



Registration of a Charge

Company name: **KILLULTAGH ESTATES LIMITED**

Company number: **NI631443**

Received for Electronic Filing: **30/09/2015**



X4H1AL15

Details of Charge

Date of creation: **15/09/2015**

Charge code: **NI63 1443 0003**

Persons entitled: **ICG-LONGBOW DEBT INVESTMENTS NO.4 S.À R.L**

Brief description: **ALL ASSETS AND UNDERTAKING OF THE COMPANY AS CHARGED PURSUANT TO CLAUSE 2.1.2 OF THE SECURITY AGREEMENT AND ALL INTELLECTUAL PROPERTY AS CHARGED PURSUANT TO CLAUSE 2.1.3.11 OF THE SECURITY AGREEMENT.**

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: **A&L GOODBODY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: NI631443

Charge code: NI63 1443 0003

The Registrar of Companies for Northern Ireland hereby certifies that a charge dated 15th September 2015 and created by KILLULTAGH ESTATES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th September 2015 .

Given at Companies House, Belfast on 30th September 2015

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

DATED 15 September 2015

- (1) ALFRED STREET PROPERTIES LIMITED
as Chargor
- (2) ICG-LONGBOW DEBT INVESTMENTS NO.4
S.À R.L.
as Chargee

SECURITY AGREEMENT

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

Dated this 30th day of September 2015

A&L Goodbody Northern Ireland
6th Floor, 42-46 Fountain Street, Belfast, BT1 5EF



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THIS SECURITY AGREEMENT is made by way of deed on

15 September

2015

BETWEEN:

- (1) **ALFRED STREET PROPERTIES LIMITED**, a limited liability company registered in Northern Ireland (registered number NI631443) with its registered address at 4th Floor Alfred House, 19-21 Alfred Street, Belfast, Northern Ireland BT2 8ED (the "**Chargor**"); and
- (2) **ICG-LONGBOW DEBT INVESTMENTS NO. 4 S.À R.L.**, a société à responsabilité limitée incorporated and existing under the laws of Luxembourg, having its registered office at 2, Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg trade and companies register (Registre de commerce et des sociétés de Luxembourg) under number: B 195.087 and having a share capital of GBP 11,000 as chargee (the "**Chargee**", which expression shall include all successors, assignees and transferees from time to time).

WHEREAS:

- (A) The Chargor enters into this Deed to secure the payment, performance and discharge of the Secured Liabilities (as defined below).
- (B) The Chargor's directors are satisfied that entering into and performing this Deed is in the best interests, and for the commercial purposes and corporate benefit, of the Chargor's business.
- (C) It is intended by the Parties hereto that this document take effect as a deed notwithstanding the fact that the Parties may only execute this document under hand.

NOW THIS DEED WITNESSES AND IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 Definitions

In this Deed:

- | | |
|-------------------------------|---|
| "Act" | means the Law of Property Act 1925; |
| "Borrower" | means Alfred Street Properties Limited, a limited liability company registered in Northern Ireland (registered number NI631443) with its registered address at 4th Floor Alfred House, 19-21 Alfred Street, Belfast, Northern Ireland BT2 8ED; |
| "Causes of Action" | means all causes of action (including for breach of warranty or representation) and other rights and remedies which the Chargor has or may have in relation to the Security Assets including those against its professional and other advisers and contractors; |
| "Compensation Payment" | means monies paid or payable in connection with the Security Assets by way of compensation, endowment, gift, grant or otherwise; |
| "Default Rate" | means the rate of interest calculated in accordance with the default interest provisions contained in clause 8.6 (<i>Default Interest</i>) of the Facility Agreement except that references to an Obligor are to be construed as references to the Chargor; |
| "Delegate" | means any delegate, agent, attorney or co-trustee appointed by |

the Chargee;

"Derivative Assets"

means all assets deriving from any of the Securities including all allotments, accretions, offers, rights, dividends, interest, income, distributions, benefits and advantages whatsoever at any time accruing, offered or arising in respect of or incidental to any of the Securities and all stocks, shares, rights, money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, exchange, purchase, substitution, option, interest or otherwise in respect thereof;

"Event of Default"

means:

- (a) an Event of Default as defined in the Facility Agreement; and/or
- (b) any demand by the Chargee for repayment of any Secured Liabilities or other amounts owed to the Chargee by any Transaction Obligor;

"Facility Agreement"

means the facility agreement dated on or about the date hereof between (1) Alfred Street Properties Limited as borrower (2) the entities listed in Part I of schedule 1 therein as original guarantors (which includes the Chargor), and (3) ICG-Longbow Debt Investments No. 4 S.A R.L. as lender (as varied, amended, restated, novated, supplemented, extended, modified and/or replaced from time to time);

"Financial Collateral"

has the meaning ascribed to it in the Regulations;

"Fixtures"

means all fixtures and fittings (including those of trade) and fixed plant and machinery on the Mortgaged Property in each case belonging to the Chargor;

"Headlease"

means any headlease to which the Mortgaged Property or any part of it is subject from time to time;

"Material Contract"

means:

- (a) any Property Acquisition Documents;
- (b) any Share Acquisition Documents;
- (c) any Unit Acquisition Documents; and
- (d) any document designated as such by the Chargee and the Chargor from time to time;

including, in each case, any amendment or restatement thereof (however fundamental) or supplement thereto and any agreement extending the maturity thereunder, increasing any amount payable thereunder, changing the basis for calculation of a payment thereunder or introducing new or additional obligations thereunder (whether or not more onerous), and **"Material Contracts"** shall be construed accordingly;

"Mortgaged Property"

means all freehold, commonhold and leasehold property (including, where the context admits, the Premises) the subject of the security created by this Deed (including in particular the Properties);

"Party"	means a party to this Deed;
"Premises"	means any building or other edifice on or forming part of the Mortgaged Property or other Security Asset;
"Properties"	means the properties specified in Schedule 1 (<i>Mortgaged Property</i>);
"Receiver"	means a receiver and manager or (if the Chargee so specifies in the relevant appointment) a receiver, in either case, appointed under this Deed or pursuant to any statute, and shall include, if permitted by law, an administrative receiver or an administrator;
"Regulations"	means the Financial Collateral Arrangements (No.2) Regulations 2003;
"Secured Liabilities"	means: <ul style="list-style-type: none"> (a) any and all past, present and future obligations and liabilities (whether owed jointly or severally, whether incurred as principal or surety or in any other capacity whatsoever, whether or not in respect of indebtedness and whether actual or contingent and whether originally incurred by the Borrower, the Chargor, a Transaction Obligor or some other person, and in whatever currency) of the Borrower, the Chargor or any other Transaction Obligor to any Secured Party from time to time, including without limitation to the generality of the foregoing, under or in connection with each Finance Document; and (b) any other obligations and liabilities from time to time due, owing or incurred by the Borrower, the Chargor or any other Transaction Obligor to any Secured Party under any other agreement from time to time entered into with the Chargee;
"Secured Party"	means the Chargee, the Lender, a Receiver or any Delegate;
"Securities"	means all shares or other securities legally and/or beneficially owned from time to time by or on behalf of the Chargor in the share capital of any entity including, without limitation, those specified in Schedule 2 (<i>Securities</i>);
"Security Assets"	means the assets and undertaking of the Chargor from time to time mortgaged, charged or assigned (or intended to be mortgaged, charged or assigned) by way of fixed and/or floating security or other Security under this Deed as security for the payment, performance or discharge of all or any part of the Secured Liabilities, and "Security Asset" shall be construed accordingly;
"Security FCA"	means a Security Financial Collateral Arrangement as defined in the Regulations;
"Security Period"	means the period beginning on the date of this Deed and ending on the date on which the Chargee is satisfied that: <ul style="list-style-type: none"> (a) the Secured Liabilities have been irrevocably and unconditionally satisfied in full; and (b) the Chargee has no further obligations (actual,

contingent, prospective or otherwise) under the Finance Documents; and

"Unit Trust Income" has the meaning given to the term "Income" in each of the Trust Instruments;

"1995 Act" means the Landlord and Tenant (Covenants) Act 1995.

1.2 Construction

1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning when used in this Deed unless otherwise defined herein.

1.2.2 The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as if they were set out in full in this Deed, except that references to the Agreement therein will be construed as references to this Deed.

1.2.3 Any reference in this Deed to a mortgage, charge or assignment of any asset or property shall be construed so as to include:

1.2.3.1 the proceeds of sale of any part of that asset or property, and any other monies paid or payable in respect of or in connection with that asset or property;

1.2.3.2 the benefit of any covenants for title given or entered into by any predecessor in title in respect of that asset or property and all other rights, benefits, claims, contracts, warranties, remedies, Security or indemnities in respect of that asset or property (including, in respect of the Mortgaged Property, under any Headlease); and

1.2.3.3 in respect of any Mortgaged Property, all Premises and Fixtures from time to time in or on that property.

1.2.4 Any reference in this Deed to any party or person includes any person deriving title from it or any permitted successor, transferee or assignee (whether immediate or derivative).

1.2.5 References in this Deed to Clauses and Schedules are references to the clauses of and schedules to this Deed, unless the context otherwise requires.

1.2.6 References herein to the "Chargee" include the "Chargee" as "Lender" under the Facility Agreement.

1.2.7 Pursuant to, and in accordance with, the definition of "Security Document" in the Facility Agreement, the parties hereto hereby agree and confirm that this Deed shall be a Finance Document for all purposes.

1.2.8 If there is any conflict between any provisions of this Deed and the relevant provisions of the Facility Agreement, the relevant provisions of the Facility Agreement shall prevail.

1.2.9 Any reference to an Account or any other account, includes in each case any account which is a successor to that Account or other account on any renumbering or re-designation or replacement of such account and any account into which all or part of a balance is transferred for investment or administration purposes.

1.2.10 The fact that no, or incomplete, details of any properties or Securities or intellectual property assets, rights and interests are included in the relevant Schedule, does not affect the validity or enforceability of any Security constituted by this Deed.

1.2.11 "Secured Liabilities" includes, without limitation:

1.2.11.1 any refinancing, further advances, novation, deferral, or extension of the facility under the Finance Documents;

- 1.2.11.2 obligations and liabilities which the Chargee as lender may have acquired or may in the future acquire (whether by assignment, novation, transfer, purchase, security or otherwise);
- 1.2.11.3 any claim for (a) breach of representation, warranty or undertaking or on any Event of Default or under any indemnity or (b) damages or restitution;
- 1.2.11.4 obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of, or similar event affecting the Chargor, any other Transaction Obligor, or any other person, including without limitation:
 - 1.2.11.4.1 any claim as a result of any recovery by the Chargor or any other person of a payment on the grounds of preference or otherwise; and
 - 1.2.11.4.2 any amounts which would be included as Secured Liabilities but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any such insolvency, dissolution or other proceedings.

1.3 **Avoidance**

If the Chargee considers that any amount paid by the Chargor or any other Transaction Obligor or any other person in connection with the satisfaction of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation, bankruptcy or administration (whether out of court or otherwise) of the Chargor or any other Transaction Obligor or any other person, as applicable, or otherwise, then (a) the security constituted by this Deed shall continue and (b) that amount shall not be considered to have been irrevocably paid for the purpose of this Deed.

