



Registration of a Charge

LLP name: **DOWNNS ROAD DEVELOPMENT LLP**

LLP number: **OC415814**



X7FVEM55

Received for Electronic Filing: **04/10/2018**

Details of Charge

Date of creation: **24/09/2018**

Charge code: **OC41 5814 0001**

Persons entitled: **SOLUTUS ADVISORS LIMITED AS SECURITY AGENT**

Brief description: **1A DOWNS ROAD, HACKNEY, LONDON E5 ON THE GROUND FLOOR AND FLOORS 1-14 (TITLE NUMBER – 368232) THE LEASEHOLD LAND DEMISED BY A LEASE DATED 16 JUNE 2017 ENTERED INTO BETWEEN DSN LIMITED AND DOWNS ROAD LIMITED (1) AND DOWNS ROAD DEVELOPMENT LLP (2) AND RELATING TO ALL THE PROPOSED RESIDENTIAL AREAS TO BE COMPRISED WITHIN THE BUILDING TO BE CONSTRUCTED AT 1A DOWNS ROAD, HACKNEY, LONDON, E5 8QJ ON THE GROUND FLOOR AND FLOORS 1-14 (TITLE NUMBER – TBC)**

Contains fixed charge(s).

Contains floating charge(s) .

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 AS APPLIED BY THE LIMITED LIABILITY PARTNERSHIPS (APPLICATION OF COMPANIES ACT 2006) REGULATIONS 2009 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TOM GUY**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

LLP number: OC415814

Charge code: OC41 5814 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 24th September 2018 and created by DOWNS ROAD DEVELOPMENT LLP was delivered pursuant to Part 25 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Application of Companies Act 2006) (Amendment) Regulations 2013 on 4th October 2018 .

Given at Companies House, Cardiff on 8th October 2018

The above information was communicated by electronic means and authenticated
by the Registrar of Companies under the Limited Liability Partnership
(Application of the Companies Act 2006) Regulations 2009 SI 2009/1804



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We certify this document as a true copy of the original, save for material
redacted pursuant to section 859G Companies Act 2006

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EXECUTION VERSION

Dated: 24 September 2018

- (1) DOWNS ROAD DEVELOPMENT LLP as Chargor
 - (2) SOLUTUS ADVISORS LIMITED as Security Agent
-

Security Agreement

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THIS DEED is made on 24 September 2018 between:

- (1) **DOWNS ROAD DEVELOPMENT LLP**, a limited liability partnership registered in England with registered number OC415814) at 1 Kings Avenue, London, England, N21 3NA, as chargor (the "**Chargor**"); and
- (2) **SOLUTUS ADVISORS LIMITED** as security trustee for the Secured Parties (the "**Security Agent**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"Assigned Agreement" means each document or agreement expressed to be assigned under Clause 3.3 (*Assignment*).

"Associated Benefits" means, in respect of any asset:

- (a) all monies including (where relevant) all rent, dividends, distributions, profits, compensation, damages, income or interest paid or payable relating to that asset; and
- (b) all Authorisations, rights, benefits, claims or property at any time relating to that asset.

"Bank Account" means all current, deposit or other accounts maintained with any bank, financial institution or other person.

"Book Debts" means, in relation to the Chargor, all book and other debts, revenues and monetary claims of or owing to, or other amounts recoverable or receivable by, the Chargor and any rights or claims of the Chargor in respect of such debts, revenues and monetary claims.

"Declared Default" means an Event of Default which has resulted in the Agent exercising any of its rights under Clause 24.22 (*Acceleration*) of the Facility Agreement.

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

"Development Document" means:

- (a) the Building Contract;
- (b) a Consultant Appointment;
- (c) a Collateral Warranty; and
- (d) any other document designated as such by the Agent and the Borrower.

"Event of Default" has the meaning given to that term in the Facility Agreement.

"Facility Agreement" means the facility agreement dated on or about the date of this Deed between, amongst others, the Chargor as borrower, the Security Agent and the Finance Parties.

"Finance Document" has the meaning given to that term in the Facility Agreement.

"Finance Party" means the Agent, the Security Agent, the Arranger or a Lender.

"Floating Charge Asset" means, at any time, any Secured Property which, at that time, is the subject of the floating charge created by this Deed.

"Insolvency Act" means the Insolvency Act 1986.

"Insolvency Event" means any corporate action, legal proceedings or other formal procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Chargor;
- (b) a composition, compromise, assignment or arrangement with any creditor of the Chargor;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or
- (d) the enforcement of any Security over any assets of the Chargor,

or any analogous procedure or step is taken in any jurisdiction, but excluding any winding-up petition which is frivolous or vexatious and is discharged, stayed, withdrawn or dismissed within 14 days of commencement.

"Insurances" means all contracts or policies of insurance of whatever nature taken out by or on behalf of the Chargor or (to the extent of its interest) in which the Chargor has an interest (excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties).

"Intellectual Property" means (a) all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trademarks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered and (b) the benefit of any applications and rights to use such assets, in each case throughout the world now and in the future.

"Investments" means:

- (a) the Specified Shares; and
- (b) all other stocks, shares, bonds, securities or investments in which the Chargor has an interest.

"Lease Document" means:

- (a) an Agreement for Lease;
- (b) an Occupational Lease; or
- (c) any other document designated as such by the Agent and the Borrower.

"LPA" means the Law of Property Act 1925.

"Managing Agent Agreement" means any arrangement, agreement or other document appointing any Managing Agent.

"Occupational Lease" means any lease or licence or other right of occupation or right to receive rent to which the Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.

"Real Property" means:

- (a) all estates or interests in any freehold or leasehold property;
- (b) any buildings, fixtures, fittings, fixed plant or machinery at any time situated on or forming part of that property;
- (c) all easements, rights, agreements and other benefits in respect of that property; and
- (d) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Secured Property.

"Rental Income" has the meaning given to it in the Facility Agreement.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document.

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

"Secured Property" means the assets of the Chargor which from time to time are, or are expressed to be, the subject of any Security created by this Deed.

"Security Period" means the period from the date of this deed up to and including the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and any facilities which might give rise to any Secured Liabilities have been terminated.

"Specified IPR" means the Intellectual Property rights specified in Part VI of Schedule 1 (*Details of Secured Property*).

"Specified Shares" means any shares specified in Part II of Schedule 1 (*Details of Secured Property*).

"Subordinated Debt Document" means any document, agreement or instrument evidencing or recording any Subordinated Debt or its terms.

