



Registration of a Charge

Company Name: **MREF V LINCOLN HOLDINGS LIMITED**

Company Number: **14633031**



XC2VD9RT

Received for filing in Electronic Format on the: **05/05/2023**

Details of Charge

Date of creation: **03/05/2023**

Charge code: **1463 3031 0001**

Persons entitled: **INVESTEC BANK PLC**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **DWF LAW LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 14633031

Charge code: 1463 3031 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd May 2023 and created by MREF V LINCOLN HOLDINGS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th May 2023 .

Given at Companies House, Cardiff on 9th May 2023

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



3 May

2023

(1) THE PERSONS LISTED IN SCHEDULE 1 TO THIS DEED

and

(2) INVESTEC BANK PLC

SHAREHOLDER SECURITY AGREEMENT

Execution version**CONTENTS**

1.	Definitions and Interpretation.....	3
2.	Creation of Security	5
3.	Representations.....	6
4.	Restrictions on Dealings	8
5.	Shares	8
6.	Subordinated Documents	9
7.	When Security Becomes Enforceable	10
8.	Enforcement of Security	10
9.	Receiver.....	12
10.	Powers of Receiver.....	13
11.	Application of Proceeds.....	14
12.	Expenses and Indemnity	15
13.	Delegation.....	15
14.	Further Assurances	15
15.	Power of Attorney	16
16.	Preservation of Security	16
17.	Changes to the Parties	18
18.	Miscellaneous	18
19.	Release.....	19
20.	Payment mechanics	19
21.	Set-off	20
22.	Notices.....	20
23.	Calculations and certificates.....	22
24.	Partial invalidity.....	22
25.	Remedies and waivers	22
26.	Amendments and waivers	22
27.	Counterparts.....	22
28.	Governing Law.....	22
29.	Enforcement	23
	Schedule 1	24
	Schedule 2	25
	Part 1	25
	Part 2	27

Execution version

THIS DEED is dated 3 May 2023

and is made

BETWEEN:

- (1) **THE PERSONS** as listed in Schedule 1 (The Chargors) (each a **Chargor** and together, the **Chargors**); and
- (2) **INVESTEC BANK PLC** (the **Security Agent**) as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

BACKGROUND:

- (A) Each Chargor enters into this Deed in connection with the Facility Agreement (as defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Company means MREF V Lincoln Property Limited (Registered number 14637237).

Facility Agreement means the £15,600,000 term loan Facility Agreement dated on or about the date of this Deed between (among others) the Company and the Security Agent.

Obligor means each Chargor, the Company or a Guarantor.

Party means a party to this Deed.

Receiver means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed.

Security Asset means any asset of any Chargor which is, or is expressed to be, subject to any Security created by this Deed.

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 whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document.

Security Period means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

Shares means all shares in the Company held by the Chargors.

Subordinated Document has the meaning given to it in the Subordination Agreement.

Execution version

Subordination Agreement means the subordination agreement dated on or around the date hereof entered into between each Chargor, the Company and the Security Agent.

1.2 Construction

- (a) Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- (c) The provisions of clause 8.5 (Default interest) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to an Obligor will be construed as references to the Chargor and references to the Agent will be construed as references to the Security Agent.
- (d) Unless a contrary indication appears, a reference in this Deed to:
 - (i) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
 - (ii) any **rights** in respect of an asset includes:
 - (A) all amounts and proceeds paid or payable;
 - (B) all rights to make any demand or claim; and
 - (C) all powers, remedies, causes of action, security, guarantees and indemnities,in each case in respect of or derived from that asset;
 - (iii) any **share, stock, debenture, bond or other security or investment** includes:
 - (A) any dividend, interest or other distribution paid or payable;
 - (B) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise.in each case in respect of that share, stock, debenture, bond or other security or investment; and
 - (iv) the term **this Security** means any Security created by this Deed.
- (e) Any covenant of the Chargors under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- (f) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.

Execution version

- (g) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

1.3 Third party rights

- (a) Unless expressly provided to the contrary in a this Deed, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to paragraph (b) above and the provisions of the Third Parties Act.