1.4 **Disposition of Property**

The terms of the other Finance Documents and of any agreement, document or side letter between the parties thereto are incorporated into each Finance Document (including this Deed) to the extent required for any purported disposition of any Mortgaged Property or any part thereof and any other relevant Security Asset contained in any Finance Document to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. **FIXED SECURITY**

2.1 **Charges**

The Chargor, as continuing security for the payment, performance and discharge of all the Secured Liabilities and in the manner specified in Clause 2.3:

- 2.1.1 charges in favour of the Chargee by way of first legal mortgage:
 - 2.1.1.1 all the property now belonging to it and specified in Schedule 1 (*Mortgaged Property*);
 - 2.1.1.2 all other estates and interests in any freehold, commonhold or leasehold property now belonging to it;
 - 2.1.1.3 the proceeds of sale of the Mortgaged Property; and
 - 2.1.1.4 all licenses to enter upon or use the land and the benefits of all agreements relating to land;
- 2.1.2 to the extent not validly and effectively charged by way of first legal mortgage pursuant to Clause 2.1.1, charges in favour of the Chargee by way of a first fixed charge all its rights, title, benefit and interest (both present and future) in, to and under:

- 2.1.2.1 all estates and interests in any freehold, commonhold or leasehold property now or in the future belonging to it;
- 2.1.2.2 (to the extent not assigned pursuant to Clause 2.2.1) any agreement relating to the acquisition of the Mortgaged Property and the benefit of all agreements, contracts, deeds, undertakings, guarantees, warranties and other documents now or hereafter in existence in relation to the Mortgaged Property; and
- 2.1.2.3 all plant and machinery now or in the future belonging to it and its interest in any plant or machinery in its possession and in all Fixtures;
- 2.1.3 charges in favour of the Chargee by way of a first fixed charge all its rights, title, benefit and interest (both present and future) in, to and under:
 - 2.1.3.1 (to the extent not assigned pursuant to Clause 2.2.1) all of its benefits, claims and returns of premiums in respect of the Insurances;
 - 2.1.3.2 (to the extent not assigned pursuant to Clause 2.2.1) its rights under any appointment of any managing agent and/or asset manager of the Mortgaged Property or the Premises (including, without limitation, each Property Management Agreement and each Asset Management Agreement from time to time);
 - 2.1.3.3 all Unit Trust Income;
 - 2.1.3.4 all monies deposited in or standing to the credit of any account opened and maintained in England and Wales from time to time (including without limitation the Accounts), and any tenant's or rent deposit accounts to the extent of the Chargor's interest therein and (notwithstanding that the existence of such an account may be in breach of this Deed or any other Finance Document) with any person and the debts represented by them;
 - 2.1.3.5 its goodwill and its uncalled capital;
 - 2.1.3.6 its book and other debts and monetary claims, both uncollected and collected, the proceeds of the same and all monies otherwise due and owing to it (including, for the avoidance of doubt, any loan(s) made to any Holding Company or any Subsidiary of any Holding Company, and any Subordinated Debt);
 - 2.1.3.7 all amounts from time to time owed by a Guarantor to the Chargor;
 - 2.1.3.8 all rights, securities and guarantees of whatsoever nature enjoyed or held by it in relation to anything in Clause 2.1.3.6;
 - 2.1.3.9 all permissions of whatsoever nature and whether statutory or otherwise, held in connection with the Mortgaged Property and the right to recover and receive all compensation which may be payable to it;
 - 2.1.3.10 (to the extent not assigned pursuant to Clause 2.2.1) to the extent vested in it, of all building contracts, professionals' appointments, guarantees, warranties and representations given or made by any building contractors, professional advisers or any other person in relation to the Mortgaged Property, including all rights and remedies available to it against such persons;
 - 2.1.3.11 any patents, trade marks, copyrights, registered or other designs (including, without limitation, designs relating to any construction works on the Mortgaged Property) and any other intellectual property assets or rights;
 - 2.1.3.12 each VAT refund payable by HMRC to the Chargor (together with all rights to claim such VAT refund and the proceeds of any judgement awarded in favour of the Chargor in relation to such VAT refund);

- 2.1.3.13 (to the fullest extent permitted at law) all rights in respect of the proceeds of any order of the court made pursuant to sections 238(3), 239(3) or 244 of the Insolvency Act 1986;
- 2.1.3.14 (to the extent not assigned pursuant to Clause 2.2.1) the benefit of all present and future Authorisations (statutory or otherwise) held in connection with the Chargor's business or the use of any Security Asset and the right to recover and receive all compensation that may be payable to it in respect of them;
- 2.1.3.15 the Securities and the Derivative Assets (in each case whether held by it and/or any nominee or other person on its behalf);
- 2.1.3.16 (to the extent not assigned pursuant to Clause 2.2.1.12) each Material Contract, including all moneys payable to the Chargor and any claims, awards and judgments in favour of or receivable or received by the Chargor, under or in connection with or pursuant to the Material Contracts; and
- 2.1.3.17 all assets which are specified in Clause 2.2 and are not capable of assignment and not otherwise charged pursuant to this Clause 2.1.

2.2 Assignment

2.2.1 The Chargor, in the manner specified in Clause 2.3 of this Deed, assigns and agrees to assign to the Chargee absolutely, subject to re-assignment on the expiry of the Security Period in accordance with Clause 18, as continuing security for the payment, performance and discharge of the Secured Liabilities all of its right, title, benefit and interest (both present and future) in, to and under:

- 2.2.1.1 all Rental Income (including, for the avoidance of doubt, all future Rental Income) and any guarantee of any such Rental Income in its favour contained in or relating to any Occupational Lease or otherwise and including, without limitation (including to the fullest extent of its interest) all Rental Income (including, for the avoidance of doubt, all future Rental Income in respect of the Properties owned by the Unit Trusts);
- 2.2.1.2 all Occupational Leases of all or any part of the Mortgaged Property;
- 2.2.1.3 all Unit Trust Income;
- 2.2.1.4 all its rights (if any) under any Insurances relating to the Security Assets to which the Chargor is otherwise entitled (including any claims or payments under, and returns of premiums in respect of, the Insurances);
- 2.2.1.5 all agreements, contracts, deeds, appointments, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future so as to enable the Chargee to perfect its rights under this Deed or any such agreement, contract, deed, licence, undertaking, guarantee, covenant, warranty, representation or other document) entered into by or given to the Chargor in respect of the Mortgaged Property (including, without limitation, each Property Management Agreement and each Asset Management Agreement) or any other Security Assets including all:
 - 2.2.1.5.1 claims, remedies, awards or judgements paid or payable to the Chargor (including, without limitation, all liquidated and ascertained damages payable to the Chargor under the above); and
 - 2.2.1.5.2 guarantees, warranties, bonds and representations given or made by, and any rights or remedies against, any designer, builder, contractor, professional adviser, sub-contractor, manufacturer, supplier or installer of any Fixture;

in each case, relating to all or any part of the Mortgaged Property or such Security Assets;

- 2.2.1.6 all amounts from time to time owed by a Guarantor to the Chargor;
- 2.2.1.7 all licences held now or in the future in connection with the business carried on upon all or any part of the Mortgaged Property and also the right to recover and receive all compensation which may at any time become payable to the Chargor under the Licensing Act 1964 or any similar legislation;
- 2.2.1.8 all chattels hired, leased or rented by the Chargor to or from any person together in each case with the benefit of the related hiring, leasing or rental contract and any guarantee, indemnity or other Security for the performance of the obligations of any person under or in respect of such contract;
- 2.2.1.9 its benefits and interest in any loan(s) made to, or made available by, any Holding Company or any Subsidiary of any Holding Company or any Subordinated Creditor (including in particular the Subordinated Debt);
- 2.2.1.10 all Causes of Action;
- 2.2.1.11 the benefit of any Compensation Payment; and
- 2.2.1.12 each Material Contract, including all moneys payable to the Chargor and any claims, awards and judgments in favour of or receivable or received by the Chargor, under or in connection with or pursuant to the Material Contracts.

2.2.2 To the extent that any such right, title, benefit and interest described in Clause 2.2.1 is not assignable or capable of assignment, such assignment purported to be effected by Clause 2.2.1 shall operate, as continuing Security for the payment, discharge, performance and satisfaction of the Secured Liabilities, as an assignment of any and all proceeds of such right, title, benefit or interest paid or payable thereunder save for any proceeds or other amounts properly payable to any third party and to which the Chargor has no right, title, benefit or interest.

2.3 Title guarantee

2.3.1 Every disposition effected by this Deed is made with full title guarantee.

2.3.2 The following provisions of the Law of Property (Miscellaneous Provisions) Act 1994 will not apply to Clauses 2.1, 2.2 or 3 (*Floating Charge*), being:

- 2.3.2.1 the words "other than any charges, encumbrances or rights which that person does not and would not reasonably be expected to know about" in section 3(1);
- 2.3.2.2 the words "except to the extent that" and all the words thereafter in section 3(2); and
- 2.3.2.3 section 6(2).

2.3.3 The other terms of this Deed do not limit or extend any of the covenants implied by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 but create separate and independent obligations having effect cumulatively with those implied covenants.

3. FLOATING CHARGE

3.1 Creation

The Chargor as continuing security for the payment, performance and discharge of the Secured Liabilities and in the manner specified in Clause 2.3 of this Deed charges in favour of the Chargee by way of a first floating charge all its assets and undertaking not otherwise

validly and effectively mortgaged or charged by way of legal or equitable mortgage, fixed charge or assignment (whether at law or in equity) by Clause 2 (*Fixed Security*).

3.2 Conversion by Notice

The Chargee may by notice to the Chargor convert the floating charge created by this Deed into a fixed charge in relation to all or any of the assets of the Chargor specified in the notice if:

- 3.2.1 the Chargee has reasonable grounds for considering those assets to be in jeopardy, by legal process or otherwise;
- 3.2.2 an Event of Default has occurred and is continuing;
- 3.2.3 the Chargee becomes aware or has reasonable ground to believe that all or any of the Chargor's assets specified in the notice may be sold or otherwise disposed of (other than in accordance with the Finance Documents);
- 3.2.4 the Chargee has reasonable grounds for considering that converting the floating charge created by this Deed into a fixed charge is necessary in order to protect the priority of its Security in relation to all or any of the Chargor's assets specified in the notice;
- 3.2.5 the Chargee becomes aware or has reason to believe that steps have been taken which would, in the reasonable opinion of the Chargee, be likely to lead to the making of an application to appoint an administrator (whether out of court or otherwise) in relation to the Chargor (or that such an application has been made, or that such an administrator has been appointed) or the making of a petition to wind up the Chargor (or that such a petition has been presented or that a liquidator has been appointed); and/or
- 3.2.6 formal steps have been taken to appoint an administrator of the Chargor (whether out of court or otherwise).

3.3 Automatic Conversion

- 3.3.1 The floating charge created by this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically be converted (without notice) with immediate effect into a fixed charge over all the assets, rights and property of the Chargor on the convening of any meeting of the members of the Chargor to consider a resolution to wind up the Chargor (or not to wind it up) or on the convening of any meetings of the directors or members of the Chargor for the purposes of considering any resolution or application for putting the Chargor into administration (whether out of court or otherwise).

3.3.2 If:

- 3.3.2.1 the Chargor breaches or takes any steps with a view to breaching any provision of Clause 6.7 (*Restrictions on dealings*) in respect of any of the Security Assets which are subject to an uncrystallised floating charge under this Deed; and/or
- 3.3.2.2 any person levies or attempts to levy any distress, attachment, execution or other legal process against any such Security Assets; and/or
- 3.3.2.3 any person presents or makes an application for a warrant of execution, writ of fieri facias, garnishee order or charging order in respect of any such Security Assets;

then the floating charge created by this Deed over the Security Assets to which the breach or step or levy or application relates shall (without prejudice to any law which may have a similar effect) automatically be converted (without notice) with immediate effect into a fixed charge over such assets as soon as that breach occurs or step is taken or levy or application is made.

3.4 Qualifying Floating Charge

The floating charge created by this Deed is a **qualifying floating charge** for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3.5 **No Waiver**

The giving by the Chargee of a notice pursuant to Clause 3.2 in relation to any class of the Chargor's assets, rights and property shall not be construed as a waiver or abandonment of the Chargee's rights to give other similar notices in respect of any other class of assets or any of the rights of the Chargee under any Finance Document.

3.6 **Re-conversion**

The Chargee may, at any time in its absolute discretion, by notice in writing to the Chargor, re-convert any charge which has crystallised under Clause 3.2 (*Conversion by notice*) or Clause 3.3 (*Automatic conversion*) into a floating charge in relation to the Security Assets specified in the notice.

4. **PROVISIONS AS TO SECURITY**

4.1 **Perfection of Security**

The Chargor shall take such action as is reasonably required by the Chargee:

- 4.1.1 to create, perfect and protect the Security constituted or intended to be constituted under this Deed;
- 4.1.2 to maintain the Security constituted or intended to be constituted under this Deed;
- 4.1.3 to make all filings and registrations and to take all such other steps as may be necessary in connection with the creation, perfection or protection of the Security constituted or intended to be constituted under this Deed; and
- 4.1.4 procure that the relevant entity shall promptly register any transfer of title to the Securities pursuant to any enforcement by the Chargee of its rights under this Deed.

4.2 **Deposit of Title Deeds**

The Chargor shall immediately upon the execution of this Deed (or upon coming into the possession of the Chargor at any time) deposit with the Chargee (or procure that the Chargors' solicitors provide an acceptable undertaking to the Chargee to hold to its order) all deeds, certificates and other documents constituting or evidencing title to the Security Assets.

4.3 **Memorandum of Charge**

The Chargor shall promptly upon request by the Chargee and at the Chargor's cost:

- 4.3.1 affix to such items of the Security Assets; and/or
 - 4.3.2 endorse on any documents evidencing title to the Security Assets;
- notice of the Security intended to be constituted under this Deed or which otherwise secures all or any part of the Secured Liabilities in such form as the Chargee may require.

5. **REPRESENTATIONS AND WARRANTIES**

5.1 **Making of representations and warranties**

In addition to the representations set out in clause 18 (*Representations*) of the Facility Agreement, the Chargor makes the representations and warranties set out in this Clause 5 to the Chargee. The representations and warranties so set out are made on the date of this Deed and are deemed to be repeated by the Chargor throughout the Security Period on

each day that representations or warranties are repeated under clause 18.27 (*Repetition*) of the Facility Agreement with reference to the facts and circumstances then existing.

5.2 Accounts

The Chargor is the sole legal and beneficial owner of the Accounts in its name and all monies deposited therein or standing to the credit thereof, each of which are free from any Security (other than pursuant to this Deed) and any other rights or interests in favour of third parties, other than the Chargee.

