enforceable:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over any Security Assets; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the relevant Chargor.
- (b) All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 16.6(a) shall be paid by the Chargors to the Security Agent within five Business Days of demand.

16.7 Subsequent Security Interests

- (a) At any time following:
 - (i) the receipt by any Finance Party of notice (either actual or constructive) of any subsequent Security Interest affecting any Security Assets;
 - (ii) an Insolvency Event occurring in relation to any Chargor; or
 - (iii) any disposal of any Security Assets in breach of Clause 5.2 (*No disposals*),

any Finance Party may open a new account or accounts in the name of the relevant Chargor (whether or not it permits any existing account to continue). If a Finance Party does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

- (b) From that time all payments received by the Finance Party for the account of the relevant Chargor shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

17. POWER OF ATTORNEY

Each Chargor irrevocably and by way of security appoints each Security Enforcement Party severally to be its attorney, in its name or otherwise, on its behalf and as its act and deed:

- (a) to take any action which a Chargor is obliged to take under this Security Agreement but which action it has failed to take within five Business Days of the earlier of the date on which that action should have been taken or receipt of a written request by the Security Agent, provided that if an Event of Default has

occurred and is continuing the period of five Business Days referred to above shall not apply; and

- (b) in circumstances in which the Security has become enforceable, generally for enabling the Security Agent to execute, deliver and perfect any document and do any other act or thing which may be required or which the attorney may consider desirable:
 - (i) to carry out any obligation imposed on that Chargor by this Security Agreement; or
 - (ii) in the exercise of any rights conferred on any Security Enforcement Party by this Security Agreement or by applicable law and regulation.

Each Chargor undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

18. RELEASE OF SECURITY

18.1 Definitions relating to release of this Security

- (a) In this Security Agreement, "**Discharge Date**" means the date on which:
 - (i) all of the Secured Liabilities have been unconditionally and irrevocably paid or discharged in full; and
 - (ii) no further Secured Liabilities are capable of arising or being outstanding.

For this purpose, a Secured Liability will not be considered to have been irrevocably paid or discharged if the Security Agent, acting reasonably, considers that any payment made in respect of it is capable of being avoided.

- (b) In this Clause 18:
 - (i) "**avoided**" means avoided, restored or adjusted in whole or part under any law relating to insolvency (and "**avoidance**" shall be construed accordingly); and
 - (ii) "**settlement**" means a release, settlement, discharge, re-assignment or arrangement.

18.2 Release of this Security

- (a) Clause 5 (*Negative pledge and disposals*) to Clause 9 (*Intellectual property*) shall cease to apply on the Discharge Date
- (b) If any Chargor so requests on or following the Discharge Date, the Security Agent shall as soon as reasonably practicable release and discharge this Security and re-assign the assets assigned to the Security Agent under this Security Agreement without recourse, representation or warranty and subject to the rights of any person having prior rights over those assets and shall:

- (i) return all original deeds and documents of title delivered to the Security Agent under this Security Agreement; and
 - (ii) execute and deliver such further deeds and documents as the Chargors may reasonably require to give effect this Clause 18.2.
- (c) The Chargors shall, within five Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees) reasonably and properly incurred by it in connection with the release and discharge of this Security in accordance with this Clause 18.2.
- (d) Any settlement made by the Security Agent on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided.
- (e) If any avoidance occurs as referred to in Clause 18.2(d) (including by reason of a concession or compromise referred to in Clause 18.2(f)), then the settlement given by the Security Agent shall have no effect and shall not prejudice the right of the Security Agent to enforce this Security in respect of the Secured Liabilities. As between the Chargors and the Security Agent, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by the Security Agent as security for the Secured Liabilities.
- (f) Any Finance Party may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

19. CHANGES TO THE PARTIES

19.1 Security Agent

The Security Agent may, in accordance with the terms of the Facilities Agreement, assign any or all of its rights and transfer any or all of its obligations under this Security Agreement without the consent of the Chargors being required.

19.2 Accession of Additional Chargors

- (a) If the Obligors' Agent and the Security Agent so agree, a person may accede to this Security Agreement as an Additional Chargor by delivering to the Security Agent an Accession Deed duly executed by the Additional Chargor and the Obligors' Agent.
- (b) The accession shall take effect upon the Security Agent executing the Accession Deed delivered pursuant to Clause 19.2(a). The Additional Chargor shall from then assume the same obligations and become entitled to the same rights as if it had been an original Party as a Chargor.

19.3 Chargors

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Security Agreement.