1.2 Construction

1.2.1 Unless a contrary indication appears, in this Deed:

- 1.2.1.1 terms defined in the Facility Agreement have the same meaning in this Deed;
- 1.2.1.2 the provisions of clause 1.2 (*Construction*) of the Facility Agreement (with the exception of clause 1.2.5) apply to this Deed as if set out in full in this Deed, except that references to the Facility Agreement shall be construed as references to this Deed; and
- 1.2.1.3 all provisions in the Facility Agreement that are deemed to apply to the Finance Documents apply to this Deed as if set out in full in this Deed.

1.2.2 Unless a contrary indication appears, any reference in this Deed to:

- 1.2.2.1 an "**account**" is a reference to that account as re-designated, re-numbered, substituted or replaced from time to time;
- 1.2.2.2 any "**asset**" includes present and future properties, revenues and rights of every description, all proceeds of sale of such asset, all rights under any agreement for the sale, lease or licence of such asset and any monies paid or payable in respect of such asset;
- 1.2.2.3 any "**disposal**" includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and "**dispose**" will be construed accordingly;
- 1.2.2.4 a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time; and
- 1.2.2.5 a "**tenant**" of any property includes any sub-tenant, licensee or other user or occupier of that property.
- 1.2.3 Where this Deed includes the words "**including**", "**in particular**" or "**or otherwise**" (or similar words or phrases), the intention is to state examples and not to be exhaustive.
- 1.2.4 References to any Security "**created by this Deed**" are to be deemed to include such Security created or intended to be created, constituted, given, made or extended by, under or evidenced by this Deed.

1.3 **Incorporation of other terms**

The terms of the other Finance Documents and of any other agreement or document between any of the parties to this Deed are incorporated into this Deed to the extent required to comply with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 **Third party rights**

- 1.4.1 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- 1.4.2 Notwithstanding any term in this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
- 1.4.3 Any Receiver, Delegate or any person described in clause 27.11.2 (*Exclusion of liability*) of the Facility Agreement may, subject to this Clause 1.4 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. **COVENANT TO PAY**

The Chargor, as principal debtor and not just as surety, covenants with the Security Agent to pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

3. GRANT OF SECURITY

3.1 Mortgage

The Chargor charges by way of first legal mortgage:

- 3.1.1 all its Real Property described opposite its name in Part I of Schedule 1 (*Details of Secured Property*); and
- 3.1.2 all its other Real Property (if any) as at the date of this Deed.

3.2 Fixed charges

The Chargor charges by way of first fixed charge:

- 3.2.1 to the extent not effectively mortgaged under Clause 3.1 (*Mortgage*), all its Real Property as at the date of this Deed;
- 3.2.2 all its Real Property acquired after the date of this Deed;
- 3.2.3 all its plant and machinery, vehicles, computers and other equipment, excluding stock in trade, to the extent not effectively otherwise mortgaged or charged under this Deed;
- 3.2.4 all its Specified Shares;
- 3.2.5 all its Investments (other than its Specified Shares charged under Clause 3.2.4);
- 3.2.6 all its Bank Accounts maintained with a Secured Party, including any listed in Part III of Schedule 1 (*Details of Secured Property*), and all monies (including interest) at any time standing to the credit of such account;
- 3.2.7 all its Insurances, to the extent not effectively assigned under Clause 3.3 (*Assignment*);
- 3.2.8 all its Book Debts including Rental Income, to the extent not effectively assigned under Clause 3.3 (*Assignment*);
- 3.2.9 all its goodwill and uncalled capital;
- 3.2.10 all its Intellectual Property, to the extent not effectively assigned under Clause 3.3 (*Assignment*);
- 3.2.11 all its Assigned Agreements, to the extent not effectively assigned under Clause 3.3 (*Assignment*); and
- 3.2.12 all Associated Benefits relating to its Secured Property, to the extent not effectively assigned under Clause 3.3 (*Assignment*).

3.3 Assignment

The Chargor assigns by way of security:

- 3.3.1 all its Insurances, including any listed in Part IV of Schedule 1 (*Details of Secured Property*);
- 3.3.2 all its Lease Documents;
- 3.3.3 all its Rental Income;

- 3.3.4 all its Managing Agent Agreements, including any listed in Part V of Schedule 1 (*Details of Secured Property*);
- 3.3.5 all its Subordinated Debt Documents, including any listed in Part V of Schedule 1 (*Details of Secured Property*);
- 3.3.6 all its Development Documents, including any listed in Part V of Schedule 1 (*Details of Secured Property*);
- 3.3.7 all its Unit Disposal Documents, including any listed in Part V of Schedule 1 (*Details of Secured Property*);
- 3.3.8 any agreement for the sale of any of its Secured Property; and
- 3.3.9 all its Bank Accounts maintained with any bank, financial institution or other person (other than any Secured Party), including any listed in Part III of Schedule 1 (*Details of Secured Property*), and all monies (including interest) at any time standing to the credit of such account; and
- 3.3.10 all its Specified IPR,

In each case, together with all Associated Benefits relating to such Secured Property.

3.4 **Floating charge**

- 3.4.1 The Chargor charges by way of floating charge all its assets and undertaking not at any time effectively mortgaged under Clause 3.1 (*Mortgage*), charged under Clause 3.2 (*Fixed charges*) or assigned under Clause 3.3 (*Assignment*).
- 3.4.2 Paragraph 14 of Schedule B1 of the Insolvency Act applies to any Security created by this Deed.

3.5 **General**

All Security created by this Deed:

- 3.5.1 is created in favour of the Security Agent, as security trustee for the Secured Parties;
- 3.5.2 unless specifically stated otherwise, is created over the present and future assets of the Chargor to the extent of its rights, title and interest in, under and to such assets at any time; and
- 3.5.3 is created with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.6 **Continuing security**

The Security created by this Deed is continuing security for the payment and discharge of the Secured Liabilities. The provisions of this Deed will apply during the Security Period:

- 3.6.1 regardless of the date on which any of the Secured Liabilities were incurred;
- 3.6.2 notwithstanding any intermediate payment or discharge; and
- 3.6.3 in respect of the full amount of the Secured Liabilities at the relevant time even if the amount of the Secured Liabilities had previously been less than that amount or had been nil at any time.

3.7 **Additional security**

The Security created by this Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party. No prior Security held by any Secured Party over the whole or any of the Secured Property will merge with the Security created by this Deed.

3.8 Validity of details of Secured Property

The fact that incorrect or incomplete details of any Secured Property are included or inserted in any Schedule will not affect the validity or enforceability of the Security created by this Deed.