5.3 Assigned agreements

All agreements, contracts, deeds, appointments, licences, undertakings, guarantees, covenants, warranties, representations and other documents assigned by the Chargor to the Chargee pursuant to Clause 2.2 of this Deed are legal, valid, binding and (subject to the Legal Reservations) enforceable, and contain no prohibitions on assignment.

5.4 Material Contracts

5.4.1 All payments to the Chargor by any other party to a Material Contract are not subject to any right of set-off or similar right.

5.4.2 There is no prohibition on assignment or charging in any Material Contract.

5.4.3 There is no material breach, dispute, repudiation or disclaimer of liability under any Material contract.

5.4.4 No circumstances subsist whereby any Material Contract would be rendered or adjudged to be void, unenforceable or capable of rescission or revolution.

5.4.5 No Material Contract has been amended, extended, varied, released, surrendered, assigned, transferred, novated or terminated, nor has any breach of any provision thereof been waived, nor has any consent, waiver or approval been given, or discretion exercised, thereunder, in each case without the prior written consent of the Chargee.

5.5 Stamp duty

No stamp or registration duty (other than registration fees payable at the Land Registry) or similar tax or charge is payable in its jurisdiction of incorporation in respect of this Deed.

5.6 Securities and Derivative Assets

5.6.1 The Chargor is the sole, absolute legal and beneficial owner of the Securities and the Derivative Assets, that no person save the Chargor has any right or interest of any sort whatsoever in or to the Securities and the Derivative Assets and that there are no agreements or arrangements (including any restrictions on transfer or rights of pre-emption) affecting the Securities and the Derivative Assets in any way or which would or might in any way fetter or otherwise prejudice the rights of the Chargor or any mortgagee of the Securities and the Derivative Assets or any Receiver.

5.6.2 The Securities are duly authorised, validly issued and fully paid.

5.6.3 There are no covenants, agreements, conditions, interests, rights or other matters whatsoever which adversely affect the Securities.

5.6.4 There are no restrictions on the sale or transfer of all or any of the Securities under the articles of association or other constitutional or organisational documents of any person in which the Securities are held.

6. UNDERTAKINGS

6.1 Duration

The undertakings in this Clause 6 shall remain in force throughout the Security Period and are given by the Chargor to the Chargee.

6.2 Book Debts/Receipts and Rental Income

6.2.1 The Chargor shall at its own cost take all action to diligently collect and realise (or procure to be collected and realised) in a proper and timely manner all its book and other debts and monetary claims and pay the proceeds thus realised and subject to the terms of the Facility Agreement all Rental Income into the Collection Account or such other relevant Account as specified in the Facility Agreement or such separate and denominated account as the Chargee may designate from time to time and, pending payment into such account, shall hold the proceeds thus realised and all Rental Income upon trust for the Chargee.

6.2.2 Without prejudice to Clause 6.7, the Chargor shall not, without the prior written consent of the Chargee, release, exchange, compound, set-off or grant time or indulgence in respect of its book and other debts and monetary claims, or sell, factor, discount or otherwise deal with or dispose of them.

6.3 Notice to Tenants or Other Occupiers

6.3.1 The Chargor shall, at the direction of the Chargee at any time following the occurrence of a Default, give notice to each tenant or other occupier of the Mortgaged Property and any guarantor thereof substantially in the form specified in Schedule 3 and shall use reasonable endeavours to procure that each recipient promptly acknowledges that notice in the form specified in Schedule 3.

6.3.2 Without prejudice to the foregoing, the Chargor shall, on the date of this Deed, provide the Chargee with such notices in respect of each tenant or other occupier of the Mortgaged Property and any guarantor thereof, and the Chargee is hereby irrevocably and unconditionally authorised, at any time following the occurrence of a Default, to forthwith complete and deliver the same to such tenant or other occupier of the Mortgaged Property and any guarantor thereof.

6.4 Notice to Account Bank

6.4.1 The Chargor shall, at the direction of the Chargee from time to time, give notice to any bank, building society or other financial institution with whom any bank account of the Chargor is held substantially in the form specified in Schedule 4 and shall use reasonable endeavours to procure that such bank, building society or other financial institution shall promptly acknowledge that notice in the form specified in Schedule 4.

6.4.2 Without prejudice to the foregoing, the Chargor shall, on the date of this Deed, provide the Chargee with such notices in respect of each bank account held in its name in England and Wales in existence on such date, and the Chargee is hereby irrevocably and unconditionally authorised to forthwith complete and deliver the same to the relevant bank, building society or other financial institution with whom that bank account is held.

6.5 Notice to Insurers

6.5.1 The Chargor shall, at the direction of the Chargee from time to time, give notice to any insurers substantially in the form specified in Schedule 5 and shall use reasonable endeavours to procure that each such insurer shall promptly acknowledge that notice in the form specified in Schedule 5.

6.5.2 Without prejudice to the foregoing, the Chargor shall, on the date of this Deed, provide the Chargee with such notices in respect of each of the Insurances in existence on such date, and the Chargee is hereby irrevocably and unconditionally authorised to forthwith complete and deliver the same to the relevant insurer(s).

6.6 Notice to Contract Counterparties

The Chargor shall, at the direction of the Chargee from time to time, give notice to each counterparty to each Material Contract substantially in the form specified in Schedule 6 and shall use reasonable endeavours to procure that each such counterparty shall promptly acknowledge that notice substantially in the form specified in Schedule 6.

6.7 Restrictions on dealings

The Chargor shall not save as otherwise expressly permitted by or consented to under the Finance Documents:

- 6.7.1 create or permit to subsist any Security of whatsoever nature or in relation to any Security Asset other than any Security created by this Deed; nor
- 6.7.2 (whether by a single transaction or a number of related transactions, and whether at the same time or over a period of time) sell, transfer, novate, grant (including granting any option), declare a trust of, lease (other than the grant of Occupational Leases in accordance with the Finance Documents), licence or otherwise dispose of (or purport to do any of the foregoing) any Security Asset or any part thereof or permit the same to occur; nor
- 6.7.3 do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Security constituted hereby and/or the value of the Security Assets; nor
- 6.7.4 sell or otherwise dispose of any of its assets on terms whereby such asset is or may be leased to or re-acquired or acquired by it, or any other member of its group or sell or otherwise dispose of any of its receivables on recourse terms.

6.8 To comply with Laws relating to Security Assets

The Chargor shall comply with all obligations under any law or statute and all by-laws and regulations relating to the whole or any part of the Security Assets.

6.9 To provide information

- 6.9.1 The Chargor shall promptly provide to the Chargee such information as the Chargee may reasonably require about the Security Assets and compliance by the Chargor with the terms of this Deed.

6.10 Covenant to perform

- 6.10.1 The Chargor shall at all times comply with the express terms of this Deed.
- 6.10.2 If the Chargor fails to perform any of its obligations under this Clause 6 then the Chargee may take such steps as it considers appropriate to procure the performance of such obligations and shall not thereby be deemed to be a mortgagee in possession and the costs and expenses incurred by the Chargee shall be reimbursed by the Chargor on demand and until so reimbursed shall carry interest (both before and after judgement, bankruptcy, liquidation or administration) at the Default Rate from the date of the same being incurred to the date of payment.

6.11 Accounts

- 6.11.1 The Chargor shall not, without the prior written consent of the Chargee:
 - 6.11.1.1 utilise, withdraw or otherwise transfer any monies (including interest) standing to the credit of any Account, other than in accordance with the Facility Agreement;
 - 6.11.1.2 release, grant time or indulgence or compound with any third party or suffer to arise any set off or other adverse rights against any of the right, title, benefit and

interest of the Chargor whatsoever present and future in any monies (including interest) standing to the credit of any Account; nor

- 6.11.1.3 do or omit to do anything which may delay or prejudice the right of the Chargee to utilise, withdraw or transfer any monies (including interest) standing to the credit of any Account in accordance with the provisions of this Deed.

6.12 Securities

Deposit of Securities

- 6.12.1 The Chargor shall deposit with the Chargee on the date hereof and otherwise on coming into the possession or control of the Chargor:

- 6.12.1.1 all stock and share certificates and documents of title relating to the Securities;
- 6.12.1.2 duly executed transfers or stock transfer forms in respect of the Securities with the name of the transferee, the date and the consideration left blank; and
- 6.12.1.3 such other documents (including, without limitation, any declarations of trust in respect of any Securities which are not held in the Chargor's sole name) as the Chargee may from time to time require for perfecting the title of the Chargee to the Securities including any bonus or rights issue (duly executed by or signed on behalf of the registered holder) or for vesting or enabling the Chargee to vest the same in itself or its nominees or in any purchaser;

to the intent, in each such case, that the Chargee may at any time, without notice, present them for registration.

Dealing with Securities

- 6.12.2 The Chargor shall not (and shall otherwise procure that the following shall not occur) (without the prior written consent of the Chargee or except as expressly provided in the Facility Agreement):

- 6.12.2.1 permit any person other than the Chargor or the Chargee (or the nominee or the agent of the Chargee) to be registered as holder of the Securities or any part thereof;
- 6.12.2.2 do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Chargee of the Securities and the Derivative Assets;
- 6.12.2.3 take or permit the taking of any action which may result in: (a) the rights attaching to any of the Security Assets being altered; (b) further shares in any person in which the Securities are held being issued; and/or (c) any Securities being consolidated, sub-divided or converted;
- 6.12.2.4 (amend the articles of association or other constitutional documents of any person in which the Securities are held;
- 6.12.2.5 take or permit the taking of any action which results in the redomiciliation of any person in which the Securities are held to a jurisdiction other than England and Wales or Scotland;
- 6.12.2.6 register the transfer of any Securities to any person; nor
- 6.12.2.7 raise any objection to the transfer of the Securities pursuant to the enforcement by the Chargee of any of its rights under and in accordance with this Deed.

- 6.12.3 The Chargor hereby further covenants and agrees with the Chargee that:

- 6.12.3.1 the Chargee may hold all or any of such Securities or with any correspondents or other agents whether in the United Kingdom or overseas and that all the Securities shall be held at the expense, risk and responsibility of the Chargor; and
- 6.12.3.2 the Chargor shall provide to the Chargee a copy of any report, accounts, circular or notice received in respect of or in connection with any of the Securities promptly following the receipt thereof by the Chargor.

Dividends and voting rights

- 6.12.4 The Chargee hereby agrees with the Chargor that until the occurrence of an Event of Default the Chargor may exercise all voting rights and other rights and powers attached to the Securities provided that it does not exercise the same in any way which may, in the opinion of the Chargee, be prejudicial to the interests of the Chargee under the Finance Documents or which varies the rights attaching to or conferred by the Securities in a way which could reasonably be expected to adversely affect the interests of the Chargee.
- 6.12.5 On or at any time after the occurrence of an Event of Default or after the Chargor has requested the appointment of a Receiver, or after the appointment of a Receiver:
 - 6.12.5.1 the Chargee may (in the name of the Chargor or otherwise and without any consent or authority on the part of the Chargor irrespective of any direction given by the Chargor) exercise or refrain from exercising all voting and other rights and powers which may be exercised by the person or persons in whose name or names any of the Securities are registered or who is the holder of any of them (including all the powers and discretions conferred on trustees by the Trustee Act 1925 and the Trustee Act 2000 except as otherwise expressly provided for in this Deed but provided that the duty of care set out in Section 1(1) of the Trustee Act 2000 shall not apply to any such power of investment (however conferred) by the Chargee in respect of securities or property subject to a trust), and the Chargor hereby irrevocably authorises and appoints the Chargee to exercise all such voting and other rights accordingly. (For the avoidance of doubt, in case of any conflict between the Trustee Act 2000 and the terms of this Deed, the terms of this Deed shall prevail, to the fullest extent permitted by law); and
 - 6.12.5.2 all Derivative Assets shall be paid without any set off or deduction whatsoever to the Chargee.
- 6.12.6 The Chargor shall not nominate another person to enjoy or exercise all or any specified rights of the Chargor in relation to its Securities, as contemplated by section 145 of the Companies Act 2006 or otherwise.

Calls and other obligations

- 6.12.7 The Chargor shall promptly pay all calls, instalments or other payments due and payable in respect of any of the Securities and the Derivative Assets and if it fails to do so the Chargee may pay the calls, instalments or other payments on behalf of the Chargor. The Chargor shall forthwith on demand reimburse the Chargee for any payment made by the Chargee pursuant to this Clause 6.12 together with interest (as well after as before judgement, liquidation, bankruptcy, winding up or administration (whether out of court or otherwise)) at the Default Rate of interest from the date of payment by the Chargee up to and including the date of reimbursement by the Chargor.
- 6.12.8 The Chargor shall comply with all requests for information within its knowledge relating to the Securities which are made under section 793 of the Companies Act 2006 or which could be made under section 793 if the relevant company were a public limited company or under any similar provision contained in the articles of association or other constitutional documents of the relevant company relating to the Securities and, if it fails to do so, the Chargee may provide such information as it may have on behalf of the Chargor.

6.12.9 The Chargor shall comply with all other conditions and obligations assumed by it in respect of any of the Securities and the Derivative Assets.