20. PROVISIONS OF THE FACILITIES AGREEMENT

Any provision of the Facilities Agreement which is expressed to apply to the Finance Documents or the Security Documents shall, except if and to the extent there is a provision in this Security Agreement covering the same subject matter, apply to this Security Agreement as if set out in full here, as if each Chargor were an Obligor and with such other changes as are appropriate to fit this context.

21. GOVERNING LAW

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

22. ENFORCEMENT

22.1 Jurisdiction of English courts

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

22.2 Benefit

Clause 22.1 is for the benefit of the Security Agent and the other Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

EXECUTION:

The parties have shown their acceptance of the terms of this Security Agreement by executing it, in the case of each Chargor as a deed, at the end of the Schedules.

**SCHEDULE 1
INITIAL CHARGORS**

Name of Chargor	Company Number	Jurisdiction of Incorporation
Kensington Row Property Limited	11579917	England and Wales
Kensington Row Property (Coe House) Limited	13862175	England and Wales
Kensington Row Property (Eliot House) Limited	13908230	England and Wales

SCHEDULE 2
PROPERTY

Description of Property	Name of Chargor	Title Number
The leasehold property known as Coe House, Royal Warwick Square, Warwick Road, Kensington, London W14 8FN which is described in full within the lease dated on or around the date hereof and entered into between (1) SEH Manager Limited and SEH Nominee Limited and (2) Kensington Row Property Limited.	Kensington Row Property Limited	To be allocated

SCHEDULE 3
SPECIFIED ACCOUNTS

The Cure Account

The Deposit Account

The Disposals Account

The Rent Account

The Reserve Account

SCHEDULE 4
SPECIFIED INVESTMENTS

Chargor	Company	Number and class of shares
Kensington Row Property Limited	Kensington Row Property (Coe House) Limited	1 ordinary share of £1 nominal value
Kensington Row Property Limited	Kensington Row Property (Eliot House) Limited	1 ordinary share of £1 nominal value

SCHEDULE 5
FORM OF NOTICES OF SECURITY

Part 1
Notice of assignment of Occupational Lease

[On [relevant] Chargor's notepaper]

To: *[Name and address of tenant or guarantor]*

[Date]

Dear Sirs

[Name and date of Lease]

We refer to a lease of [●] dated [●] between (1) [●] and (2) [●] (the "Lease").

We give you notice that by a Security Agreement (the "Security Agreement") dated [●] 20[●] and entered into by us in favour of *[Name of Security Agent]* (as Security Agent, as defined in the Security Agreement), we have assigned to the Security Agent all of our rights in, to, under, in respect of or derived from the Lease including the right to receive any rental and other payments due under the Lease.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Lease;
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Lease to such bank account as the Security Agent may from time to time specify in writing;
- (c) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Lease are exercisable by the Security Agent;
- (d) we have agreed not to waive any rights under, amend, novate, repudiate, rescind, forfeit, determine or agree to the forfeiture, determination or surrender of the Lease without the prior written consent of the Security Agent; and
- (e) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Lease to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of [relevant] Chargor]
By: *[Name of signatory]*

[On copy letter only:]

To: *Security Agent*

We acknowledge receipt of a notice dated [●] addressed to us by *[Name of [relevant] Chargor]* (the "**Chargor**") regarding a lease of [●] dated [●] between (1) [●] and (2) [●] (the "**Lease**").

We confirm that:

- (a) we consent to the assignment of the Lease and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Lease;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Lease or if any event occurs which would permit us to terminate, cancel or surrender the Lease we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor's rights under, in, to, in respect of or derived from the Lease nor an amendment, novation, determination, acceptance of surrender, forfeiture, rescission or other termination by the Chargor of the Lease shall be effective without your written consent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[Name of other party]

By: *[Name of signatory]*

Dated:

Part 2
Notice of assignment/charge of Contract

[On relevant Chargor's notepaper]

To: *[Name and address of other party]*

[Date]

Dear Sirs

[Name and date of Charged Document]

We refer to an agreement dated [●] 20[●] between us and you (as amended or novated from time to time, the "**Contract**").