4. CONSENTS

The Chargor represents to the Security Agent on the date of this Deed that each of the Assigned Agreements which it has any right, title or interest in, under or to, is capable of being freely assigned by it without the consent of any other person.

5. CONVERSION OF FLOATING CHARGE

5.1 Conversion by notice

The Security Agent may, by written notice to the Chargor, crystallise and convert the floating charge created by the Chargor under this Deed into a fixed charge over any or all of the Floating Charge Assets if:

- 5.1.1 a Declared Default occurs;
- 5.1.2 the Security Agent becomes aware of any intention or proposal to appoint a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or
- 5.1.3 the Security Agent (acting reasonably) considers that any Floating Charge Asset is in danger of being seized or sold under any legal process, or such assets are otherwise in jeopardy.

5.2 Automatic conversion

- 5.2.1 A floating charge created by the Chargor under this Deed will automatically crystallise and convert into fixed charges over the relevant Floating Charge Assets if:
 - 5.2.1.1 any Insolvency Event occurs; or
 - 5.2.1.2 the Chargor creates or purports to create any Security or Quasi-Security over any Floating Charge Asset in breach of any of the Finance Documents.
- 5.2.2 No floating charge created by this Deed will automatically crystallise and convert into a fixed charge solely by reason of a moratorium being obtained under section 1A or Schedule A1 of the Insolvency Act (or anything being done with a view to obtaining a moratorium).

6. REPRESENTATIONS

The Chargor makes the representations and warranties set out in this Clause 6 to each Secured Party on the date of this Deed.

6.1 Title to Secured Property

It is the sole legal and beneficial owner of, and has good and marketable title to, the Secured Property, in each case, free from Security or restrictions (other than those created by or pursuant to the Finance Documents and/or set out in the Property Report).

6.2 Intellectual Property

- 6.2.1 It is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all the Intellectual Property which is material in the context of its business and which is required by it in order to carry on its business.
- 6.2.2 It does not, in carrying on its businesses, materially infringe any Intellectual Property of any third party in any respect.
- 6.2.3 It has taken all formal or procedural actions (including payment of fees) required to maintain any material Intellectual Property owned by it.

6.3 Repetition

Each of the representations and warranties set out in this Clause 6 are deemed to be made by the Chargor by reference to the facts and circumstances then existing on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period.

7. UNDERTAKINGS

The undertakings in this Clause 7 remain in force from the date of this Deed the duration of the Security Period.

7.1 Negative pledge

- 7.1.1 The Chargor may not create or permit to subsist any Security over any Secured Property except as permitted by the terms of the Facility Agreement or with the prior written consent of the Security Agent.
- 7.1.2 The Chargor may not:
 - 7.1.2.1 sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired;
 - 7.1.2.2 sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - 7.1.2.3 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - 7.1.2.4 enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

- 7.1.3 Clauses 7.1.1 and 7.1.2 shall not apply to any Security or arrangement permitted under the Facility Agreement.

7.2 Disposals

The Chargor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Secured Property, other than as permitted under the Facility Agreement.

7.3 Secured Property

The Chargor shall:

- 7.3.1 on the date of this Deed (in the case of any Secured Property existing on the date of this Deed), on the date of acquisition or receipt of any Secured Property (in the case of any Secured Property acquired or received after the date of this Deed) and, at any other time, promptly and in any event no later than five Business Days of written request by the Security Agent, deposit with the Security Agent:
 - 7.3.1.1 all documents of title or other evidence of ownership relating to its Secured Property provided that such documents are in its possession or control (and, if not within its possession and/or control and provided that it is entitled to have possession, the Chargor hereby undertakes to use all reasonable endeavours to obtain possession of such deeds and documents);
 - 7.3.1.2 transfers of the Investments, each executed in blank; and
 - 7.3.1.3 such deeds, certificates and documents relating to its Secured Property as the Security Agent may reasonably request;
- 7.3.2 promptly upon request by the Security Agent affix to and maintain on such of its plant, machinery, fixtures, fittings, vehicles or other equipment as the Security Agent may require, a clearly legible identification plate stating that the asset has been charged to the Security Agent, in a form acceptable to the Security Agent; and
- 7.3.3 promptly and in any event, within five Business Days, supply to the Security Agent such further information regarding its Secured Property as the Security Agent may reasonably request.

7.4 Notice of charge or assignment

The Chargor shall serve notice of each charge or assignment created by this Deed in respect of:

- 7.4.1 each of its Insurances, by sending a notice substantially in the form of Part I of Schedule 2 (*Notices*) to the relevant insurance company or underwriter on the date of this Deed (in the case of any Insurances existing on the date of this Deed) and within five Business Days of entry into of any other Insurances (in the case of any Insurances entered into after the date of this Deed);
- 7.4.2 each of its Lease Documents, by sending a notice substantially in the form of Part II of Schedule 2 (*Notices*) to the relevant tenant on the date of this Deed (in the case of any Lease Document existing on the date of this Deed) and within five Business Days of entry into of any other Lease Document (in the case of any Lease Document entered into after the date of this Deed);
- 7.4.3 each of its Assigned Agreements other than any Insurances and any Lease Documents (a "**Relevant Assigned Agreement**"), by sending a notice substantially in the form of Part III of Schedule 2 (*Notices*) to each counterparty to that Relevant Assigned Agreement on the date of this Deed (in the case of any Relevant Assigned Agreement existing on the date of this Deed) and within five Business Days of entry into of any other Relevant

Assigned Agreement (in the case of any Relevant Assigned Agreement entered into after the date of this Deed); and

7.4.4 each of its accounts charged under Clause 3.2.6 or assigned under Clause 3.3.9, by sending a notice substantially in the form of:

7.4.4.1 Part IV of Schedule 2 (*Notices*) in the case of any account in respect of which the Security Agent has sole signing rights; and

7.4.4.2 Part V of Schedule 2 (*Notices*) in the case of any account in respect of which the Security Agent does not have sole signing rights; and

to the person with whom that account is held, in each case, on the date of this Deed (in the case of any account existing on the date of this Deed) and within five Business Days of opening of any other account (in the case of any account opened after the date of this Deed).

7.5 Acknowledgment of charge or assignment

The Chargor shall use reasonable endeavours to procure that each notice served by it under Clause 7.4 (*Notice of charge or assignment*) is, promptly following the date of such notice, acknowledged by the recipient in the form attached to such notice.

7.6 Real Property Restriction

The Chargor shall ensure that a restriction in the following terms is entered on the register of the title of its Real Property at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE OF SECURITY AGREEMENT] in favour of Solutus Advisors Limited referred to in the charges register, or its conveyancer,"

together with, where applicable, notice of any obligation on the Secured Parties to make further advances under the terms of the Finance Documents. The Chargor shall pay, when due and payable, all fees, costs and expenses incurred in connection with such applications.