6.12.10 The Chargee is not obliged to carry out any obligation of the Chargor in respect of the Securities and the Derivative Assets or to make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Chargor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Deed.

7. WHEN SECURITY BECOMES ENFORCEABLE

The security constituted by this Deed shall become immediately enforceable and the power of sale and other powers conferred by section 101 of the Act, as varied or amended by this Deed, shall be immediately exercisable upon and at any time after the occurrence of any Event of Default which is continuing after which the Chargee may in its absolute discretion enforce all or any part of the security in any manner it sees fit or in accordance with the provisions of the Finance Documents.

8. ENFORCEMENT OF SECURITY

8.1 General

8.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due on the date of this Deed.

8.1.2 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 the security constituted by this Deed.

8.1.3 The statutory powers of leasing conferred on the Chargee are extended so that, without the need to comply with any provision of sections 99 or 100 of the Act, the Chargee is empowered to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee may think fit.

8.1.4 The Chargor shall (at its own cost) forthwith upon the request of the Chargee, appoint a second trustee or co-trustee (if there are not already two such trustees) (in each case approved by the Chargee) of all or part of the Mortgaged Property or any other Security Assets.

8.2 Right of Appropriation of Financial Collateral

To the extent that any of the Security Assets constitute Financial Collateral and this Deed and the obligations of the Chargor under this Deed constitute a Security FCA, the Chargee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any part of such Financial Collateral in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of such Financial Collateral shall be:

8.2.1 (in the case of cash) the amount standing to the credit of each bank account of the Chargor as the same may be secured hereunder pursuant to a Security FCA, together with any accrued but unpaid interest, at the time the right of appropriation is exercised; and

8.2.2 (in the case of Securities as the same may be secured hereunder pursuant to a Security FCA) the market price of such Securities determined by the Chargee by reference to a public index or by such other process as the Chargee may reasonably select (including independent valuation);

and, in each case, the parties hereby agree that the manner of valuation provided for in this Clause 8.2 shall constitute a commercially reasonable manner of valuation for the purposes of the Regulations. To the extent that any of the Security Assets constitute Financial Collateral, the Chargor hereby agrees that such Security Assets shall be held or re-designated so as to be under the control of the Chargee for the purposes of the Regulations.

8.3 Contingencies

If the Chargee enforces the security constituted by this Deed (whether by the appointment of a Receiver or otherwise howsoever) at a time when no amounts are due under the Finance Documents but at a time when amounts may or will become so due, the Chargee (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing account or otherwise as directed by the Chargee.

8.4 No liability as mortgagee in possession

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

8.5 Privileges

Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply.

8.6 Protection of third parties

No person (including a purchaser) dealing with the Chargee or a Receiver or its or his agents need enquire:

- 8.6.1 whether the Secured Liabilities have become payable; or
- 8.6.2 whether any power which the Chargee or that Receiver may purport to exercise has become exercisable or is being properly exercised; or
- 8.6.3 whether any money remains due under the Finance Documents; or
- 8.6.4 how any money paid to the Chargee or to the Receiver is to be applied.

8.7 Redemption of prior mortgages

At any time after the security constituted by this Deed has become enforceable, the Chargee may, at the sole cost and expense of the Chargor (payable to the Chargee on demand):

- 8.7.1 redeem any prior form of Security on or relating to any Security Asset; and/or
- 8.7.2 procure the transfer of that form of Security to itself; and/or
- 8.7.3 settle and pass the accounts of any prior mortgagee, chargee, security holder or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

The Chargor shall on demand pay to the Chargee all principal monies and interest and all costs, expenses and losses incidental to any such redemption or transfer made pursuant to this Clause 8.7.

9. RECEIVER AND ADMINISTRATOR

9.1 Appointment of Receiver or Administrator

- 9.1.1 At any time after the security constituted by this Deed becomes enforceable, or at any time if the Chargor so requests the Chargee in writing, the Chargee may, without further notice, appoint in writing under seal or in writing under its hand any one or more persons to be a Receiver of all or any part of the Security Assets as if the Chargee had become entitled under the Act to exercise the power of sale conferred under the Act.

9.1.2 At any time after the security constituted by this Deed becomes enforceable, without further notice the Chargee may appoint (or apply to the court to appoint) any one or more qualified persons to be an administrator of the Chargor.

9.1.3 In this Deed "qualified person" means a person who, under any applicable provision of the Insolvency Act 1986, is qualified to act as a receiver of the property of any company with respect to which he is appointed or as an administrative receiver or administrator of any such company.

9.1.4 Nothing in this Deed shall prejudice or limit any power, right or remedy available to an administrator at law.

9.2 Relationship with Chargee

To the fullest extent permitted by law, any right, power or discretion conferred by this Deed (be it express or implied) or by law upon a Receiver, security holder or mortgagee of any Security Asset may, after the security created by this Deed has become enforceable, be exercised by the Chargee in relation to any Security Asset either:

9.2.1 without first appointing a Receiver; or

9.2.2 notwithstanding the appointment of a Receiver.

9.3 Agent of the Chargor

For all purposes each Receiver is deemed to be the agent of the Chargor and accordingly is deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargor alone shall be responsible for the Receiver's contracts, engagements, acts, commissions, omissions, defaults and losses and for liabilities incurred by him, and the Chargee shall not incur any liability of whatsoever nature (either to the Chargor or to any other person) by reason of the Chargee making his appointment as a Receiver or for any other reason. The agency of the Receiver shall continue until the Chargor shall go into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.

9.4 Removal

The Chargee may by writing under its hand (subject to any requirement for any order of the court in the case of an administrative receiver):

9.4.1 remove any Receiver appointed by it;

9.4.2 whenever it deems it expedient, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated; and

9.4.3 replace an administrator of the Chargor previously appointed by the Chargee where there is a vacancy in such office.

9.5 Remuneration

The Chargee may, subject to section 36 of the Insolvency Act 1986, fix the remuneration of any Receiver appointed by it without being limited to the maximum rate specified in section 109(6) of the Act.

10. POWERS OF RECEIVER

10.1 General

10.1.1 In addition to those conferred by the Act on any receiver appointed under the Act, each Receiver has, and is entitled to exercise, all of the rights, powers, remedies and discretions set out below in this Clause 10 and all other rights, powers, remedies and discretions conferred on any Receiver or the Chargee elsewhere in this Deed.

- 10.1.2 If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receivers.
- 10.1.3 Every Receiver for the time being holding office by virtue of an appointment made by the Chargee under this Deed shall have all the rights, powers and discretions conferred by the Act, the Insolvency Act 1986 and otherwise by law and shall have all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986.
- 10.1.4 A Receiver may, in the name of the Chargor if he so wishes:
- 10.1.4.1 do all acts and things which he may consider expedient 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 by law; and
 - 10.1.4.2 exercise in relation to any Security Asset all the powers, authorities and things which he would be capable of exercising as if he were its absolute beneficial owner (including, for the avoidance of doubt, the operation of any account (including, without limitation, any Account) in which the relevant Chargor has any rights, title or interest (whether legal or beneficial)).
- 10.2 **Borrow money**
- A Receiver may raise and borrow money (either unsecured or on the security of any Security Asset, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.
- 10.3 **Carry on business**
- A Receiver may carry on the business of the Chargor as he thinks fit.
- 10.4 **Compromise**
- A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Security Asset.
- 10.5 **Delegation**
- A Receiver may delegate his powers in accordance with Clause 13.
- 10.6 **Employees**
- For the purposes of this Deed, a Receiver may:
- 10.6.1 appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
 - 10.6.2 discharge any such persons appointed by the Chargor.
- 10.7 **Leases**
- A Receiver may let or licence any Security Asset (or any part thereof) for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).
- 10.8 **Legal actions**

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any Security Asset as he considers expedient.

10.9 Possession

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

10.10 Protection of assets

A Receiver may, in each case as he may think fit:

10.10.1 make and effect all repairs, renewals, and improvements, and effect, renew or increase any insurances, and do all other acts which the relevant Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Security Assets;

10.10.2 commence and/or complete any building and/or reinstatement operations on the Mortgaged Property or other Security Asset; and

10.10.3 apply for, obtain and maintain any planning permission, building regulation approval or any other permission, consent or licence.

10.11 Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which he may consider expedient for realising any Security Asset.

10.12 Sale of Assets

A Receiver may sell, exchange, grant an option over, convert into money and realise, or otherwise dispose of any Security Asset by public auction or private contract in any manner and on any terms which he thinks proper (including to any Subsidiary referred to below). The consideration for any such transaction may be nil, or may consist of cash, shares of profits or sums calculated by reference to profits or turnover, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures may be severed and sold or leased separately from the property containing them without the consent of the Chargor. Any such sale, exchange, grant, conversion, realisation or disposal may be on terms excluding or limiting liability of the Chargee and/or the Receiver.

10.13 Subsidiaries

A Receiver may form a Subsidiary or Subsidiaries of the Chargor and transfer, lease, licence or otherwise dispose of to any such Subsidiary any Security Asset (or part thereof); and a Receiver may grant security over the assets of any such Subsidiary.

10.14 Services

A Receiver may provide, or procure the provision of, all services (including without limitation heating, lighting and cleansing) which may be deemed expedient in relation to the occupation or management of the Security Assets.

10.15 Contracts

A Receiver may enter into, grant, perform, repudiate, rescind, terminate, vary, modify, assign, sub-let or novate any contract, agreement, option agreement, Occupational Lease, Headlease, licence, building contract, management agreement, development or construction contract, contractor's warranty, third party right, or professional appointment or otherwise for or which relates in any way to the Security Assets.

10.16 Landlord and Tenant

A Receiver may make allowances to and rearrangements with any lessees, tenants or other persons from whom any rents and profits may be receivable and to exercise any powers and provisions conferred on a landlord or tenant (including without limitation any rights, powers and remedies of the Chargor (as tenant) under any Headlease, for the avoidance of doubt to the exclusion of the Chargor).

10.17 **Acquire Additional Property**

A Receiver may acquire or exchange any interest in any real or personal property which he may consider necessary or desirable to acquire in order to maintain or enhance the value of the Security Assets or any part thereof and to grant or surrender easements, covenants and licences and to make exchanges and to enter into any agreements for the revision of boundaries.

10.18 **Rent Reviews**

A Receiver may implement, negotiate and agree rent reviews in such manner and upon such terms as the Receiver deems appropriate.

10.19 **Covenants, Guarantees and Indemnities**

A Receiver may enter into bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he thinks fit and make all payments needed to effect, maintain or satisfy such obligations and liabilities.

10.20 **VAT**

A Receiver may make such elections for VAT purposes as the Receiver in his absolute discretion thinks fit.

10.21 **Oppose Petitions and Applications**

A Receiver may take proceedings or any other step as it considers fit to oppose:

- 10.21.1 any petition to place the Chargor into liquidation, or provisional liquidation or an application for the appointment of an administrator (whether out of court or otherwise); or
- 10.21.2 the taking of any step or procedure under any other analogous insolvency or bankruptcy laws in any other jurisdiction in relation to the Chargor or any of its assets.

10.22 **Administrative costs**

A Receiver may pay the proper administrative charges of the Chargee in respect of time spent by their agents and employees in dealing with matters raised by the Receiver, or relating to the receivership of the Chargor or any Security Assets.

10.23 **Insurance and Headleases**

A Receiver may, in each case as he sees fit, negotiate, liaise or agree any matters with the landlord of any Mortgaged Property (under any Headlease) and/or the insurer(s) of any Mortgaged Property in respect of, and/or take any step or action in connection with:

- 10.23.1 the application of any insurance proceeds (under the Insurances or pursuant to any Headlease);
- 10.23.2 the reinstatement of any Mortgaged Property; and/or
- 10.23.3 any matters or actions ancillary thereto;

and shall have and may exercise (or refrain from exercising) all rights, powers and remedies of the Chargor (as tenant) under any Headlease, for the avoidance of doubt to the exclusion of the Chargor.

10.24 **Securities**

A Receiver may exercise all voting and other rights attaching to the Securities and the Derivative Assets.

10.25 **Intellectual property rights**

A Receiver may take all steps necessary to effect all registrations, renewals, applications and notifications, as the Receiver may in his discretion think prudent to maintain in force, or protect, the Chargor's intellectual property rights.

10.26 **Appoint Co-trustee**

A Receiver may appoint a second trustee or co-trustee of all or any part of the Security Assets.

11. **APPLICATION OF PROCEEDS**

11.1 Subject to Clause 11.4, all amounts received or recovered by the Chargee, any Receiver or any administrator after this Deed has become enforceable, or in connection with the realisation or enforcement of all or any part of this Deed (for the purposes of this Clause 11, the "**Recoveries**"), shall be applied (and the parties hereto shall direct or request any administrator to apply such monies) in the following order of priority (but without prejudice to the right of the Chargee to recover any shortfall from the Chargor):

11.1.1 in discharging any sums (including remuneration) owing to the Chargee, any Receiver or any Delegate;

11.1.2 in payment of all costs and expenses incurred by the Chargee in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Deed, the Facility Agreement and the other Finance Documents;

11.1.3 in payment to the Chargee for application in payment of, or provision for, the Secured Liabilities in accordance with clause 27.2 (*Partial payments*) of the Facility Agreement; and

11.1.4 (upon termination of the Security Period) in payment of the surplus (if any) to the Chargor or other person entitled to it.