2. CREATION OF SECURITY

2.1 General

- (a) Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- (b) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of each Chargor;
 - (iii) is security for the payment of all the Secured Liabilities; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (c) The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.
- (d) Notwithstanding any other provision of the Finance Documents:
 - (i) the sole recourse of the Security Agent to a Chargor in respect of its obligations under this Deed is to that Chargor's interest in the Security Assets; and
 - (ii) the liability of a Chargor to the Security Agent pursuant to or otherwise in connection with this Deed shall be:
 - (A) limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to the Security Assets; and
 - (B) satisfied only from the proceeds of sale or other disposal or realisation of the Security Assets pursuant to this Deed.

2.2 Shares

Each Chargor charges by way of a first fixed charge its interest in the Shares, whether owned by it or held by any nominee or trustee on its behalf.

Execution version

2.3 Subordinated Debt

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

- (a) under each Subordinated Document; and
- (b) in respect of all Subordinated Debt.

3. REPRESENTATIONS

Each Chargor makes the representations and warranties set out in this Clause 3 to each Finance Party on the date of this Deed.

3.1 Status

- (a) It is a limited liability corporation, duly incorporated and validly existing under the laws of the jurisdiction of its incorporation.
- (b) It has the power to own its assets and carry on its business as it is being conducted.

3.2 Binding obligations

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

3.3 Non-conflict with other obligations

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Transaction Security under this Deed do not and will not conflict with:

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

3.4 Power and authority

- (a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- (b) No limit on its powers will be exceeded as a result of the grant of security or giving of indemnities contemplated by this Deed.

3.5 Validity and admissibility in evidence

- (a) All Authorisations required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and
 - (ii) to make this Deed admissible in evidence in its Relevant Jurisdictions,

Execution version

have been obtained or effected and are in full force and effect.

- (b) All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Chargor have been obtained or effected and are in full force and effect.

3.6 Ranking of security

Subject to the Legal Reservations and Perfection Requirements, the Security created by this Deed constitutes a first priority security interest over the Security Assets of the type described in this Deed and the Security Assets are not subject to any prior or *pari passu* Security.

3.7 Shares

- (a) The Shares represent the entire issued share capital of the Company held by the Chargors.
- (b) The Shares are legally and beneficially owned and controlled by the Chargors.
- (c) The Shares are fully paid and are not subject to any option to purchase or similar right.
- (d) The constitutional documents of the Company do not and could not restrict or inhibit any transfer of the Shares on creation or enforcement of this Security.

3.8 Subordinated Debt

- (a) Each relevant Chargor is the sole legal and beneficial owner of the Subordinated Debt.
- (b) No payments to it by any other party to a Subordinated Document are subject to any right of set-off or similar right save as expressly permitted under the terms of the Finance Documents.
- (c) The obligations expressed to be assumed by a Chargor in each Subordinated Document are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.
- (d) Neither it nor (so far as it is aware) any other party to a Subordinated Document is in default of any of its material obligations under that Subordinated Document.
- (e) There is no prohibition on assignment, or other restriction on the creation of security by a Chargor, in respect of any of the Subordinated Debt or its rights under any Subordinated Document.

3.9 Governing law and enforcement

- (a) Subject to the Legal Reservations, the choice of English law as the governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions.
- (b) Subject to the Legal Reservations, any judgment obtained in relation to this Deed in England will be recognised and enforced in its Relevant Jurisdictions.

3.10 No filing or stamp Taxes

Under the laws of its Relevant Jurisdiction it is not necessary that this Deed be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed except registration of particulars of this Deed at Companies House under the Companies Act 2006 and payment of associated fees, which registration and fees will be made and paid promptly after the date of this Deed.

Execution version

3.11 Repetition

The representations and warranties set out in this Clause 3 (other than Clause 3.10 (No filing or stamp Taxes)) are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request, on each Utilisation Date and the first day of each Interest Period.

4. RESTRICTIONS ON DEALINGS

4.1 Security

Except as expressly allowed under the Facility Agreement or this Deed, no Chargor may create or permit to subsist any Security on any Security Asset.