We give you notice that by a security agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *[Name of Security Agent]* (as Security Agent, as defined in the Security Agreement), we have [assigned][charged] all of our rights in, to, under, in respect of or derived from the Contract.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Contract;
- (b) upon receipt of a notice from the Security Agent that the security granted under the Security Agreement has become enforceable:
 - (i) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Contract to such bank account as the Security Agent may from time to time specify in writing;
 - (ii) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Contract are exercisable by the Security Agent; and
- (c) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
 - (ii) upon receipt of a notice from the Security Agent that the security granted under the Security Agreement has become enforceable, you are authorised to disclose any information in relation to the Contract to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent, at [●] marked for the attention of [●]

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor]
By: *[Name of signatory]*

[On copy letter only:]

To: *Security Agent*

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor]* (the "**Chargor**") regarding an agreement dated [●] 20[●] between the Chargor and us (as amended or novated from time to time, the "**Contract**").

We confirm that:

- (a) we consent to the [assignment][charge] of the Contract and will comply with the terms of that notice; and
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Contract.

.....
[Name of other party]

By: *[Name of signatory]*

Dated:

Part 3
Notice of assignment of Insurance

[On relevant Chargor's notepaper]

To: *[Name and address of insurer]*

[Date]

Dear Sirs

Policy number [●]

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *[Name of Security Agent]* (as Security Agent, as defined in the Security Agreement), we have assigned all our rights in, to, under, in respect of or derived from the insurance policy, brief details of which are set out below (the "**Policy**"), and all monies which may be payable to or received by us under it.

Please note the following:

- (a) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims, to such bank account as the Security Agent may from time to time specify in writing;
- (b) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Policy are exercisable by the Security Agent; and
- (c) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Policy to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor]
By: *[Name of signatory]*

Details of Policy

Name of insured: [●]

Nature of policy: [●]

Policy number: [●]

Expiry date: [●]

[On copy letter only:]

To: *Security Agent*

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor]* (the "**Chargor**") regarding the Policy (as defined in that notice).

We confirm that:

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Policy;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) we confirm that neither a waiver of any of the Chargor's rights in, to, under, in respect of or derived from the Policy, nor an amendment, novation, rescission or other termination by the Chargor of the Policy, shall be effective without the prior written consent of the Security Agent; and
- (e) we confirm that we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[Name of insurer]

By: *[Name of signatory]*

Dated:

Part 4
Notice of account charge

[On relevant Chargor's notepaper]

To: *[Name and address of other bank]*

[Date]

Dear Sirs

Account number: [●]

We refer to Account number: [●] (the "**Account**").

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *[Name of Security Agent]* (as Security Agent, as defined in the Security Agreement) we have charged all our rights in, to, under, in respect of or derived from any credit balances on the Account (the "**Balances**") and the indebtedness represented by the Account.

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

- (a) to disclose to the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account which the Security Agent may, at any time and from time to time, request;
- (b) at any time and from time to time on receipt by you of any written instruction from the Security Agent, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same); and
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account, the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it).

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Security Agent's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account to the Security Agent at the Security Agent's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Security Agent at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor]
By: [Name of signatory]

[On copy letter only:]

To: *Security Agent*

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor]* (the "**Chargor**") regarding Account number: [●] (the "**Account**").

We confirm that:

- (a) we consent to the charge of the Account and will comply with the terms of that notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Account and/or the Balances (as defined in that notice));
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor in, to, under, in respect of or derived from the Account or the Balances; and
- (d) we undertake that, on our becoming aware at any time that any person other than the Security Agent has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account or the Balances, we will immediately give written notice of that to the Security Agent.

.....
for and on behalf of

[Name of bank]

By: *[Name of signatory]*

Dated:

SCHEDULE 6 FORM OF ACCESSION DEED

THIS DEED OF ACCESSION is dated [●] and made between:

- (1) [●] a company incorporated in [●] (registered number [●]) whose registered office is at [●] (the "**Additional Chargor**");
- (2) **KENSINGTON ROW PROPERTY LIMITED** a company incorporated in England and Wales (registered number 11579917) whose registered office is at 55 Baker Street, London W1U 7EU (the "**Obligors' Agent**"); and
- (3) **SOLUTUS ADVISORS LIMITED** as trustee for the Secured Parties (the "**Security Agent**").

BACKGROUND:

- (A) By a security agreement dated [●] and made between (1) the Obligors' Agent as Initial Chargor and (2) the Security Agent (the "**Security Agreement**"), the Initial Chargor granted security interests to the Security Agent as security for the Secured Liabilities (as defined in the Security Agreement).
- (B) The Additional Chargor has agreed to enter into this Deed of Accession and to become a Chargor under the Security Agreement.
- (C) This Deed of Accession is a Security Document (as defined in the Security Agreement).
- (D) The Security Agent holds the benefit of this Deed of Accession, including the security created and other rights granted in it, on trust for the Secured Parties on the terms referred to in Recital C of the Security Agreement.
- (E) This document is the deed of the Additional Chargor, even if it has not been duly executed by each other party to it or has been executed by one or both of them but not as a deed.