7.7 Investments

7.7.1 The Chargor may not:

7.7.1.1 take or permit the taking of any action which may adversely affect the value of any of the Investments, prejudice the interests of any Secured Party under any Finance Document or result in the rights attaching to any of the Investments being altered or diluted; or

7.7.1.2 except where the Security Agent so requires or permits, nominate another person to enjoy or exercise any of its rights in relation to any of the Investments.

7.7.2 Subject to Clause 7.7.1 and provided that no Event of Default is continuing, the Chargor may:

7.7.2.1 receive and retain all dividends or other income paid or payable in respect of its Investments; and

7.7.2.2 exercise all voting and other rights attaching to its Investments,

provided that it does so for a purpose not inconsistent with any Finance Document.

7.7.3 While any Event of Default is continuing, the Chargor shall:

7.7.3.1 hold any dividends or other income received in respect of the Investments on trust for the Security Agent and pay such amounts into a separate account or otherwise as the Security Agent may direct in writing; and

7.7.3.2 exercise all voting and other rights attaching to the Investments as the Security Agent may direct in writing.

7.8 Bank Accounts

The Chargor shall operate each Bank Account in accordance with the Facility Agreement and the terms provided in the notice referred to in Clause 7.4 (*Notice of charge or assignment*) and in respect of the General Account only, following the occurrence of a Declared Default, take such action as the Security Agent may require to ensure that the account mandate for each Bank Account is altered in such way as the Security Agent may reasonably direct.

7.9 Book Debts

The Chargor shall:

7.9.1 promptly collect each Book Debt when due for payment;

7.9.2 promptly take and pursue all action necessary to recover any Book Debts which is not paid when due in accordance, if applicable, with any instructions from the Security Agent;

7.9.3 not agree to waive or settle any Book Debt for less than par value, other than with the prior written consent of the Security Agent; and

7.9.4 promptly and in any event, no later than five Business Days, upon receipt, pay all amounts received in respect of any Book Debts in accordance with the terms of the Facility Agreement and, pending such payment, hold such amounts on trust for the Security Agent.

7.10 Intellectual Property

7.10.1 The Chargor shall:

7.10.1.1 preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;

7.10.1.2 use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;

7.10.1.3 make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property necessary for its business in full force and effect and record its interest in that Intellectual Property;

7.10.1.4 not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil its right to use such property; and

7.10.1.5 not discontinue the use of the Intellectual Property necessary for its business.

7.10.2 The Chargor shall procure that an entry is made in each relevant public register of its Intellectual Property to record the existence of this Deed and the restrictions imposed by this Deed.

7.11 Assigned Agreements

7.11.1 The Chargor shall:

7.11.1.1 on the date of entry into an Assigned Agreement, deliver to the Security Agent a certified copy of such Assigned Agreement;

7.11.1.2 perform its obligations and exercise its rights (including ensuring the due performance of the obligations of the relevant counterparties) under each Assigned Agreement in a diligent and timely manner;

7.11.1.3 not make or agree to make any amendments or modifications to, nor waive any of its rights under, nor exercise any right to terminate any Assigned Agreement, except, in each case, as permitted under the Facility Agreement; and

7.11.1.4 promptly inform the Security Agent of any material disputes relating to each Assigned Agreement.

7.11.2 Subject to Clause 7.11.1 and provided that no Event of Default is continuing, the Chargor may exercise its rights under each Assigned Agreement without further reference to the Security Agent, unless such exercise may result in an Event of Default, materially adversely affect the value of the Secured Property or prejudice the interests of any Secured Party under any Finance Document.

7.11.3 While any Event of Default is continuing, the Chargor shall exercise its rights under each Assigned Agreement in accordance with the instructions of the Security Agent.

7.12 Further assurance

The Chargor shall promptly take all such actions, including executing all such documents, notices and instructions in such form as the Security Agent may reasonably require:

7.12.1 to create, perfect, protect and (if necessary) maintain the Security created by this Deed or for the exercise of any rights, powers and remedies of the Secured Parties provided by or under this Deed or by law or regulation;

7.12.2 to confer on the Secured Parties security interests in or over any of its assets located in any jurisdiction other than England and Wales equivalent or similar to the Security created by this Deed and on terms no more onerous than those provided for in this Deed; and/or

7.12.3 after the occurrence of an Event of Default that is continuing, to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this Deed.

7.13 Power to remedy

If the Chargor fails to comply with any of its obligations under this Deed, the Security Agent (or its nominee) may (at the Chargor's expense) take such action as is necessary to protect any assets against the consequences of the Chargor's non-compliance and/or to ensure compliance with such obligations. The Security Agent is not obliged to perform

any obligation of the Chargor nor to take any action which it may be entitled to take under this Deed.

7.14 Power of attorney

- 7.14.1 As security for the performance of its obligations under this Deed, the Chargor irrevocably appoints the Security Agent, each Receiver and each Delegate to be its attorney, with full power of substitution.
- 7.14.2 Each attorney may, in the name of the Chargor and on its behalf and at its expense, after the occurrence of a Declared Default that is continuing, do anything which the Chargor is obliged to do under this Deed but has failed to do in the prescribed timeframe or which the Security Agent, Receiver or Delegate may in their absolute discretion consider appropriate in connection with the exercise of any of their rights, powers, authorities or discretions in relation to the Secured Property or under or otherwise for the purposes of this Deed or any law or regulation.
- 7.14.3 The Chargor ratifies and confirms anything done by any attorney under this Clause 7.14. The Chargor agrees to indemnify each attorney against all actions, claims, demands and proceedings taken or made against it and all costs, damages, expenses, liabilities and losses incurred by each attorney as a result of or in connection with anything lawfully done by it under or in connection with this power of attorney.

8. RIGHTS OF ENFORCEMENT

8.1 Secured Liabilities deemed payable

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to be due and payable on the date of this Deed.

8.2 When Security enforceable

The Security created by this Deed is enforceable on the occurrence of a Declared Default.

8.3 Enforcement powers

At any time (a) when the Security created by this Deed is enforceable or (b) following a request by the Chargor, the Security Agent may, without further notice:

- 8.3.1 appropriate, realise or transfer, including to itself or to any other person, all or any part of the Secured Property;
- 8.3.2 appoint one or more persons to be a Receiver of all or any part of the Secured Property;
- 8.3.3 appoint an administrator of the Chargor;
- 8.3.4 exercise any of the powers, authorities and discretions conferred on mortgagees, administrators or receivers, under the LPA, the Insolvency Act, any other legislation or regulation or under this Deed; and/or
- 8.3.5 take such further action as it sees fit to enforce all or any part of the Security created by this Deed.