4.2 Disposals

Except as expressly allowed under the Facility Agreement, this Deed or the Subordination Agreement, no Chargor may enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

5. Shares

5.1 Deposit

Each Chargor must immediately:

- (a) deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to the Shares; and
- (b) execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to the Shares.

5.2 Calls

- (a) Each Chargor must pay all calls or other payments due and payable in respect of any of the Shares in accordance with the Facility Agreement.
- (b) If any Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of the Shares on behalf of the relevant Chargor. The relevant Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 5.2 (Calls).

5.3 Other obligations in respect of Shares

- (a) Each Chargor must promptly send a copy to the Security Agent of, and comply with all requests for, material information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of the Shares. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of the relevant Chargor.
- (b) Each Chargor must comply with all other conditions and obligations assumed by it in respect of any of the Shares.

Execution version

- (c) The Security Agent is not obliged to:
 - (i) perform any obligation of any Chargor;
 - (ii) make any payment;
 - (iii) make any enquiry as to the nature or sufficiency of any payment received by it or any Chargor; or
 - (iv) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,

in respect of any of the Shares.

5.4 Voting rights

- (a) Before this Security becomes enforceable in accordance with clause 7:
 - (i) the voting rights, powers and other rights in respect of the Shares will be exercised:
 - (A) by the relevant Chargor; or
 - (B) if exercisable by the Security Agent, in any manner which the relevant Chargor may direct the Security Agent in writing; and
 - (ii) to the extent permitted pursuant to the terms of the Finance Documents, all dividends, distributions or other income paid or payable in relation to any of the Shares in accordance with the Facility Agreement must be paid from the General Account directly to the relevant Chargor.
- (b) Each Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of the Shares as permitted by this Deed on the direction of the relevant Chargor.
- (c) After this Security has become enforceable in accordance with clause 7, the Security Agent may exercise (in the name of the relevant Chargor and without any further consent or authority on the part of the relevant Chargor) any voting rights and any powers or rights which may be exercised by the legal or beneficial owner of any Shares, any person who is the holder of any Shares or otherwise.

5.5 People with significant control regime

Each Chargor must:

- (a) within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 in relation to the Shares; and
- (b) promptly provide the Security Agent with a copy of that notice.

6. SUBORDINATED DOCUMENTS

- (a) Each Chargor must, at the request of the Security Agent:

Execution version

- (i) immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 2 (Forms of Letter for Subordinated Documents), on each counterparty to a Subordinated Document; and
 - (ii) use reasonable endeavours to ensure that each such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 2 (Forms of Letter for Subordinated Documents).
- (b) Each Chargor must supply the Security Agent and any Receiver with copies of each Subordinated Document and any information and documentation relating to any Subordinated Document or Subordinated Debt requested by the Security Agent or any Receiver.
- (c) After this Security has become enforceable in accordance with clause 7, the Security Agent may exercise, without any further consent or authority on the part of the relevant Chargor and irrespective of any direction given by the relevant Chargor, any of the relevant Chargor's rights under any Subordinated Document.

7. WHEN SECURITY BECOMES ENFORCEABLE

7.1 Event of Default

This Security will become immediately enforceable if an Event of Default occurs and is continuing.

7.2 Discretion

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Facility Agreement.

7.3 Statutory powers

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

8. ENFORCEMENT OF SECURITY

8.1 General

- (a) For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.
- (b) Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

8.2 No liability as mortgagee in possession

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

8.3 Privileges

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

Execution version

8.4 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:

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

8.5 Redemption of prior mortgages

- (a) At any time after this Security has become enforceable, the Security Agent may:
 - (i) redeem any prior Security against any Security Asset; and/or
 - (ii) procure the transfer of that Security to itself; and/or
 - (iii) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on each Chargor.
- (b) Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

8.6 Contingencies

If this Security is enforced at a time when no amount is due under the Finance Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

8.7 Financial collateral

- (a) To the extent that the Security Assets constitute "financial collateral" and this Deed and the obligations of any Chargor under this Deed constitute a "security financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.
- (b) Where any financial collateral is appropriated:
 - (i) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
 - (ii) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent

Execution version

commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and each Finance Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

9. RECEIVER

9.1 Appointment of Receiver

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:
 - (i) this Security has become enforceable; or
 - (ii) the relevant Chargor so requests to the Security Agent at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.
- (e) The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

9.2 Removal

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

9.3 Remuneration

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

9.4 Agent of the Chargors

- (a) A Receiver will be deemed to be the agent of the relevant Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The relevant Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

Execution version

- (b) No Secured Party will incur any liability (either to the relevant Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

9.5 Relationship with Security Agent

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

10. POWERS OF RECEIVER

10.1 General

- (a) A Receiver has all of the rights, powers and discretions set out below in this Clause 10 in addition to those conferred on it by any law. This includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

10.2 Possession

A Receiver may take immediate possession of, get in and realise any Security Asset.

10.3 Carry on business

A Receiver may carry on any business of the relevant Chargor in connection with any Security Asset in any manner he/she thinks fit.

10.4 Employees

- (a) A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.
- (b) A Receiver may discharge any person appointed by the relevant Chargor.

10.5 Borrow money

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

10.6 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

Execution version

- (b) The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

10.7 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of the relevant Chargor or relating in any way to any Security Asset.

10.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

10.9 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

10.10 Subsidiaries

A Receiver may form a Subsidiary of the relevant Chargor and transfer to that Subsidiary any Security Asset.

10.11 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

10.12 Lending

A Receiver may lend money or advance credit to any person.

10.13 Other powers

A Receiver may:

- (a) do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;
- (b) exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and
- (c) use the name of the relevant Chargor for any of the above purposes.

11. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Facility Agreement. This Clause 11:

Execution version

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from the relevant Chargor.

12. EXPENSES AND INDEMNITY

Each Chargor must:

- (a) immediately on demand pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with this Deed including any arising from any actual or alleged breach by any person of any law or regulation; and
- (b) keep each Secured Party indemnified against any failure or delay in paying those costs or expenses.

13. DELEGATION

13.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

13.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

13.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

14. FURTHER ASSURANCES

- (a) Each Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:
 - (i) creating, perfecting or protecting any security over any Security Asset; or
 - (ii) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.
- (b) The action that may be required under paragraph (a) above includes:
 - (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or
 - (ii) the giving of any notice, order or direction and the making of any filing or registration,

Execution version

which, in any such case, the Security Agent may consider necessary or desirable.

15. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of the relevant Chargor to, at any time when the relevant Chargor was obliged to perform an action under the terms of this Deed but has failed to do so within 3 Business Days following a request from the Security Agent, or at any time while an Event of Default is continuing, execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the relevant Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 15.

16. PRESERVATION OF SECURITY**16.1 Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by a Secured Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

16.2 Waiver of defences

The obligations of each Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this Clause 16 would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or any Secured Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation 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 document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

Execution version

- (g) any insolvency or similar proceedings.

16.3 Chargor intent

Without prejudice to the generality of Clause 16.2 (Waiver of defences), each Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) 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 for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

16.4 Immediate recourse

Each Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the relevant Chargor under this Deed. This waiver applies irrespective of any law or provision of a Finance Document to the contrary.

16.5 Appropriations

Each Secured Party (or any trustee or agent on its behalf) may at any time during the Security Period:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of the Secured Liabilities or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the Chargors shall not be entitled to the benefit of the same; and
- (b) hold in an interest bearing suspense account any moneys received from the Chargors or on account of the liability of the relevant Chargor under this Deed.

16.6 Deferral of Chargors' rights

- (a) Unless the Security Period has expired or the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Clause 16:
 - (i) to be indemnified by an Obligor;
 - (ii) to claim any contribution from any other person who has provided security or a guarantee in respect of any Obligor's obligations under the Finance Documents;
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
 - (iv) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the relevant Chargor has granted security under this Deed;

Execution version

- (v) to exercise any right of set-off against any Obligor; and/or
 - (vi) to claim or prove as a creditor of any Obligor in competition with any Secured Party.
- (b) If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with the terms of this Deed.