THIS DEED WITNESSES that:

1. DEFINITIONS AND INTERPRETATION

1.1 Incorporation of definitions

Terms defined in the Security Agreement or, failing that, the Facilities Agreement but not defined in this Deed of Accession shall have the same meaning in this Deed of Accession as in the Security Agreement or, as the case may be, the Facilities Agreement.

1.2 Interpretation

Clause 1.3 (*Construction*) of the Security Agreement (including its incorporation of Clause 1.2 (*Construction*) of the Facilities Agreement) shall apply as if set out in full again here, with references to "this Security Agreement" being construed as references

to this Deed of Accession and with such other changes as are appropriate to fit this context.

1.3 **Disposition of land**

The terms of the other Finance Documents and any related documents are incorporated into this Deed of Accession to the extent necessary for any purported disposition of land contained in the Finance Documents to be valid in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.4 **Inconsistency**

If there is any inconsistency between the terms of this Deed of Accession and those of the Facilities Agreement, the terms of the Facilities Agreement shall prevail.

2. **ACCESSION**

The Additional Chargor:

- (a) on the date of this Deed of Accession grants the Security Interests referred to in Clause 3 (*Creation of Security Interests*); and
- (b) with effect from the date of this Deed of Accession will become a party to the Security Agreement as a Chargor and have the same rights as if it had been an original party to the Security Agreement as a Chargor.

3. **CREATION OF SECURITY INTERESTS**

3.1 **Land**

- (a) The Additional Chargor charges:
 - (i) by way of first legal mortgage, all estates or interests owned by it at the date of this Security Agreement in the properties brief details of which are set out in Schedule 1 (*Properties*) (the "**Accession Properties**") and any other land in England and Wales; and
 - (ii) by way of first fixed charge, all of its other rights in any land.
- (b) The Additional Chargor assigns absolutely all of its rights in any:
 - (i) Lease Document (including any Occupational Lease); and
 - (ii) Rental Income or other payment,
 relating to the Accession Properties and any other Mortgaged Properties.

3.2 **Accounts**

The Additional Chargor charges by way of first fixed charge all of its rights:

- (a) in any credit balances on any bank accounts listed or referred to in Schedule 2, Part 1 (*Specified Accounts*) and the indebtedness represented by them; and
- (b) in any credit balances on any other bank accounts and the indebtedness represented by them.

3.3 **Debts**

The Additional Chargor charges by way of first fixed charge all of its rights in its Debts.

3.4 **Investments**

The Additional Chargor charges by way of first fixed charge all of its rights in its Investments, including any listed or referred to in Schedule 2, Part 2 (*Specified Investments*).

3.5 **Insurances**

The Additional Chargor assigns absolutely all of its rights in its Insurances.

3.6 **Assignment of documents**

The Additional Chargor assigns absolutely all of its rights in:

- (a) any Subordinated Debt and Subordinated Debt Documents;
- (b) [•]; and
- (c) any other document from time to time designated as an Assigned Document by the Additional Chargor (or the Obligors' Agent on its behalf) and the Security Agent.

3.7 **Miscellaneous fixed charges**

The Additional Chargor charges by way of first fixed charge, in each case to the extent not otherwise charged or assigned in Clause 3.1 to Clause 3.6:

- (a) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock-in-trade or work-in-progress);
- (b) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
- (c) all of its rights in its Intellectual Property, including any listed or referred to in Schedule 2, Part 3 (*Specified Intellectual Property*);
- (d) all licences, consents and other Authorisations held in connection with its business or the use of any Security Assets and all of its rights in connection with them; and

- (e) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets.

3.8 Floating charge

- (a) The Additional Chargor charges by way of first floating charge the whole of its undertaking and other assets [(other than assets validly and effectively charged or assigned (whether at law or in equity) from time to time pursuant to Clause 3.1 to Clause 3.7)].
- (b) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by the Additional Chargor in Clause 3.8(a).

4. RELATIONSHIP WITH OTHER FINANCE DOCUMENTS

4.1 Security Document and Finance Document

This Deed of Accession is a Security Document and so a Finance Document.

4.2 Incorporation into the Security Agreement

The Security Agreement and this Deed of Accession shall be read and construed as one document. Any reference in the Security Agreement to the Security Agreement shall include this Deed of Accession, so that in particular:

- (a) Clause 3.1 (*General provisions regarding Security Interests*) of the Security Agreement shall apply to the Security Interests created under this Deed of Accession; and
- (b) any reference in the Security Agreement in whatever form of words to an assignment, fixed charge or floating charge created under the Security Agreement shall include any assignment, fixed charge or floating charge created under this Deed of Accession.