8.4 Rights in relation to a Receiver

The Security Agent may remove any Receiver appointed under this Deed, appoint another person as Receiver or appoint additional Receivers. Each Receiver will be deemed to be the agent of the Chargor who alone will be responsible for the acts and defaults of the Receiver and for any liabilities incurred by the Receiver. The Security Agent may fix the

remuneration of a Receiver which will be payable by the Chargor and form part of the Secured Liabilities.

8.5 Redemption of prior Security

Where there is any Security created over any of the Secured Property which ranks in priority to the Security created by this Deed and:

8.5.1 the Security created by this Deed becomes enforceable; and/or

8.5.2 the holder of such other Security takes any steps to enforce that Security,

the Security Agent or any Receiver may, at its sole discretion and at the cost and expense of the Chargor, redeem, take a transfer of and/or repay the Indebtedness secured by such other Security. All amounts paid by the Security Agent or a Receiver under this Clause will form part of the Secured Liabilities.

8.6 Appropriation of payments

Any appropriation by the Security Agent or a Receiver under this Deed will override any appropriation by the Chargor.

8.7 Financial collateral

8.7.1 To the extent that any of the assets mortgaged, assigned or charged under this Deed constitute "financial collateral" and this Deed constitutes a "financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**FC Regulations**")), the Security Agent will have the right at any time when such Security is enforceable to appropriate all or any part of that financial collateral in such manner as it sees fit in or towards the satisfaction of the Secured Liabilities.

8.7.2 Where any financial collateral is appropriated, its value shall be:

8.7.2.1 in the case of cash, its face value at the time of the appropriation;

8.7.2.2 if the financial collateral is listed or traded on a recognised exchange, the value at which it could have been sold on that exchange at the time of appropriation; and

8.7.2.3 in any other case, the amount reasonably determined by the Security Agent by such process as it may select, including independent valuation,

and the Chargor agrees that the method of valuation provided for in this Clause 8.7.2 is commercially reasonable for the purposes of the FC Regulations.

9. POWERS OF A RECEIVER

9.1 General powers

Any Receiver will have:

9.1.1 the rights, powers, privileges and immunities conferred on receivers, receivers and managers and mortgagees in possession under the LPA;

9.1.2 the rights, powers, privileges and immunities conferred on administrative receivers (whether or not that Receiver is an administrative receiver) under the Insolvency Act; and

- 9.1.3 all other rights, powers, privileges and immunities conferred by law or regulation on receivers, receivers and managers, mortgagees in possession and administrative receivers.

9.2 Specific powers

The rights, powers and remedies provided in this Deed are in addition to any rights, powers and remedies under law or regulation. Any Receiver will have the following additional powers:

- 9.2.1 the power to do or omit to do anything which the Chargor could do or omit to do in relation to the Secured Property which is the subject of the appointment;
- 9.2.2 the power to do all other acts and things which the Receiver may consider desirable or necessary for realising any of the Secured Property or incidental or conducive to any of the rights, powers and discretions conferred on a Receiver under this Deed or by law or regulation; and
- 9.2.3 the power to use the Chargor's name for all the above purposes.

9.3 Variation of statutory powers

The following statutory provisions do not apply to this Deed or any Security created by this Deed:

- 9.3.1 the restriction on the consolidation of mortgages in section 93 of the LPA;
- 9.3.2 the restrictions on the power to grant or accept the surrender of leases in sections 99 and 100 of the LPA;
- 9.3.3 the conditions to the exercise of a power of sale in section 103 of the LPA;
- 9.3.4 the restrictions on the application of proceeds by a mortgagee or receiver in sections 105, 107(2) and 109(8) of the LPA; and
- 9.3.5 the restrictions on the appointment of a receiver in section 109(1) of the LPA and the provisions regarding a receiver's remuneration in section 109(6) of the LPA.

10. APPLICATION OF PROCEEDS

10.1 Order of priority

All amounts received by any Secured Party in connection with the enforcement of the Security created by this Deed will be applied, to the extent permitted by applicable law, in accordance with the provisions of the Facility Agreement.

10.2 New accounts

If at any time:

- 10.2.1 any of the Chargor's obligations cease to be continuing obligations for any reason; or
- 10.2.2 a Secured Party receives or is deemed to have received notice of subsequent Security over any of the Secured Property,

each Secured Party may open a new account with the Chargor. If a Secured Party does not open a new account, it will be treated as having done so at the time when the Chargor's obligations cease to be continuing obligations or, as the case may be, the relevant notice of subsequent security was received and, as from that time, all payments made by or on behalf of the Chargor to that Secured Party will be credited or be treated

as having been credited to the relevant new account and not as having been applied in discharge of the Secured Liabilities.

10.3 Release of Secured Property

If the Security Agent is satisfied that all the Secured Liabilities have, subject to Clauses 13.1 (*Reinstatement*) and 13.2 (*Avoidable payments*), been unconditionally and irrevocably paid and discharged in full and all facilities which might give rise to Secured Liabilities terminated, the Security Agent will, at the request and cost of the Chargor, execute such documents and take such steps necessary to release the Secured Property from the Security created by this Deed, re-assign any assets assigned under this Deed, return all deeds and documents of title delivered to the Security Agent and execute and deliver such further deeds or documents as the Chargor may require in order to give effect to this Clause.

11. PROTECTION OF THIRD PARTIES

11.1 No buyer from, or other person dealing with any Secured Party, will be concerned to enquire whether:

11.1.1 any money remains due under the Finance Documents;

11.1.2 any power which that Secured Party is purporting to exercise has arisen or become exercisable; or

11.1.3 that Secured Party is validly appointed and acting within its powers in accordance with this Deed.

11.2 The receipt of any Secured Party will be an absolute and conclusive discharge to a purchaser of any of the Secured Property who will have no obligation to enquire how any monies are applied.

12. PROTECTION OF SECURITY AGENT

12.1 No liability as mortgagee in possession

No Secured Party will be liable to account to the Chargor as mortgagee in possession by reason of entering into possession of any of the Secured Property, nor for any cost, loss or liability on realisation, nor for any default or omission for which a mortgagee in possession might be liable.

12.2 Tacking

The Security created by this Deed is intended to secure any further advances which any Secured Party is obliged to make under the Finance Documents.