11.2 Clause 11.1 overrides any appropriation made by the Chargor.

11.3 Clause 11.1 is subject to the claims of any person having at law prior rights thereto, and is by way of variation of the provisions of the Act.

11.4 The Chargee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Chargee with such financial institution (including itself) and for so long as the Chargee shall think fit (the interest being credited to the relevant account) for later application under Clause 11.1 in respect of:

11.4.1 any sum to the Chargee, any Receiver or any Delegate; and

11.4.2 any part of the Secured Liabilities;

that the Chargee reasonably considers, in each case, might become due or owing at any time in the future.

12. **EXPENSES AND INDEMNITY**

12.1 The Chargor shall, within five Business Days of demand, pay to the Chargee and every Receiver or Delegate (a "**Relevant Person**") the amount of all costs and expenses (including legal fees, valuers' fees, and consulting and other professional fees) incurred by that Relevant Person in connection with the enforcement of, or the preservation of any rights under, this Deed or the security constituted hereby and with any proceedings instituted by or

against that Relevant Person as a consequence of it entering into this Deed, taking or holding the security constituted hereby, or enforcing those rights.

- 12.2 The Chargor shall promptly indemnify each Relevant Person against any cost, loss or liability incurred by any of them as a result of:

- 12.2.1.1 any failure by the Chargor to comply with its obligations under Clause 12.1;
- 12.2.1.2 the taking, holding, protection or enforcement of the security constituted by this Deed;
- 12.2.1.3 the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Chargee and/or each Receiver and Delegate by this Deed or by law;
- 12.2.1.4 any default by the Chargor in the performance of any of the obligations expressed to be assumed by it in this Deed;
- 12.2.1.5 acting as Chargee, Receiver or Delegate (as the case may be) under this Deed or which otherwise relates to any of the Security Property constituted by or in connection with this Deed (otherwise, in each case, than by reason of the Relevant Person's gross negligence or wilful misconduct).

- 12.3 The Chargor shall pay interest at the Default Rate on the sums payable under this Clause 12 from the date on which the liability was incurred to the date of actual payment (both before and after judgement).

- 12.4 Each Relevant Person may, in priority to any payment to Chargee, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 12 and shall have a lien on the Security Assets and the proceeds of the enforcement of the Security Assets for all moneys payable to it.

13. DELEGATION

The Chargee and any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Chargee or any Receiver under this Deed. Any such delegation may be made upon the terms (including power to sub delegate) and subject to any regulations which the Chargee or such Receiver (as the case may be) may think fit. Neither the Chargee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub delegate. References in this Deed to a Receiver or Chargee shall be deemed to include delegates appointed in accordance with this Clause 13.

14. FURTHER ASSURANCES

- 14.1 The Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may specify (and in such form as the Chargee may require in favour of the Chargee or its nominee(s)):

- 14.1.1 to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed (which may include the execution or re-execution of a mortgage, charge, assignment or other Security over all or any of the Security Assets or for the exercise of any rights, powers and remedies of the Chargee or a Receiver provided by or pursuant to this Deed or by law);

- 14.1.2 to confer on the Chargee, Security over any property and assets of it located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to the Security Documents; and/or

- 14.1.3 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Transaction Security.
- 14.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Chargee by or pursuant to this Deed.
- 14.3 The obligations of the Chargor under this Clause 14 shall be in addition to and not in substitution for (a) the covenants for further assurance deemed to be included herein by virtue of section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 and (b) Clause 17.4.4 (*Land*).

15. POWER OF ATTORNEY

- 15.1 The Chargor by way of security hereby irrevocably appoints the following, namely:

- 15.1.1 the Chargee;
- 15.1.2 each and every person to whom the Chargee shall from time to time have delegated the exercise of the power of attorney conferred by this Clause;
- 15.1.3 any Receiver appointed hereunder and for the time being holding office as such; and
- 15.1.4 any administrator of the Chargor;

jointly and also severally to be its attorney or attorneys with full power of substitution and in its name and otherwise on its behalf, (in respect of (b) – (e) below at any time after the occurrence of an Event of Default which is continuing), to do all acts and things and to sign, seal, execute, deliver, perfect and do all deeds, instruments, documents, acts and things which may be necessary or desirable for:

- (a) carrying out any obligation imposed on the Chargor by or pursuant to this Deed which the Chargor has failed to carry out (including, but not limited to, the obligations of the Chargor under Clause 14 (*Further Assurances*) and the statutory covenant referred to in such Clause);
 - (b) carrying out any sale, lease or other dealing by the Chargee, its delegates, any Receiver or any administrator into effect;
 - (c) conveying or transferring any legal estate or other interest in land or transferring ownership or title in any other Security Assets or other property or assets or otherwise howsoever;
 - (d) the purposes of the Chargee or such Receiver or any administrator appointing a second trustee or co-trustee under the Trusts of Land and Appointment of Trustees Act 1996 of all or part of the Security Assets;
 - (e) getting in the Security Assets (if applicable); and
 - (f) generally for enabling the Chargee, its delegates, any Receiver and any administrator to exercise the respective powers conferred on them by or pursuant to this Deed or by law.
- 15.2 The Chargee shall have full power to delegate the power conferred on it by this Clause, but no such delegation shall preclude the subsequent exercise of such power by the Chargee itself or preclude the Chargee from making a subsequent delegation thereof to some other person; any such delegation may be revoked by the Chargee at any time.
- 15.3 The power of attorney hereby granted is as regards the Chargee, its delegates, any Receiver and any administrator (and as the Chargor hereby acknowledges) granted irrevocably and for value as part of the security constituted by this Deed to secure proprietary interests in

and the performance of obligations owed to the respective donees within the meaning of the Powers of Attorney Act 1971.

- 15.4 The Chargor hereby ratifies and confirms, and agrees to ratify and confirm, whatever any such attorney shall do or purport to do in the exercise or purported exercise of the power of attorney contained in this Clause 15.

16. PRESERVATION OF RIGHTS

16.1 Additional security

The security constituted by this Deed is in addition to and not in substitution for, and is not in any way to be merged into or in any way excluded or prejudiced by (nor shall it prejudice), any other security, guarantee or indemnity now or subsequently held by the Chargee for any of the Secured Liabilities or any other amount due by the Chargor or any Transaction Obligor to the Chargee. Neither shall it be prejudiced by (nor prejudice) any rights of set-off, combination of accounts, lien or other rights exercisable by the Chargee as banker.

16.2 Continuing security

The security constituted by this Deed is continuing and shall extend to the ultimate balance of all the Secured Liabilities, regardless of any intermediate payment, performance or discharge in whole or in part, and shall continue in full force and effect until the end of the Security Period.

16.3 Reinstatement

- 16.3.1 If any payment by the Chargor or any other person or any release, discharge or arrangement given by the Chargee (whether in respect of the obligations of the Chargor, any Transaction Obligor, or any other person, or any security for those obligations or otherwise) is avoided or reduced or must be restored as a result of liquidation, administration, bankruptcy or insolvency or any similar event, or otherwise howsoever (in each case whether in whole or part):

16.3.1.1 the liability of the Chargor shall continue or be reinstated as if the payment, discharge, avoidance, reduction or restoration had not occurred; and

16.3.1.2 the Chargee shall be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, discharge, avoidance, reduction or restoration had not occurred;

and any liability under this Clause 16.3 shall be secured by this Deed.

- 16.3.2 The Chargee may freely concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

16.4 Waiver of defences

The obligations of the Chargor under this Deed, the security constituted by this Deed, and the rights, powers and remedies of the Chargee hereunder or at law, shall in each case not be discharged, impaired or otherwise affected by (without limitation, and whether or not known to the Chargor or Chargee):

- 16.4.1 any time, indulgence, waiver (in whole or in part, and howsoever fundamental) or consent granted to, or composition with, any Transaction Obligor or any other person;
- 16.4.2 any delay or forbearance by the Chargee in exercising its rights or remedies under any Finance Document;
- 16.4.3 the release of any Transaction Obligor or any other person under the terms of any composition, compromise or arrangement with any creditor of any Transaction Obligor or any other person;

- 16.4.4 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 Transaction Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 16.4.5 any incapacity, disability, or lack of power, authority or legal personality of or dissolution or change in the members, constitution, identity, control, function or status of any Transaction Obligor or any other person;
- 16.4.6 any amendment, novation, supplement, extension (whether of maturity or otherwise howsoever) or restatement (in each case, however fundamental and of whatsoever nature and whether or not more onerous) or replacement of a Finance Document or any other document or security;
- 16.4.7 any change in the constitution or identity of the Chargee, including (without limitation): (a) the absorption or amalgamation by or of the Chargee with any person; (b) the acquisition of all or part of the Chargee's undertaking or assets by any other person; (c) any reconstruction or reorganisation of the Chargee of any kind; or (d) any assignment, transfer, novation, participation or other disposal (whether in whole or part) of the Chargee's rights and/or obligations under the Finance Documents or any of them;
- 16.4.8 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, to the intent that the Chargor's obligations under this Deed shall remain in full force, as if there were no such unenforceability, illegality or invalidity;
- 16.4.9 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of any other person under or in connection with any Finance Document or any other document or security resulting from any insolvency, liquidation, administration, bankruptcy, or dissolution proceedings or similar proceedings or from any law, regulation or order so that each such obligation shall for the purposes of the Chargor's obligations under this Deed be construed as if there were no such circumstance;
- 16.4.10 any other act, omission, matter or thing (whether or not known to the Chargor or the Chargee which, but for this Clause 16.4, might reduce, release, diminish, discharge, impair, prejudice or otherwise affect the obligations of the Chargor under this Deed, the security constituted by this Deed, and/or the rights, powers and remedies conferred upon the Chargee by any Finance Document or at law.

16.5 **Confirmations**

Without prejudice to the generality of Clause 16.4 (*Waiver of defences*), the Chargor hereby expressly confirms that it intends that the Security constituted by (or intended to be constituted by) this Deed shall extend from time to time to any (however fundamental and whether or not more onerous) variation, increase, extension or addition to or of any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purpose of or in connection with (without limitation) any of the following:

- 16.5.1 business or property acquisitions of any nature;
- 16.5.2 increasing working capital;
- 16.5.3 enabling investor distributions to be made;
- 16.5.4 carrying out restructurings;
- 16.5.5 refinancing any other indebtedness;
- 16.5.6 making existing or additional facilities available to existing or new borrowers;

- 16.5.7 increasing or decreasing any facility or increasing or decreasing the period for which any facility is available, or in which it or the Secured Liabilities are payable;
- 16.5.8 the changing of the identity of any party or parties (including, without limitation, the identity of the providers of any security, guarantees or indemnities);
- 16.5.9 any other variation or extension of the purposes for which any such facility or amount might be available from time to time;
- 16.5.10 any other variation, renewal, payment, compromise, discharge, extension or release, in whole or in part, of any Finance Document or any modifications to the terms thereof; and/or
- 16.5.11 any fees, costs and/or expenses (including, without limitation, legal, accountancy, consultancy, and/or valuation expenses) associated with any of the foregoing.

16.6 **Immediate recourse**

- 16.6.1 The Chargor waives and abandons any rights it may at any time have of first requiring the Chargee to:

- 16.6.1.1 proceed against, or claim or demand payment from, any person; or
- 16.6.1.2 enforce any other rights or security, guarantees or indemnities; or
- 16.6.1.3 take any action or obtain judgment in any court against any person; or
- 16.6.1.4 require that any person be made a party to any proceedings against the Chargor; or
- 16.6.1.5 have recourse first to any assets of any person; or
- 16.6.1.6 file any proof or claim in any insolvency, administration, bankruptcy, liquidation or similar proceedings relating to any other person;

in each case before claiming from, or proceeding or taking any such action against or in respect of, the Chargor under this Deed.

- 16.6.2 The waivers contained in Clause 16.6.1 apply irrespective of any law or any provision in any Finance Document to the contrary.
- 16.6.3 For the avoidance of doubt, the Chargor shall be bound by this Deed whether or not made a party to any legal or other proceedings against any Transaction Obligor or any other person for the recovery of any monies in respect of the Secured Liabilities and whether or not any formalities at any time required by the laws of England with regard to the rights or obligations of sureties shall or shall not have been observed.

16.7 **Appropriations**

During the Security Period the Chargee (or any trustee or agent on its behalf) may:

- 16.7.1 refrain from applying or enforcing any other monies, security or rights held or received by the Chargee (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and
- 16.7.2 hold in an interest bearing suspense account any monies received from the Chargor or on account of the Chargor's liability under this Deed.