16.7 Additional Security

- (a) This Security is in addition to and is not in any way prejudiced by any other security or guarantee now or subsequently held by any Secured Party.
- (b) No prior security held by any Secured Party (in its capacity as such or otherwise) over any Security Asset will merge onto this Security.

17. CHANGES TO THE PARTIES

17.1 The Chargors

No Chargor may assign or transfer any of its rights or obligations under this Deed without the prior consent of the Security Agent.

17.2 The Finance Parties

- (a) Any Finance Party may assign or otherwise dispose of all or any of its rights under this Deed in accordance with the Finance Documents to which it is a party.
- (b) References to the Security Agent in this Deed include any successor Security Agent appointed under the Facility Agreement.

18. MISCELLANEOUS

18.1 Continuing Security

This Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities regardless of any intermediate payment or discharge in whole or in part.

18.2 Tacking

Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

18.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the relevant Chargor.
- (b) If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

Execution version

- (c) As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

18.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the relevant Chargor has with any Secured Party within the Security Period when:

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

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

18.5 Notice to Chargors

This Deed constitutes notice in writing to the Chargors of any charge or assignment of a debt owed by a Chargor to any Transaction Obligor and contained in any other Security Document.

19. RELEASE

At the end of the Security Period, the Finance Parties must, at the request and cost of the Chargors, take whatever action is necessary to release its Security Assets from this Security.

20. PAYMENT MECHANICS

20.1 Payments to the Security Agent

- (a) On each date on which any Chargor is required to make a payment under this Deed, the relevant Chargor shall make the same available to the Security Agent for value on the due date at the time and in such funds specified by the Security Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in such Participating Member State or London, as specified by the Security Agent) and with such bank as the Security Agent, in each case, specifies.

20.2 No set-off by Chargors

All payments to be made by any Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

20.3 Business Days

Any payment under this Deed which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

Execution version

20.4 Currency of account

- (a) Subject to paragraph (b) below, sterling is the currency of account and payment for any sum due from any Chargor under this Deed.
- (b) Any amount expressed to be payable in a currency other than sterling shall be paid in that other currency.

21. SET-OFF

The Security Agent may set off any matured obligation due from a Chargor under this Deed (to the extent beneficially owned by the Security Agent) against any matured obligation owed by the Security Agent to the relevant Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

22. NOTICES

22.1 Communications in writing

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

22.2 Addresses

- (a) The contact details of the Chargors for any communication to be made or delivered under or in connection with this Deed are the same as those set out in the Facility Agreement for the Company.
- (b) The contact details of the Security Agent for any communication to be made or delivered under or in connection with this Deed are the same as those set out in the Facility Agreement for the Security Agent.
- (c) Any Party may change its contact details by giving not less than five Business Days' notice to the Security Agent or (in the case of the Security Agent) to the other Party.

22.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of fax, when received in legible form; or
 - (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (Addresses), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature to the

Execution version

Facility Agreement (or any substitute department or officer as the Security Agent shall specify for this purpose).

- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) and (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

22.4 Electronic communication

- (a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if the Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any such electronic communication as specified in paragraph (a) above may only be made in that way to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above made between the Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by the Chargors to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Deed shall be deemed only to become effective on the following day.
- (e) Any reference in this Deed to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 22.4 (Electronic communication).

22.5 English language

- (a) Any notice given under or in connection with this Deed must be in English.
- (b) All other documents provided under or in connection with this Deed must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

Execution version

23. CALCULATIONS AND CERTIFICATES

23.1 Accounts

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

23.2 Certificates and determinations

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

23.3 Day count convention

Any interest, commission or fee accruing under this Deed will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

24. PARTIAL INVALIDITY

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

25. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

26. AMENDMENTS AND WAIVERS

- (a) Any term of this Deed may be amended or waived only in accordance with clause 38 (Amendments and waivers) of the Facility Agreement.
- (b) For the purposes of this Clause 26, references in clause 38 (Amendments and waivers) of the Facility Agreement to an Obligor or a Party will be deemed to include each Chargor.