12.3 Discretion of the Secured Parties

Each Secured Party is entitled to exercise its rights, powers and discretions under this Deed in accordance with the terms of the Finance Documents and the Chargor does not have any right to control or restrict any Secured Party's exercise of any of its rights, powers or discretions under this Deed.

13. SAVING PROVISIONS

13.1 Reinstatement

If, at any time, there has been a release, settlement or discharge of the Chargor's obligations under this Deed and, as a consequence of any Insolvency Event or for any other reason:

13.1.1 any payment made to any person in respect of any of the Secured Liabilities is required to be repaid; and/or

13.1.2 any Security (or other right) held by the Secured Parties in respect of any of the Secured Liabilities (whether under this Deed or otherwise) is declared void, is set aside or is otherwise affected,

then the Chargor's obligations under this Deed will continue in effect as if there had been no such release, settlement or discharge and as if the relevant payment had not been made and/or (as applicable) the relevant obligation or Security (or other right) had not been so affected; and accordingly (but without limiting the Secured Parties' other rights under this Deed) the Security Agent will be entitled to recover from the Chargor the value which the Security Agent has placed upon such Security (or other right) or the amount of any such payment as if such release, settlement or discharge had not occurred.

13.2 **Avoidable payments**

If the Security Agent, acting reasonably and on the basis of legal advice received by it for this purpose, considers that any amount paid by or on behalf of the Chargor in respect of the Secured Liabilities is capable of being avoided, set aside or ordered to be refunded or reduced for any reason then, for the purposes of this Deed, such amount will not be considered to have been irrevocably paid.

13.3 **Waiver of defences**

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

13.3.1 any time, waiver or consent granted to, or composition with, the Chargor or other person;

13.3.2 the release of any other person under the terms of any composition or arrangement with any creditor of the Chargor;

13.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Chargor or 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;

13.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor or any other person;

13.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;

13.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or

13.3.7 any insolvency or similar proceedings.

13.4 **Chargor Intent**

Without prejudice to the generality of Clause 13.3 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created by this Deed shall extend from

time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

13.5 Immediate recourse

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

13.6 Appropriations

Until all amounts which may be or become payable by the Chargor under or in connection with the Finance Documents have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may:

13.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of 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

13.6.2 hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed.

14. CHANGES TO THE PARTIES

14.1 No assignment by Chargor

The Chargor may not assign any of its rights or transfer any of its rights or obligations under this Deed.

14.2 Assignment by Security Agent

The Security Agent may assign any of its rights or transfer any of its rights or obligations under this Deed in accordance with the terms of the Facility Agreement.

15. 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 the Deed.

16. GOVERNING LAW

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

17. JURISDICTION

17.1 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) and any non-contractual obligations arising out of or in connection with it (a "Dispute").

- 17.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Deed will argue to the contrary.
- 17.3 This Clause 17 is for the benefit of the Secured Parties only. As a result, no Secured Party will be prevented from taking proceedings relating to a Dispute in any other court with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

This Deed is executed as a deed and delivered on the date stated at the beginning of this Deed.

SCHEDULE 1

Details of Secured Property

Part I Real Property

Address/description of the Real Property	Title number
1a Downs Road, Hackney, London E5 on the ground floor and floors 1-14	368232
The leasehold land demised by a lease dated 16 June 2017 entered into between DSN Limited and Downs Road Limited (1) and Downs Road Development LLP (2) and relating to all the proposed residential areas to be comprised within the building to be constructed at 1A Downs Road, Hackney, London, E5 8QJ on the ground floor and floors 1-14	To be allocated

Part II Specified Shares

Name of company whose shares are held	Registration number (or equivalent, if any) of the company whose shares are held	Number and class of shares
Not applicable	Not applicable	None

Part III Bank Accounts

Name or designation of Bank Account	Account number	Name of institution and branch at which Bank Account held
Deposit Account	██████████	Alpha Bank
General Account	██████████	Alpha Bank
Second General Account	██████████	Alpha Bank

**Part IV
Insurances**

Brief description of policy, including policy number	Date of policy	Insurance company or underwriter (including address for service of notices)
Excess Layer Property Owners' Liability (£5m over £5m) Policy No: LMCXPL0044	23 July 2018	Royal & Sun Alliance plc 15-17 th Floor 20 Fenchurch Street London EC3M 3AU
Excess Layer JCT 6.5.1 Non-Negligent Liability (£5m over £5m) Policy No: LXMCXPL0043	23 July 2018	Royal & Sun Alliance plc 15-17 th Floor 20 Fenchurch Street London EC3M 3AU
JCT 6.5.1 Non- Negligent Liability (Limit of Indemnity £5m) Policy No: LC PLI 6989225	25 July 2018	AXA Insurance UK plc FAO: Stuart Daffin 5 Old Broad Street London EC2N 1AD
Property Owners' Liability (Limit of Indemnity £5m) Policy No: LC CMB 6989222	25 July 2018	AXA Insurance UK plc FAO: Stuart Daffin 5 Old Broad Street London EC2N 1AD
Contractors Combined – Project Specific Works & Terrorism Only Policy No: LC CMC 6989232	24 July 2018	AXA Insurance UK plc FAO: Stuart Daffin 5 Old Broad Street London EC2N 1AD

**Part V
Assigned Agreements**

Brief description of agreement	Date of agreement	Parties to agreement (including address for service of notices)
Warranty	10 July 2018	(1) Lynas Architecture Limited (Studio 21 Monohaus, 143 Mare Street, London, E8 3FW) (2) the Chargor (3) Laxmanbhai Construction (U.K.) Limited (Laxcon House, Laxcon Close, Drury Way,

		Neesden, London, NW10 0TG
Warranty	10 July 2018	(1) Brian W Murray Limited (15 Downshire Road, Holywood, Co Down, BT18 9LU) (2) the Chargor (3) Laxmanbhai Construction (U.K.) Limited (Laxcon House, Laxcon Close, Drury Way, Neesden, London, NW10 0TG
Warranty	10 July 2018	(1) the Chargor (2) Mendick Waring Limited (Edelman House, 1238 High Road, Whetstone, London, N20 0LH) (3) Laxmanbhai Construction (U.K.) Limited (Laxcon House, Laxcon Close, Drury Way, Neesden, London, NW10 0TG
Deed of Appointment	12 July 2017	(1) the Chargor (2) Findon Homes (UK) Limited (c/o Nicholas Peters & Co, 1 st Floor (North) Devonshire House, 1 Devonshire Street, London, W1W 5DS)
Agreement for Lease	16 June 2017	(1) DSN Limited and Downs Road Limited (2) Downs Road Development LLP
Lease	16 June 2017	(1) DSN Limited and Downs Road Limited (2) Downs Road Development LLP
Funding Agreement		(1) Manhattan Loft Corporation Limited (5 th Floor, Edison House, 223-231 Old Marylebone Road, London, NW1 5QT) (2) David Pollock (c/o Findon Homes, 18 Great Portland Street, London, W1W 8QP) (3) Marc Meltzer (c/o