16.8 Non-competition

16.8.1 During the Security Period, the Chargor shall not (unless the Chargee otherwise directs, in which case it shall), after a demand or claim has been made or by virtue of any payment, performance or discharge by it under this Deed or any other Finance Document:

- 16.8.1.1 take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights, guarantees, security or monies held, received or receivable by the Chargee (or any trustee or agent on its behalf), nor exercise any other rights or remedies which the Chargor may have in respect thereof;
- 16.8.1.2 be entitled to any right of contribution or indemnity from any Transaction Obligor, or any other person in respect of any payment made or monies received on account of the Chargor's liability under this Deed or the other Finance Documents;
- 16.8.1.3 claim, rank, prove or vote as a creditor of any Transaction Obligor, or any other person or its estate, or in any liquidation or administration or similar proceedings, in each case in competition with the Chargee (or any trustee or agent on its behalf);
- 16.8.1.4 bring any legal or other proceedings for an order requiring any Transaction Obligor, or any other person to make any payment, or perform any obligation, in respect of which the Chargor has given any guarantee, undertaking or indemnity under the Finance Documents; nor
- 16.8.1.5 receive, claim or have the benefit of any payment, distribution or security from or on account of any Transaction Obligor, or any other person, or exercise any right of set-off or counterclaim as against any such person.

16.8.2 The Chargor shall hold in trust for, and forthwith pay or transfer to, the Chargee any payment, distribution, contribution or benefit received by it either contrary to Clause 16.8.1 or as a result of a direction of the Chargee under Clause 16.8.1.

16.9 Security held by Chargor

The Chargor shall not hold any security from any other person in respect of the Chargor's liability under this Deed and/or the other Finance Documents. The Chargor shall hold any security held by it in breach of this Clause 16.9 on trust for the Chargee.

16.10 Voluntary arrangements

Without prejudice to the Chargee's rights to recover such sums as a secured creditor under any Finance Document, on the approval of any voluntary arrangement in respect of any Transaction Obligor (or the implementation of any compromise or scheme of arrangement or any analogous procedure to any of the foregoing in any other jurisdiction) under which any Transaction Obligor's obligations to the Chargee are compromised in any way, the Chargor shall as principal obligor be liable to the Chargee for, and hereby undertakes to the Chargee (as a separate and additional covenant) immediately on demand from time to time to pay to the Chargee, amounts equal to the sums that would have been payable to the Chargee by any Transaction Obligor, or any guarantor of any Transaction Obligor, had such compromise not occurred, and so that payment shall be made by the Chargor to the Chargee under this Clause 16.10 in the amounts and at the times at which but for the said compromise any Transaction Obligor would have been obliged to make payment to the Chargee. The Chargor's liability under this Clause 16.10 shall, without prejudice to the generality of Clause 16.4 (*Waiver of defences*), not be affected in any way by the Chargee voting in favour of (if the Chargee choose to do so) any voluntary arrangement, compromise, scheme of arrangement or analogous procedure proposed by or in respect of the Company.

17. MISCELLANEOUS

17.1 Covenant to Pay

17.1.1 The Chargor covenants with and undertakes to the Chargee that it shall on demand pay, perform or discharge all the Secured Liabilities on the due date or dates therefor.

17.1.2 The Chargor covenants with and undertakes to the Chargee to pay interest on the Secured Liabilities (to the extent not otherwise charged pursuant to the Facility Agreement) on demand until full discharge (whether before or after judgement, liquidation, winding-up, bankruptcy, administration (whether out of court or otherwise)), such interest to accrue from day to day (on the basis of a 365 day year) calculated at the Default Rate of interest. The Chargee may compound interest (at such frequencies as prescribed by the Facility Agreement, or if not so prescribed, monthly) if it is not paid when due.

17.2 The Land Registry

The Chargor shall, at the direction of the Chargee, promptly apply on Form RX1 to the Land Registry (and the Chargor hereby consents to any such application being made by the Chargee) for a restriction in the following terms to be entered on the registers of each title of any such property registered at the Land Registry in its name and against which this Deed may be noted (including, without limitation, the Mortgaged Property):

"No disposition [or specify details] of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of [chargee] referred to in the charges register or his conveyancer."

17.3 Tacking

The obligation (if any) on the part of the Chargee (as Lender) to make further advances to the Chargor under the Facility Agreement is deemed to be incorporated in this Deed as if set out in this Deed. The Chargor shall promptly apply on form CH2 (and the Chargor hereby consents to any such application being made by the Chargee) to the Land Registry for a note of such obligation to be entered on the registers of each title of all present and future registered freehold, commonhold and leasehold property of the Chargor (including, without limitation, the Mortgaged Property).

17.4 Land

17.4.1 If the title to any of the Mortgaged Property at any time is not registered at the Land Registry, the Chargor shall ensure that no person other than the Chargor shall be registered under the Land Registration Act 2002 or otherwise as the proprietor of all or any part of such Mortgaged Property without the prior consent in writing of the Chargee.

17.4.2 In the case of the title to any of the Mortgaged Property which is not registered at the Land Registry (including, in particular, any unregistered Mortgaged Property subject to compulsory first registration at the Land Registry under the provisions of the Land Registration Act 2002 as at the date of this Deed), the Chargor shall promptly:

17.4.2.1 apply on Form FR1 for the first registration of the title to such property at the Land Registry or on Form CM1 in the case of any such Mortgaged Property to be registered at the Land Registry as commonhold property;

17.4.2.2 apply on Form RX1 for a restriction against such title in the form set out in Clause 17.2 of this Deed (as applicable);

17.4.2.3 make an application on Form CH2 pursuant to Clause 17.3 of this Deed; and

- 17.4.2.4 pending such applications, (unless the Chargee otherwise directs) register this Deed in respect of such property at the Land Charges Registry pursuant to the Land Charges Act 1972;

and the Chargor hereby consents, in each such case, to any such application being made by the Chargee.

- 17.4.3 Whether or not the title to the Mortgaged Property is registered at the Land Registry, in the event that any caution against first registration or any notice (whether agreed or unilateral) is registered against the title to all or any part of the Mortgaged Property, the Chargor shall immediately provide the Chargee with full particulars of the circumstances relating to such registration or notice and if such caution or notice shall have been registered in order to protect a purported interest the creation of which is not permitted under this Deed and/or the Finance Documents, the Chargor shall immediately and at its expense take such steps as the Chargee may require to ensure that the caution or notice (as applicable) is withdrawn or cancelled.
- 17.4.4 In relation to any freehold, commonhold or leasehold or other interest in property acquired by or on behalf of the Chargor on or after the date of this Deed, the Chargor shall (at its own expense):
- 17.4.4.1 notify the Chargee immediately upon the occurrence of such acquisition (and for the purposes of this Clause 17.4.4.1 the date of exchange of contracts for such an acquisition shall be deemed the date of acquisition);
 - 17.4.4.2 where the title to any such property is registered at the Land Registry, within the applicable priority period apply to be registered as the proprietor of the registered estate acquired in relation to such property (and the Chargor hereby consents to any application that the Chargee may require to be made to the Land Registry for the registration of an agreed notice on Form AN1 against the relevant registered title at the Land Registry for the protection of the Security constituted by this Deed);
 - 17.4.4.3 where the title to any such property is not registered at the Land Registry, promptly comply with its obligations contained in Clauses 17.4.1 to 17.4.2 (*Land*) of this Deed in respect of such property;
 - 17.4.4.4 where the title to any such property represents the transfer of either part of a commonhold unit or part of the common parts of land registered as a freehold estate in commonhold land under the Commonhold and Leasehold Reform Act 2002, also procure that the application to register the transfer is accompanied by an application on Form CM3 to register the commonhold community statement and/or the memorandum and articles of association (as amended in relation to the transfer as required by Rule 15 or, as appropriate, Rule 16 of the Commonhold (Land Registration) Rules 2004);
 - 17.4.4.5 at its cost, in any such case, execute and deliver to the Chargee, on demand, a supplemental security agreement in favour of the Chargee in respect of such freehold, commonhold or leasehold or other interest in property; and
 - 17.4.4.6 in any event, give the Land Registry written notice of this Deed and procure that notice of it be duly noted in the registers to each title of any such property in accordance with the provisions of this Deed;
 - 17.4.4.7 and, in any such case, shall within five Business Days after the completion of any such registration provide the Chargee with a copy of the relevant Title Information Document issued by the Land Registry recording such registration(s) within the applicable priority period.

17.5 New Accounts

If the Chargee receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent charge or other interest affecting any Security Asset and/or the proceeds of sale of any Security Asset, the Chargee may open a new account in the name of the Chargor. If the Chargee does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to the Chargee will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Deed is security.

17.6 Certificates and Determinations

Any certification or determination by the Chargee of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

17.7 Stamp duties

The Chargor shall pay, and within three Business Days of demand indemnify, the Chargee against any cost, loss or liability it incurs in relation to all stamp duty, SDLT, registration and/or other similar taxes payable in respect of this Deed from time to time, and any performance or enforcement of it.

17.8 Collateral Security

Where any Security constituted under this Deed initially takes effect as a collateral or further Security to another Security intended to be constituted under this Deed or which otherwise secures all or any part of the Secured Liabilities to which the Chargor is a party then, despite any receipt, release or discharge indorsed on or given in respect of or under the second mentioned Security, the first mentioned Security will operate as an independent Security.

17.9 Suspense Accounts

All monies received, recovered or realised by the Chargee under this Deed (including the proceeds of any conversion of currency) may in the discretion of the Chargee be credited to an interest bearing suspense or impersonal account(s) in the name of the Chargee with such financial institution (including itself) for so long as the Chargee shall think fit (the interest being credited to the relevant account) pending the application from time to time of those monies in the Chargee's discretion in accordance with the provisions of Clause 11 (*Application of proceeds*) (and save as expressly provided herein the Chargor will not be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above).

17.10 Exercise of Powers

Any liberty or power which may be exercised or any determination which may be made under this Deed by the Chargee or any Receiver may, in respect of the Transaction Obligors, be exercised or made at his absolute and unfettered discretion without any obligation to give reasons for doing so.

17.11 Constitutional Documents

The Chargor hereby certifies that its creation by this Deed of security in favour of the Chargee does not contravene any of the provisions of its constitutional or organisational documents.

17.12 Assignment

17.12.1

The Chargor may not assign, transfer, novate or otherwise dispose of, or declare any trust of, any of its rights and/or obligations under this Deed. This Deed shall be binding on the successors, transferees or assigns of the Chargor.

- 17.12.2 The Chargee may at any time assign, transfer, novate, charge or otherwise dispose of all or any of its rights and benefits under this Deed to any person to whom it may assign, transfer, charge or otherwise dispose of all or any part of its rights and benefits under the Facility Agreement.
- 17.13 **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.
- 17.14 **Remedies, waivers, amendments and consents**
- 17.14.1 No failure on nor any delay in exercising, on the part of the Chargee or any Receiver, any right, remedy, power or discretion under this Deed (a "Right") shall operate as a waiver of any such Right or constitute an election to affirm this Deed. No single or partial exercise of any Right shall prevent any further or other exercise of any other Right. The Rights provided in this Deed are cumulative and not exclusive of any rights, remedies, powers or discretions provided by law.
- 17.14.2 Any provision of this Deed may be amended, supplemented or novated only if the Chargee agrees in writing, in accordance with clause 34 (*Amendments and Waivers*) of the Facility Agreement. Any waiver of, and any consent or approval by the Chargee under, any provision of this Deed shall not be effective unless it is in writing, and may be given subject to any conditions thought fit by the Chargee, may be withdrawn or modified at any time, and shall be effective only in the instance, and for the purpose, for which it is given.
- 17.15 **Delivery**
- The signature or sealing of this Deed by or on behalf of a party shall constitute an authority to the solicitors, or an agent or employee of the solicitors, acting for that party in connection with this Deed, and, in the case of the Chargor, the Chargee solicitors to date it and to deliver it as a deed on behalf of that party.
- 17.16 **Set-off**
- 17.16.1 The Chargee may set off any matured obligation due from the Chargor under the Finance Documents (including this Deed) (to the extent beneficially owned by the Chargee) against any matured obligations owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- 17.16.2 Without prejudice to Clause 17.16.1 above, and to Clause 8.2 (*Right of Appropriation of Financial Collateral*), upon the security constituted by this Deed becoming enforceable, the Chargee may, without notice or further demand, withdraw, apply, transfer, appropriate, or set-off any or all of the monies standing to the credit of the Accounts in or towards payment or other satisfaction of the Secured Liabilities in accordance with Clause 11 (*Application of Proceeds*).
- 17.17 **No withholding**
- 17.17.1 The Chargor shall make all payments under or in respect of this Deed without set-off or counterclaim and free and clear of any withholding or deduction, save as may be required by law in which event the amount payable shall be increased so that after such withholding or deduction the Chargee shall receive a net amount equal to what the Chargee would have received in the absence of such withholding or deduction.

17.18 Perpetuity

The perpetuity period applicable to the trusts constituted by this Deed shall (if relevant) be 125 years.

18. RELEASE AND RE-ASSIGNMENT

Upon the expiry of the Security Period (or earlier only in the Chargee's absolute discretion), and subject to Clauses 1.3 and 16.3, the Chargee shall, at the request and cost of the Chargors, take whatever action is necessary to release and/or reassign (without recourse or warranty) the applicable Security Assets from the security constituted by this Deed.