4.3 Facilities Agreement provisions

- (a) The Additional Chargor, even if it is not a Borrower:
 - (i) makes the Repeating Representations to each Finance Party on the date of this Deed of Accession and is deemed to repeat them on each day on which any representations and warranties are made or repeated pursuant to the Facilities Agreement; and
 - (ii) undertakes to each Finance Party to comply with Clauses [16] (*Bank accounts*) and [22] (*Property undertakings*) of the Facilities Agreement in respect of each Accession Property as if (even if this is not the case) the Accession Property were a Property (as defined in the Facilities Agreement).

- (b) The Obligors' Agent undertakes to each Finance Party to comply with Clauses [15.3] (*Valuations*) and [19.4] (*Monitoring of Property*) of the Facilities Agreement in respect of each Accession Property and the income from it as if (even if this is not the case) the Accession Property were a Property (as defined in the Facilities Agreement).

5. **COMMUNICATIONS**

The Additional Chargor confirms that its contact details for communications in relation to Clause [33] (*Notices*) of the Facilit

ies Agreement are those applicable to it under the Facilities Agreement or set out below.

6. **GOVERNING LAW**

This Deed of Accession is governed by, and shall be construed in accordance with, English law.

EXECUTION:

The parties have shown their acceptance of the terms of this Deed of Accession by executing it, in the case of the Additional Chargor as a deed, at the end of the Schedules.

SCHEDULE 1 PROPERTIES

Part 1 Registered land

(Freehold (including commonhold) or leasehold property (if any) in England and Wales of which the Additional Chargor is registered as the proprietor at Land Registry)

Description of Property	Title Number

Part 2 Unregistered land

(Freehold or leasehold property (if any) in England and Wales title to which is not registered at Land Registry of which the Additional Chargor is the owner)

The freehold/leasehold property known as and comprised in the following title deed(s) or other document(s) of title:

Description of Property	Date	Document	Parties

**SCHEDULE 2
SPECIFIED ASSETS**

**Part 1
Specified Accounts**

**Part 2
Specified Investments**

**Part 3
Specified Intellectual Property**

[Details to be specified.]

EXECUTION of Deed of Accession:

Additional Chargor

[Notice details to be included.]

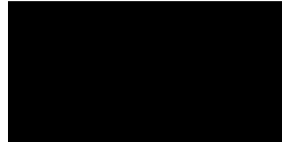
Obligors' Agent

Security Agent

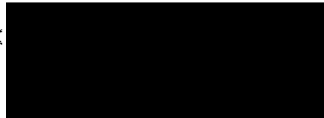
EXECUTION of the Security Agreement:

Initial Chargors

EXECUTED as a deed by Nabil Aquedim ,)
Director, duly authorised for and on behalf)
of **KENSINGTON ROW PROPERTY**)
LIMITED in the presence of:)



Witness's signature:

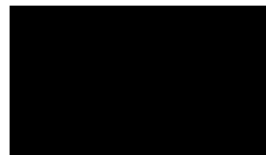


Witness's name
(in capitals): MARIA GIL CEBADO

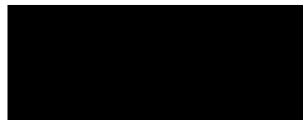
Witness's address:



EXECUTED as a deed by Nabil Aquedim ,)
Director, duly authorised for and on behalf)
of **KENSINGTON ROW PROPERTY**)
(COE HOUSE) LIMITED in the presence)
of:



Witness's signature:

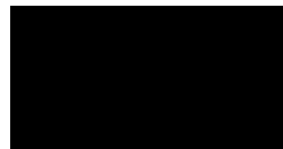


Witness's name
(in capitals): MARIA GIL CEBADO

Witness's address:



EXECUTED as a deed by Nabil Aquedim ,)
Director, duly authorised for and on behalf)
of **KENSINGTON ROW PROPERTY**)
(ELIOT HOUSE) LIMITED in the)
presence of:



Witness's signature:



Witness's name
(in capitals): MARIA GIL CEBADO

Witness's address:



Security Agent

For and on behalf of
SOLUTUS ADVISORS LIMITED

By:



Emma Clarke



Gareck Wilson

Address: Canal Mill, Botany Brow, Chorley, Lancashire, PR6 9AF