		Findon Homes, 18 Great Portland Street, London, W1W 8QP) (4) Cityshire Limited (21 Bedford Square, London, WC1B 3HH) (5) Downs Road Limited
Loan Agreement	1 April 2017	(1) Aspasion Properties Limited (3 rd Floor, J&C Building, PO BOX 933, Road Town, Tortola, VG1110, British Virgin Islands) (2) DSN Limited

**Part VI
Specified IPR**

Brief description of right	Registration number (if any)	Date of renewal (if any)
Not applicable	Not applicable	None

SCHEDULE 2

Notices

Part I

Form of notice relating to Insurances

To: [NAME AND ADDRESS OF INSURANCE COMPANY / UNDERWRITER]

Dated: [DATE] 2018

Dear Sirs,

Notice of Security

1. We refer to [SPECIFY POLICY], policy number [NUMBER] between us and you (the "**Policy**").
2. We give you notice that, under a security agreement dated [DATE], we have assigned by way of security to Solutus Advisors Limited (the "**Security Agent**") all of our present and future rights, title and interest in, under and to the Policy and all proceeds and claims arising from the Policy.
3. We may not agree to amend or terminate the Policy without the prior written consent of the Security Agent.
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Policy. After you receive such notice, we will cease to have any right to deal with you in relation to the Policy and you must deal directly with or upon the written instructions of the Security Agent.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
 - 5.1 to disclose such information relating to the Policy and to give such acknowledgements and undertakings relating to the Policy as the Security Agent may from time to time request[; and]
 - 5.2 to make all payments under or in connection with the Policy as directed by the Security Agent[; and]
 - 5.3 to give at least 30 days' notice to the Security Agent if you propose to:
 - 5.3.1 repudiate, rescind or cancel the Policy;
 - 5.3.2 treat the Policy as avoided in whole or in part;
 - 5.3.3 treat any Policy as expired due to non-payment of premium; or
 - 5.3.4 otherwise decline any claim under any Insurance by or on behalf of any insured party,and, in respect of paragraph 5.3.3, must in the notice give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period; and
6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
DOWNNS ROAD DEVELOPMENT LLP

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF Solutus Advisors Limited]

Copy to: [NAME AND ADDRESS OF New UK LLP]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Policy and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off, counterclaim or other similar right in relation to amounts payable in connection with the Policy.

Yours faithfully,

For and on behalf of
[INSURANCE COMPANY / UNDERWRITER]

Part II
Form of notice relating to Lease Documents

To: [NAME AND ADDRESS OF TENANT / LICENSEE / OCCUPIER]

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We refer to [LEASE DOCUMENT] between you and us dated [DATE] (the "Lease").
2. We give you notice that, under a security agreement dated [DATE], we have assigned by way of security to Solutus Advisors Limited (the "**Security Agent**") all of our present and future rights, title and interest in, under and to the Lease, including all monies payable thereunder and the proceeds of all claims and judgments for breach of covenant.
3. We may not without the prior consent of the Security Agent:
 - 3.1 agree to any amendment, supplement, extension, waiver, surrender or release in respect of the Lease;
 - 3.2 exercise any right to break, determine or extend the Lease;
 - 3.3 commence any forfeiture or irritancy proceedings in respect of the Lease;
 - 3.4 grant any licence or right to use or occupy any part of the Property;
 - 3.5 consent to any sublease or assignment of your interest under the Lease;
 - 3.6 agree to any change of use under, or rent review in respect of, the Lease (except where required to do so under the terms of the Lease);
 - 3.7 serve any notice on you (or on any guarantor) which would entitle you to a new lease or tenancy; or
 - 3.8 assign any of our rights or transfer any of our rights or obligations under the Lease,in each case, except with the consent of the Security Agent.
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Lease. After you receive such notice, we will cease to have any right to deal with you in relation to the Lease and you must deal directly with or upon the written instructions of the Security Agent. We will remain liable to perform all our obligations under the Lease and the Security Agent is under no obligation of any kind under the Lease and assumes no liability in the event of any failure by us to perform our obligations under the Lease.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
 - 5.1 to disclose such information relating to the Lease and to give such acknowledgements and undertakings and agreements relating to the Lease as the Security Agent may from time to time request; and
 - 5.2 to pay all amounts under or in connection with the Lease to the account [in our name] with [ACCOUNT BANK] (account number [] and sort code []), unless otherwise directed by the Security Agent.

6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
DOWNNS ROAD DEVELOPMENT LLP

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF Solutus Advisors Limited]

Copy to: [NAME AND ADDRESS OF New UK LLP]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Lease and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off or counterclaim or any other similar right in relation to amounts payable in connection with the Lease.

Yours faithfully,

For and on behalf of
[TENANT / LICENSEE / OCCUPIER]

Part III
Form of notice relating to Assigned Agreements
(other than Insurances and Lease Documents)

To: [NAME AND ADDRESS OF COUNTERPARTY]

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We refer to [AGREEMENT] between you and us dated [DATE] (the "**Agreement**").
2. We give you notice that, under a security agreement dated [DATE], we have assigned by way of security to Solutus Advisors Limited (the "**Security Agent**"), all of our present and future rights, title and interest in, under and to the Agreement.
3. We may not without the prior consent of the Security Agent:
 - 3.1 agree to any amendment, supplement, extension, waiver, surrender, release or termination of the Agreement;
 - 3.2 consent to any assignment or transfer of your interest under the Agreement; or
 - 3.3 assign any of our rights or transfer any of our rights or obligations under the Agreement,in each case, except with the consent of the Security Agent.
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Agreement. After you receive such notice, we will cease to have any right to deal with you in relation to the Agreement and you must deal directly with or upon the written instructions of the Security Agent. We will remain liable to perform all our obligations under the Agreement and the Security Agent is under no obligation of any kind under the Agreement and assumes no liability in the event of any failure by us to perform our obligations under the Agreement.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
 - 5.1 to disclose such information relating to the Agreement and to give such acknowledgements and undertakings relating to the Agreement as the Security Agent may from time to time request; and
 - 5.2 to pay all amounts under or in connection with the Agreement to the account [in our name] with [ACCOUNT BANK] (account number [] and sort code []), unless otherwise directed by the Security Agent.
6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
DOWNS ROAD DEVELOPMENT LLP

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF Solutus Advisors Limited]

Copy to: [NAME AND ADDRESS OF New UK LLP]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Agreement and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off or counterclaim or any other similar right in relation to amounts payable in connection with the Agreement.