19. NOTICES

19.1 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.

19.2 Addresses

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

19.3 Delivery

19.3.1 Subject to Clause 19.5, any communication or document made or delivered under or in connection with this Deed will only be effective:

19.3.1.1 if by way of fax, when received in legible form; or

19.3.1.2 if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 19.3, if addressed to that department or officer.

19.3.2 Any communication or document to be made or delivered to the Chargee will be effective only when actually received by the Chargee and then only if it is expressly marked for the attention of the department or officer identified with the Chargee's signature below in the execution block (or any substitute department or officer as the Chargee shall specify for this purpose).

19.3.3 Any communication or document which becomes effective, in accordance with Clauses 19.3.1 and 19.3.2, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the next following Business Day.

19.4 Electronic communication

19.4.1 Any communication to be made between the parties to this Deed under or in connection with this Deed may be made by electronic mail or other electronic means to the extent the parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the parties:

19.4.1.1 notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

19.4.1.2 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.

19.4.2 Any electronic communication made between the parties to this Deed will be effective only when actually received in readable form and in the case of any electronic communication made by a Chargor to the Chargee only if it is addressed in such a manner as the Chargee shall specify for this purpose.

19.4.3 Any electronic communication which becomes effective, in accordance with Clause 19.4.2, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the next following Business Day.

19.5 **Proof of service on a Chargor**

In proving service of a notice, communication or other document on a Chargor it shall be sufficient to prove that either:

19.5.1 the envelope containing such notice was addressed to the address of such Chargor as set out in the execution block below and either:

19.5.1.1 delivered to or left at that address; or

19.5.1.2 delivered into the custody of the postal authorities as a prepaid first class letter; or

19.5.2 the notice was transmitted by facsimile to the fax number of such Chargor set out in the execution block below.

19.6 **English language**

Any notice or other document given under or in connection with this Deed must be in English.

20. **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.

21. **GOVERNING LAW**

This Deed (and any non-contractual obligations arising out of or in connection with it) are governed by, and shall be construed in accordance with, English law.

22. **ENFORCEMENT**

22.1 **Jurisdiction**

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

22.1.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly no party to this Deed will argue to the contrary.

22.1.3 This Clause 22.1 is for the benefit of the Chargee only. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

22.1.4 The Chargor hereby irrevocably and unconditionally:

- 22.1.4.1 waives any objection to the jurisdiction of the English courts dealing with (and agrees not to raise or claim immunity from) any proceedings for such enforcement of this Deed (and shall ensure that no such claim is made on its behalf);
- 22.1.4.2 consents to the issue of any process, or the giving of any relief, in connection with those proceedings;
- 22.1.4.3 waives all immunity from suit, attachment and/or execution, that it or its assets may now or in the future have; and
- 22.1.4.4 expressly consents to and acknowledges the terms of this Clause 22.1.

23. THIRD PARTY RIGHTS

- 23.1 Nothing in this Deed is intended to confer on any person any right to enforce any provision of this Deed which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999, save as set out in Clause 23.2 below.
 - 23.2 Any Receiver appointed by the Chargee, any Relevant Person and any lawful delegate or sub-delegate of the Chargee or Receiver may take the benefit of:
 - 23.2.1 any covenant or provision in this Deed by which the Chargor is expressed to give an undertaking or indemnity to, or to release or waive any claim against, that person; and/or
 - 23.2.2 any covenant or provision of this Deed which confers, or purports to confer, any power, right, remedy or benefit upon that person;
- provided that:
- 23.2.1 until the Secured Liabilities have been discharged in full, no such person may exercise or otherwise enforce any such right without the prior written consent of the Chargee; and
 - 23.2.2 notwithstanding such rights, this Deed may be restated, varied amended, supplemented, or substituted in any respect by the Chargee and the Chargor whether to remove such rights in whole or in part or otherwise whatsoever or novated, or assigned, released or discharged by the Chargee without, in any such case, notice to or consent from any such person.

IN WITNESS of which this document has been duly executed and delivered as a deed by each of the parties on the day and the year first stated above.

SCHEDULE 1 – MORTGAGED PROPERTY

No	Property Description	Title Number(s)	Title
1.	26 Week Street, Maidstone, ME14 1RN	K801174 and K676984	Freehold
2.	96- 100 The Broadway, Uxbridge Road, West Ealing W13 0SY	MX117557	Freehold
3.	Land and buildings on the south east side of East Parade, Rhyl 31/33 High Street, Rhyl LL18 1EN 28 High Street, Rhyl LL18 1EN Land lying to the North East of High Street, Rhyl	WA277377 WA486082 WA676352 WA892852 WA358228	Freehold
4.	10 to 18 (even) Queen Street, Barnsley 2, 4, 6, 8a Queen Street and 1, 3, 5 and 7a Eldon Street, Barnsley 26 May Day Green, Barnsley, S70 1SH	SYK316415 SYK239305 SYK413313	Freehold
5.	44 High Street, Epsom KT19 8AJ	SY236858	Freehold
6.	51 and 52 High Street, Gosport PO12 1DF Land to the North of High Street, Gosport	HP449265 HP459174	Freehold
7.	61 and 63 High Street, Tonbridge TN9 1SD	K541455	Freehold
8.	9 and 9a High Street, Walton-on-Thames KT12 1DG	SY592355	Freehold
9.	Hillsborough Shopping Centre, Middlewood Road, Hillsborough 33 Hawksley Avenue, Hillsborough, Sheffield 20 Middlewood Road, Hillsborough	SYK122897 SYK91859 SYK139305	Freehold and Leasehold

SCHEDULE 2 - SECURITIES

Company	Shares	Number
N/A	N/A	N/A

SCHEDULE 3 – FORM OF NOTICE TO OCCUPATIONAL TENANT/GUARANTORS

[On Headed Notepaper of Chargor]

To: [Name and address of tenant]

[Date]

Dear Sirs

Re: [Address of Mortgaged Property]

Security agreement (the "Security Agreement") dated 2015 between [•] (the "Chargor") and ICG-Longbow Debt Investments No. 4 S.À R.L. (the Chargee)

- (1) We refer to the lease dated [•] and made between [the Chargor/applicable landlord] (1), [applicable tenant] (2) [and applicable guarantor (3)] (the "Lease").
- (2) This letter constitutes notice to you that under the Security Agreement:
 - (i) we charged (by way of first legal mortgage and/or fixed charge) and/or assigned (by way of security) all our right, title, benefit and interest (both present and future) in, to and under the Lease; and
 - (ii) we assigned (by way of security) all our right, title, benefit and interest (both present and future) in, to and under the monies from time to time due to the Chargors arising from the Lease;

to the Chargee, upon the terms set out in the Security Agreement.
- (3) We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we or any managing agent or asset manager on our behalf may have given to the contrary), until you receive notice from the Chargee to the contrary, to pay all rents and other monies payable by you under the Lease to the [Chargor's managing agent's (currently []) trust/client account with [(managing agent's account bank)] (at its branch at []) (Account Number []; Sort Code []), or to such other account as the Chargee may from time to time direct in writing, unless and until you receive a notice from the Chargee to pay all rents and other monies payable by you under the Lease to such account as the Chargee may from time to time direct in writing.
- (4) Please note that:
 - (i) we shall remain liable to you to perform all obligations assumed by us under the Lease, and the Chargee, its agents and/or delegates, any receiver or any other similar person is under no obligation of any kind whatsoever thereunder; and
 - (ii) we may not agree to amend, surrender or waive the terms of, or assign our interest in, or give any licence, consent or approval under the Lease, in each case without the prior written consent of the Chargee or as permitted under the Finance Documents (as defined in the Security Agreement).

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

This letter (and any non-contractual obligations arising out of or in connection with it) are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

Please acknowledge receipt of this letter, and confirm your agreement to the above, by signing the attached form of acknowledgement and returning it to the Chargee at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand-Duchy of Luxembourg for the attention of: The Board of Managers.

Yours faithfully

.....
For and on behalf of

[•]

FORM OF ACKNOWLEDGEMENT FROM OCCUPATIONAL TENANT/GUARANTOR

To:

ICG-Longbow Debt Investments No. 4 S.À R.L
 2 Boulevard Konrad Adenauer
 L-1115 Luxembourg
 Grand-Duchy of Luxembourg

For the attention of: The Board of Managers

Date: 2015

Dear Sirs

Re: [Address of Mortgaged Property]

Security agreement (the "Security Agreement") dated 2015 between [•] (the "Chargor") and ICG-Longbow Debt Investments No. 4 S.À R.L (the "Chargee")

We acknowledge receipt from the Chargors of a notice dated 2015 (the "Notice") in relation to the Lease.

Words and expressions defined in the Notice shall bear the same respective meanings when used herein.

We accept the instructions and authorisations contained in the Notice.

We acknowledge and confirm that:

- (a) as at the date of this Acknowledgement, we have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of the rights of the Chargor under or in respect of the Lease;
- (b) we shall pay all rents and all other monies payable by us under the Lease as directed in the Notice and we shall continue to pay those monies as so directed until we receive your written instructions to the contrary (and shall thereafter pay all such monies to such account as you may direct in writing); and
- (c) the Chargor may not agree to amend, surrender or waive the terms of, or assign or transfer its interest in, or give any licence, consent or approval under, the Lease without your prior written consent or as permitted under the Finance Documents (as defined in the Security Agreement).

This letter (and any non-contractual obligations arising out of or in connection with it) /are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

Yours faithfully

.....
 For and on behalf of
 [Tenant/Guarantor]

SCHEDULE 4 – FORM OF NOTICE TO ACCOUNT BANK

To: [Account Bank]

Attn.: [•]

[Date]

Dear Sirs,

We refer to the account[s] opened with you by us and numbered [] (the "Account[s]").

We hereby give you notice that pursuant to a security agreement (the "Security Agreement") dated [] 2015 made between ourselves and ICG-Longbow Debt Investments No. 4 S.À R.L. (the "Chargee") we have, with full title guarantee, charged to the Chargee all of our interests in all monies from time to time standing to the credit of the Account[s] and interest earned thereon and the debts represented thereby (the "Deposited Monies") and all our right, title, benefit and interest whatsoever present and future therein and in the Account[s] together with any certificates of deposit, deposit receipts or other instruments or securities relating thereto.

We irrevocably and unconditionally instruct and authorise you with immediate effect (and notwithstanding any instructions we may have given to the contrary):

1. to disclose to the Chargee without need for any reference to or further authority from us and without any inquiry by you as to the justification for such disclosure, such information relating to the Account[s] as the Chargee may, at any time and from time to time, request you to disclose to it;
2. to hold the Account[s] and the benefit thereof to the order of the Chargee;
3. at any time and from time to time upon receipt by you of instructions in writing from the Chargee to release to the Chargee the Deposited Monies or part thereof to act in accordance with such instructions, without any reference to or further authority from us and without inquiry by you as to the justification for such instructions or the validity of them;
4. to comply with the terms of any written notice, statement or instructions in any way relating to or purporting to relate to the Account[s] and/or the Deposited Monies, or any of the same, which you receive at any time and from time to time from the Chargee without any reference to or further authority from us and without any enquiry by you as to the justification for such notice, statement or instructions or the validity thereof;
5. not to permit any withdrawals by us or at our direction from the account number [•] (the "Collection Account"), the account number [•] (the "Disposals Account"), the account number [•] (the "NRI Rectification Account") and the account number [•] (the "LTV Rectification Account") without the prior written consent of the Chargee;
6. [in relation to the account numbered [] (the "Reserve Account") at any time and from time to time upon receipt of notice from the Chargee to such effect, not to act upon the joint instructions of the Borrower and the Chargee with regard to the Reserve Account and/or the Deposited Monies in respect of the Reserve Account and/or without the prior written consent of the Chargee, and upon receipt of such notice from the Chargee to arrange for the Chargee to be the sole signatory of the Reserve Account; and]
7. in relation to the account numbered [•] (the "General Account") at any time and from time to time upon receipt of notice from the Chargee that the security has become enforceable, not to act upon our instructions with regard to the General Account and/or the Deposited Monies in respect of the General Account without the prior written consent of the Chargee, and upon receipt of such notice from the Chargee to arrange for the Chargee to be the sole signatory of the General Account.

The instructions and authorisations which are contained in this letter shall remain in full force and effect until the Chargee gives you notice in writing revoking them.

This letter (and any non-contractual obligations arising out of or in connection with it) shall be governed by and construed in accordance with the laws of England and Wales, and is subject to the exclusive jurisdiction of the English courts.

Please acknowledge receipt of this letter, and confirm your agreement to the above, by signing the attached form of acknowledgement and returning it to the Chargee at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand-Duchy of Luxembourg for the attention of: The Board of Managers.