27. COUNTERPARTS

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

28. GOVERNING LAW

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

Execution version

29. ENFORCEMENT

29.1 Jurisdiction

- (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.
- (c) Notwithstanding paragraph (a) above, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been executed and delivered as a deed on the date stated at the beginning of this Deed.

Execution version**SCHEDULE 1****The Chargors**

Name	Registered Number	Jurisdiction of incorporation	Registered office
MREF V Lincoln Holdings Limited	14633031	England and Wales	10 Grosvenor Street, Mayfair, London, United Kingdom, W1K 4QB
Melberry Investments Limited	12779114	England and Wales	The Pines Cox Green, Rudgwick, Horsham, England, RH12 3DD
Funding House Limited	12744033	England and Wales	Middle Beeny Farm, Beeny, Boscastle, England, PL35 0HL

Execution version

SCHEDULE 2

FORMS OF LETTER FOR SUBORDINATED DOCUMENTS

PART 1

NOTICE TO COUNTERPARTY

To: [Subordinated Document counterparty]

Copy: Investec Bank plc (as Security Agent as defined below)

[Date]

Dear Sirs,

**Shareholder Security Agreement dated [] between, amongst others, [Chargor]
and Investec Bank plc (the Security Agreement)**

This letter constitutes notice to you that under the Security Agreement we have charged by way of a first fixed charge to Investec Bank plc (as trustee for the Secured Parties as referred to in the Security Agreement, the Security Agent) all our rights in respect of [insert details of Subordinated Document] (the Subordinated Document).

We confirm that:

- (a) we will remain liable under the Subordinated Document to perform all the obligations assumed by us under the Subordinated Document; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Subordinated Document.

We will also remain entitled to exercise all our rights, powers and discretions under the Subordinated Document, and you should continue to give notices and make payments under the Subordinated Document to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Subordinated Document requested from you by the Security Agent.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Execution version

Yours faithfully,

.....
(Authorised signatory)
[Chargor]

Execution version

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: Investec Bank plc (as Security Agent)

Copy: [Chargor]

[Date]

Shareholder Security Agreement dated [] between, amongst others, [Chargor] and Investec Bank plc (the Security Agreement)

We confirm receipt from [Chargor] (the Chargor) of a notice dated [] (the Notice) of a fixed charge on the terms of the Security Agreement of all the Chargor's rights in respect of [insert details of Subordinated Document] (the Subordinated Document).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Subordinated Document as directed in the Notice.

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

Yours faithfully,

.....
 (Authorised signatory)
 [Subordinated document counterparty]

Execution version

SIGNATORIES

Chargors

EXECUTED AS A DEED by
MREF V LINCOLN HOLDINGS LIMITED
acting by a director and a witness

DIRECTOR

Signature:

..... 

Name (in block capitals):

..... Charles Ferguson Davie

WITNESS

Signature:

..... 

Name:

..... Kayleigh Miller

Address:

..... 

EXECUTED AS A DEED by
MELBERRY INVESTMENTS LIMITED
acting by a director and a witness

DIRECTOR

Signature:

..... 

Name (in block capitals):

..... David Sarson

WITNESS

Signature:

..... 

Name:

.....

Address:

..... 

..... Retired

Execution version

EXECUTED AS A DEED by
FUNDING HOUSE LIMITED
acting by a director and a witness

DIRECTOR

Signature:

[Redacted Signature]

Name (in block capitals):

Timothy Laurence Attlee

WITNESS

Signature:

[Redacted Signature]

Name:

Address:

[Redacted Address]

Bookkeeper

Execution version

Security Agent

EXECUTED (but not delivered until the date hereof) as a **DEED** by **INVESTEC BANK PLC** acting by its duly appointed authorised signatories under a power of attorney dated 20 May 2019 as follows:

.....
Authorised Signatory [Redacted]

in the presence of:

.....
Witness [Redacted]

Full Name: Hugo Frost

Address: [Redacted]

Occupation:

[Redacted]
Authorised Signatory

in the presence of:

.....
Witness [Redacted]

Full Name: Mike Russell

Address: [Redacted]

Occupation: Portfolio Manager