Yours faithfully,

For and on behalf of
[COUNTERPARTY]

Part IV
Form of notice relating to Bank Accounts
(Security Agent has sole signing rights)

To: [NAME AND ADDRESS OF ACCOUNT HOLDING INSTITUTION] (the "Account Bank")

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We give you notice that, under a security agreement dated [DATE], we have [charged]/[assigned by way of security] to Solutus Advisors Limited (the "**Security Agent**") all of our present and future rights, title and interest in, under and to each account listed below (each an "**Account**"), including all monies (including interest) at any time standing to the credit of such accounts:

Name or designation of Account	Account number	Name of institution and branch at which Account held
Deposit Account	[]	[]

2. We may not withdraw or attempt to withdraw any amounts from any Account without the prior written consent of the Security Agent.
3. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
- 3.1 to hold all monies from time to time standing to the credit of each Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent;
- 3.2 to disclose to the Security Agent such information relating to us and each Account as the Security Agent may from time to time request, including granting the Security Agent access to our online account details and providing copies of all statements, in electronic or paper form; and
- 3.3 to accept any instructions from the Security Agent to change the signatories on the relevant account mandates to persons specified by the Security Agent.
4. This notice and the authority and instructions it contains may only be revoked or amended with the prior written consent of the Security Agent.
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
6. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
DOWN ROAD DEVELOPMENT LLP

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF Solutus Advisors Limited]

Copy to: [NAME AND ADDRESS OF New UK LLP]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any other assignment of or charge over any Account and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice set out above; and
3. will not claim or exercise any right of set-off, counterclaim, lien or right to combine accounts or any other similar right in relation to the monies standing to the credit of any Account.

Yours faithfully,

For and on behalf of
[ACCOUNT HOLDING INSTITUTION]

Part V
Form of notice relating to Bank Accounts
(Security Agent does not have sole signing rights)

To: [NAME AND ADDRESS OF ACCOUNT HOLDING INSTITUTION] (the "Account Bank")

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We give you notice that, under a security agreement dated [DATE], we have [charged]/[assigned by way of security] to Solutus Advisors Limited (the "**Security Agent**") all of our present and future rights, title and interest in, under and to each account listed below (each an "**Account**"), including all monies (including interest) at any time standing to the credit of such accounts.

Name or designation of Account	Account number	Name of institution and branch at which Account held
[General Account]	[]	[]

2. We may continue to operate each Account unless and until the Security Agent notifies you in writing to the contrary. With effect from the date of such notification, we may not withdraw any further monies from any Account without the prior written consent of the Security Agent to each withdrawal.
3. We irrevocably and unconditionally authorise and instruct you:
- 3.1 with effect from the date of this notice, to disclose to the Security Agent such information relating to us and each Account as the Security Agent may from time to time request, including granting the Security Agent access to our online account details and providing copies of all statements, in electronic or paper form; and
- 3.2 with effect from the date of the notification described in paragraph 2 above:
- 3.2.1 to hold all monies from time to time standing to the credit of each Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent; and
- 3.2.2 to accept any instructions from the Security Agent to change the signatories on the relevant account mandates to persons specified by the Security Agent.
4. This notice and the authority and instructions it contains may only be revoked or amended with the prior written consent of the Security Agent.
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
6. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

.....
For and on behalf of

DOWNS ROAD DEVELOPMENT LLP

[To be included on copy notice:]

To: [NAME, ADDRESS AND DEPARTMENT OF Solutus Advisors Limited]

Copy to: [NAME AND ADDRESS OF New UK LLP]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any other assignment of or charge over any Account and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off, counterclaim, lien or right to combine accounts or any other similar right in relation to the monies standing to the credit of any Account.

Yours faithfully,

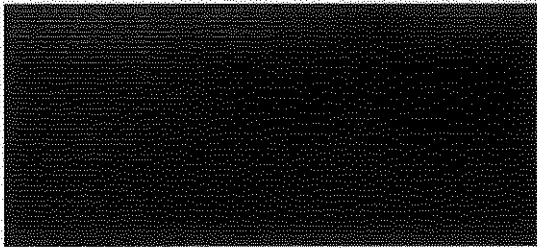
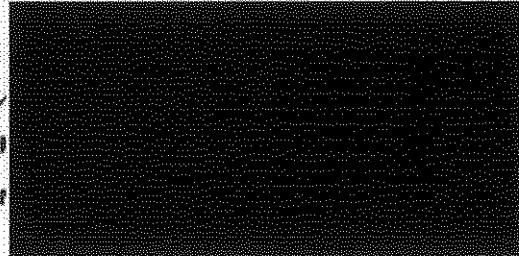
.....
For and on behalf of
[ACCOUNT HOLDING INSTITUTION]

EXECUTION of SECURITY AGREEMENT

The Chargor

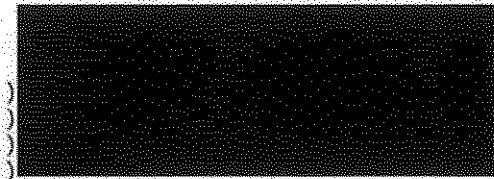
Executed as a deed by
DOWNS ROAD DEVELOPMENT LLP,
acting by one member in the presence of:

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)

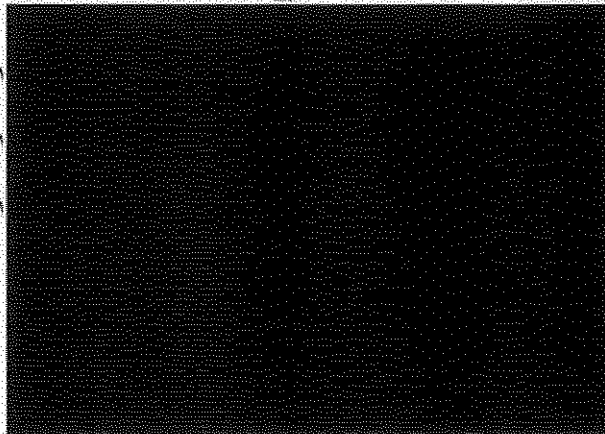


The Security Agent

Executed as a deed by
SOLUTUS ADVISORS LIMITED,
in the presence of:



)
)
)
)



Authorised Signatory

W
V
W