Yours faithfully

.....
For and on behalf of

[•]

FORM OF ACKNOWLEDGEMENT FROM THE ACCOUNT BANK

To: ICG-Longbow Debt Investments No. 4 S.À R.L
2 Boulevard Konrad Adenauer
L-1115 Luxembourg
Grand-Duchy of Luxembourg

For the attention of: The Board of Managers

Date: 2015

Dear Sirs

Security agreement (the "Security Agreement") dated 2015 between [*] (the "Chargor") and ICG-Longbow Debt Investments No. 4 S.À R.L (the "Chargee")

We hereby acknowledge receipt of a notice (the "Notice") dated [] 2015 and addressed to us by [*] (the "Chargor") regarding the Account[s] defined in the Notice, and we accept the instructions and authorisations contained in the Notice and we undertake to act in accordance and comply with the terms of the Notice. We acknowledge and confirm that:

1. we do not have, and will not (without your prior written consent) make or exercise, any security interests, claims or demands, or any rights of consolidation, counterclaim, or set-off, or any other equities against the Chargor in respect of the Account[s] and/or the Deposited Monies (as defined in the Notice) and/or the debts represented thereby, or any part of any of it or them except in respect of our usual administrative fees and charges in relation to accounts of the type in question;
2. we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right or interest whatsoever in or has made or will be making any claim or demand or taking any action whatsoever against the Account[s] and/or the Deposited Monies and/or the debts represented thereby, or any part of any of it or them;
3. we shall not permit any withdrawals or payments from the Collection Account, the Disposals Account, the NRI Rectification Account or the LTV Rectification Account by the Chargor or at its direction without your prior written consent; and
4. upon receipt of notice from the you to such effect, we shall not permit any withdrawals or payments from the Reserve Account without your prior written consent;
5. upon receipt of notice from the you to such effect, we shall not permit any withdrawals or payments from the General Account and/or the Collections Account by the Chargor or at its direction without your prior written consent; and
6. we shall forthwith on your demand pay out of the Accounts to you, or as you may direct, the lesser of (i) the amount so demanded and (ii) the balance (including accrued interest to the date of demand, without deduction of any kind) then standing to the credit of the Accounts.

We undertake that, in the event of our becoming aware at any time that any person or entity other than yourselves or the Chargor has or will have any right or interest whatsoever in or has or will be making any claim or demand or taking any action whatsoever against the Account[s] and/or the Deposited Monies and/or the debt represented thereby, or any of them, we will promptly give written notice of the terms of such right or interest claim or demand or action to both yourselves and the Chargor.

We have made the acknowledgement and confirmations and have given the undertakings set out in this letter in the knowledge that they are required by you in connection with the security which has been constituted by the Chargor in your favour under the Security Agreement referred to in the Notice.

This letter (and any non-contractual obligations arising out of or in connection with it) shall be governed by and construed in accordance with the laws of England, and is subject to the exclusive jurisdiction of the English courts.

Yours faithfully

.....

Authorised signatory

For and on behalf of

[*Account Bank*]

SCHEDULE 5 – FORM OF NOTICE TO INSURERS

[On Headed Notepaper of Chargor]

To: [Name of insurers]

[Date]

Dear Sirs

Re: Insurance Policy in respect of [Address of Mortgaged Property]

Security agreement (the "Security Agreement") dated 2015 between [*] (the "Chargor") and ICG-Longbow Debt Investments No. 4 S.À R.L (the "Chargee")

- (1) We refer to [insert details of Policy, including policy no.] (and any policy relating to the renewal or replacement of such policy) (the "Policy").
- (2) This letter constitutes notice to you that pursuant to the Security Agreement we assigned (by way of security) and/or charged all our right, title, benefit and interest (both present and future) in, to and under the Policy and all claims and monies from time to time due to the Chargor arising from the Policy, in favour of the Chargee.
- (3) We confirm that we shall remain liable to you to perform all obligations assumed by us under the Policy, and the Chargee, its agents and delegates, any receiver and any similar person is under no obligation of any kind whatsoever under the Policy.
- (4) We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary):
 - (i) to continue to give notices under the Policy to us (save as set out below), unless and until you receive notice from the Chargee to the contrary stating that the security has become enforceable. In this event, any notices must be given to, and all sums due from you under the Policy must be paid to, and all the rights, benefits, interest and remedies under the Policy (or at law or in equity) will be exercisable by, the Chargee or as it may from time to time direct in writing;
 - (ii) to disclose to the Chargee without further reference to or authority from us and without enquiry by you as to the justification of such disclosure, such information relating to the Policy as the Chargee may request you to disclose;
 - (iii) to comply with the terms of any written notice, statement or instructions which you receive at any time from the Chargee relating to the Policy; and
 - (iv) promptly to notify the Chargee of any claim being made under the Policy.
- (5) Please note that we may not agree to amend or waive the terms of, or assign or transfer our interest in, or give any consent or approval under the Policy, in each case without the prior written consent of the Chargee.

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

Please copy any communication regarding this Notice or the Policy to the Chargee at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand-Duchy of Luxembourg (FAO: The Board of Managers).

This letter (and any non-contractual obligations arising out of or in connection with it) are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

Please acknowledge receipt of this letter, and confirm your agreement to the above, by signing the attached form of acknowledgement and returning it to the Chargee at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand-Duchy of Luxembourg for the attention of The Board of Managers.

Yours faithfully

.....
For and on behalf of

[Chargor]

FORM OF ACKNOWLEDGEMENT FROM INSURERS

To: ICG-Longbow Debt Investments No. 4 S.À R.L.
 2 Boulevard Konrad Adenauer
 L-1115 Luxembourg
 Grand-Duchy of Luxembourg

{

For the attention of: The Board of Managers

Date: 2015

Dear Sirs

Re: Insurance Policy in respect of *[Address of Mortgaged Property]*

Security agreement (the "Security Agreement") dated 2015 between [*] (the "Chargor") and ICG-Longbow Debt Investments No. 4 S.À R.L (the "Chargee")

We acknowledge receipt from the Chargor of a notice dated [] 201[] (the "Notice") in relation to the Policy (as defined in the Notice).

We accept the instructions and authorisations contained in the Notice, and confirm that we shall pay all sums due, and give notices, under the Policy as directed in the Notice.

We have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right or interest whatsoever in or has made or will be making any claim or demand or taking any action whatsoever in respect of the Policy or any proceeds thereof.

We hereby confirm that the following endorsements have been made on the Policy:

- (a) the Chargee is noted as composite insured and first loss payee on the Policy in respect of insurance claim payments in excess of £50,000 (plus VAT) otherwise payable to any Chargor;
- (b) the Policy shall not be invalidated by any act or omission or by any alteration whereby the risk of damage (i.e. direct physical accidental loss or destruction of or damage to the insured property) is increased unknown or beyond the control of the Chargor provided that immediately upon the Chargor becoming aware thereof it shall give notice to us and pay any additional premium if required;
- (c) we must give at least 30 days' notice (but 14 days' notice in the event of non-payment of premium) to the Chargee if we propose to repudiate, rescind or cancel the Policy, to treat it as avoided in whole or in part, to treat it as expired due to non-payment of premium or otherwise decline any valid claim under it by or on behalf of any insured party and must give the Chargee opportunity to rectify any such non-payment of premium or other breach within the notice period.

We unconditionally and irrevocably waive all rights of set-off, lien, combination of accounts and similar rights (however designated or described) which we may have now or in the future to the extent the same relate to amounts owed to us by the Chargors (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debts.

This letter (and any non-contractual obligations arising out of or in connection with it) are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

Yours faithfully

.....
 Authorised Signatory
 For and on behalf of
 [Insurer]

SCHEDULE 6 - FORM OF NOTICE TO CONTRACT COUNTERPARTIES

[On Headed Notepaper of Chargor]

[Date]

[Contract Counterparty]

Dear Sirs

Re: [Describe agreement]

- (1) We refer to the [contract] dated [♦] 201[] and made between [] (1) and [Contract Counterparty] (2) (the "Agreement")
- (2) We, [] (the "Chargor"), give you notice that by a security agreement (the "Security Agreement") dated [♦] 201[] between, amongst others, the Chargor (1) and ICG-Longbow Debt Investments No. 4 S.A R.L (the " Chargee ") (2) we [assigned (by way of security)] [[and/or] charged] all our right, title and interest in and to the Agreement and the monies from time to time due to the Chargor arising from that Agreement to the Chargee upon the terms set out in the Security Agreement.
- (3) We irrevocably and unconditionally instruct and authorise you (notwithstanding any previous instructions which we may have given to the contrary):
 - (i) if you receive notice from the Chargee at any time that the security has become enforceable, to pay all sums payable by you under the Agreement to such account as the Chargee may direct;
 - (ii) to disclose to the Chargee without further reference to or authority from us and without enquiry by you as to the justification of such disclosure, such information relating to the Agreement as the Chargee may request you to disclose; and
 - (iii) to comply with the terms of any written notice, statement or instructions which you receive at any time from the Chargee relating to the Agreement.
- (4) Please note that:
 - (i) we shall remain liable to you to perform all obligations assumed by us under the Agreement, and the Chargee, its agents and/or delegates, any receiver or any other similar person is under no obligation of any kind whatsoever thereunder; and
 - (ii) we may not agree to amend or waive the terms of, or assign or transfer our interest in, or give any consent or approval under the Agreement, in each case without the prior written consent of the Chargee.
- (5) Save as noted above, we will remain entitled to exercise all our rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Chargee to the contrary. In this event, all the rights, powers, remedies and discretions (including, without limitation, any right to compel performance of the Agreement) will be exercisable by (or at the direction of), and notices must be given to, the Chargee or as it directs.
- (6) This letter (and any non-contractual obligations arising out of or in connection with it) are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

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

Please acknowledge receipt of this letter, and confirm your agreement to the above, by signing the attached form of acknowledgement and returning it to the Chargee at 2 Boulevard Konrad Adenauer, L-1115 Luxembourg, Grand-Duchy of Luxembourg for the attention of: The Board of Managers.

Yours faithfully

.....
For and on behalf of
[Chargor]

FORM OF ACKNOWLEDGEMENT FROM CONTRACT COUNTERPARTIES

Date:

ICG-Longbow Debt Investments No. 4 S.À R.L
 2 Boulevard Konrad Adenauer
 L-1115 Luxembourg
 Grand-Duchy of Luxembourg

in its capacity as Chargee

For the attention of: The Board of Managers

Dear Sirs

Re: [insert Agreement]

We acknowledge receipt of a notice (the "Notice") dated [♦] 201[] and addressed to us by [] (the "Chargor") regarding the Agreement (as defined in the Notice) mentioned in such Notice and we accept the instructions and authorisations contained in, and agree to comply with the terms of, such Notice.

We acknowledge and confirm that:

- [(a) (notwithstanding any terms of the Agreement to the contrary) we hereby consent to the creation of the assignment (by way of security) and/or charge in respect of the Agreement as referred to in the Notice;]
- (b) as at the date of this Acknowledgement, we have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of the rights of the Chargor under or in respect of the Agreement;
- (c) we will pay all sums due, and give notices, under the Agreement as directed in the Notice;
- (d) the Chargor may not agree to amend, waive the terms of, or assign or transfer its interest in, or give any consent or approval under, the Agreement without your consent; and
- (e) all remedies provided for in the Agreement (or otherwise available) and all rights, interests and benefits under (and all rights to compel performance of) the Agreement shall belong to and be exercisable by you or as you direct.

This letter (and any non-contractual obligations arising out of or in connection with it) are governed by English law, and is subject to the exclusive jurisdiction of the English courts.

Yours faithfully

.....
 For and on behalf of
 [Contract Counterparty]

EXECUTION PAGES

The Chargor

Executed as a deed by ALFRED STREET
 PROPERTIES LIMITED (acting by a
 director in the presence of a witness):

.....
 Director

.....
 Print Name

In the presence of:

Witness Signature:

Witness Name (BLOCK CAPITALS):

Witness Occupation:

Witness Address:

.....
 JILL BRADLEY
 Francis solicitor
 Solicitors
 30 Victoria Street
 Belfast BT1 3GS

Address for Notices:

Address: Alfred House, 19-21 Alfred Street, Belfast BT2 8ED

Fax no: Not applicable

Email: Not applicable

FAO: Francis Edward Boyd

The Chargee

Executed as a deed by
ICG-LONGBOW DEBT INVESTMENTS NO. 4
S.À R.L.
 a *Société à responsabilité limitée*
 organized and existing under the laws of
 the Grand Duchy of Luxembourg
 by

.....*Henri Jacob*.....
 being a person who in accordance with
 the laws of that territory is acting
 under the authority of
ICG-LONGBOW DEBT INVESTMENTS NO. 4
S.À R.L. and in the presence of a witness


 Manager

 Print name*Henri Jacob*.....

Witness Signature:

Witness Name (BLOCK CAPITALS):

Witness Occupation:

Witness Address:


SAMUEL BOURGEOIS
ACCOUNTANT.....

GC, RUE GABRIEL LIPPANW
L-5365 DUSSELDORF

Address for notices:

Address: ICG-Longbow Debt Investments No. 4 S.À R.L.

2 Boulevard Konrad Adenauer

L-1115 Luxembourg

Grand-Duchy of Luxembourg

Fax No: +352 26 25 88 79

FAO: The Board of Managers