



Registration of a Charge

Company name: **St. Modwen Developments Limited**

Company number: **00892832**



X5BY7VQQ

Received for Electronic Filing: **25/07/2016**

Details of Charge

Date of creation: **19/07/2016**

Charge code: **0089 2832 0161**

Persons entitled: **BARCLAYS BANK PLC (AS SECURITY TRUSTEE FOR THE SECURED PARTIES)**

Brief description: **(1) LAND ON THE SOUTH EAST SIDE OF LICKEY ROAD LONGBRIDGE, BIRMINGHAM (WM989902) AND (2) LAND LYING TO THE EAST SIDE OF BRISTOL ROAD SOUTH, BIRMINGHAM (WM989903), BOTH REGISTERED AT HM LAND REGISTRY WITH THE RESPECTIVE TITLE NUMBERS ABOVE.**

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **LAURA HOWARD, SOLICITOR, DLA PIPER UK LLP, BIRMINGHAM**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 892832

Charge code: 0089 2832 0161

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th July 2016 and created by St. Modwen Developments Limited was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th July 2016 .

Given at Companies House, Cardiff on 26th July 2016

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

19 July 2016

(1) ST. MODWEN DEVELOPMENTS LIMITED
as Chargor

- and -

(2) BARCLAYS BANK PLC
as Security Agent

LEGAL CHARGE
relating to
land at Longbridge Town Centre



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 20 July 2016

SIGNED DLA Piper UK LLP
DLA PIPER UK LLP

Laura Howard
Solicitor

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THIS DEED is made on

19 July 2016

BETWEEN:

- (1) **ST. MODWEN DEVELOPMENTS LIMITED**, a company registered in England and Wales with number 00892832 and with its registered office at Park Point, 17 High Street, Longbridge, Birmingham B31 2UQ (the "**Chargor**"); and
- (2) **BARCLAYS BANK PLC** (as security trustee for the Secured Parties (as defined below)) (in such capacity, the "**Security Agent**").

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

- (a) terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and
- (b) the following terms have the following meanings:

"Account Bank" means Barclays Bank PLC or such other bank with which an Account is held pursuant to clause 17.6 of the Facility Agreement;

"Act" means the Law of Property Act 1925;

"Assigned Assets" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

"Charged Accounts" means each account specified in part 2 of schedule 1 (*Details of security assets*);

"Default Rate" means the rate of interest determined in accordance with clause 8.4 of the Facility Agreement;

"Facility Agreement" means the £34,000,000 facility agreement dated the same date as this Deed and made between, amongst others, (1) St. Modwen Properties Plc as Company, (2) the Chargor as the Borrower, (3) Barclays Bank PLC as Arranger, (4) the financial institutions listed in part 2 of schedule 1 to it as Original Lenders, (6) the financial institutions listed in part 3 of schedule 1 to it as Original Hedge Counterparties, (7) Barclays Bank PLC as Agent and (8) the Security Agent, pursuant to which the Original Lenders agreed to make certain facilities available to the Chargor;

"Hedging Agreement" has the meaning given to that term in the Facility Agreement and includes each other agreement supplementing or amending or novating or replacing the same;

"Insurances" means all policies of insurance (and all cover notes) in relation to the Core Property which are at any time held by or written in favour of the Chargor, or in which the

Chargor from time to time has an interest (including, without limitation, the policies of insurance (if any) specified in part 3 of schedule 1 (*Details of security assets*));

"Lease" means any lease or other agreement permitting occupation of any of the Core Property or to which any of the Core Property may from time to time be subject;

"Party" means a party to this Deed;

"Property" means the property in England and Wales specified in part 1 of schedule 1 (*Details of security assets*) and each and every part of it, including, where the context permits:

- (a) all buildings, fixtures (including trade fixtures), fittings and fixed plant and machinery at any time on that property;
- (b) all easements, servitudes and rights in respect of that property;
- (c) all rents from and proceeds of sale of that property; and
- (d) the benefit of all covenants given in respect of that property;

"Rental Income" means **"Rental Income"** as defined in the Facility Agreement;

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Transaction Obligor to the Secured Parties (or any of them) under or pursuant to any Finance Document (including all monies covenanted to be paid under this Deed);

"Secured Parties" has the meaning given to that term in the Facility Agreement;

"this Security" means the Security created or evidenced by or pursuant to this Deed;

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed, excluding, for the avoidance of doubt, any Rental Income in relation to any Non-Core Property or proceeds of any Insurances in relation to any Non-Core Property; and

"Security Period" means the period beginning on the date of this Deed and ending on the date on which:

- (e) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full; and
- (f) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents.

1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of clause 1.2 (*Construction*) of the Facility Agreement (other than clause 1.2(c)) apply to this Deed as though they were set out in full in this Deed, except that references to *"this Agreement"* will be construed as references to this Deed.

- (b) Unless a contrary indication appears, any reference in this Deed to:
 - (i) the "**Chargor**", the "**Security Agent**" or any other "**Secured Party**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents;
 - (ii) "**this Deed**", the "**Facility Agreement**", any other "**Finance Document**" or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any Transaction Obligor or provides for further advances); and
 - (iii) "**Secured Obligations**" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Transaction Obligor.
- (c) Each undertaking of the Chargor (other than a payment obligation) contained in this Deed:
 - (i) must be complied with at all times during the Security Period; and
 - (ii) is given by the Chargor for the benefit of each Secured Party.
- (d) The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- (e) If the Security Agent or the Agent reasonably considers that an amount paid by the Chargor to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

1.3 Trust

All Security and dispositions made or created, and all obligations and undertakings contained, in this Deed to, in favour of or for the benefit of the Security Agent are made, created and entered into in favour of the Security Agent as trustee for the Secured Parties from time to time on the terms of the Facility Agreement.

1.4 Third party rights

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

1.5 Delivery

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed.

1.6 Inconsistency between this Deed and the Facility Agreement

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Facility Agreement, the provision of the Facility Agreement shall prevail.

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) The Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Agent that it will pay and discharge the Secured Obligations from time to time when they fall due.
- (b) Every payment by the Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a).

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made:

- (a) in favour of the Security Agent;
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (c) as continuing security for payment of the Secured Obligations.

4. FIXED SECURITY

4.1 Fixed charges

The Chargor charges and agrees to charge all of its present and future right, title and interest in and to the following assets which are at any time owned by it, or in which it from time to time has an interest:

- (a) by way of first legal mortgage the Property:
- (b) by way of first fixed charge:
 - (i) the benefit of all agreements relating to the Property;
 - (ii) all fittings at any time on the Property;
 - (iii) the proceeds of sale of all or any part of the Property;

- (iv) the benefit of any rental deposit given or charged to the Chargor by any occupier of the Property;
- (c) by way of first fixed charge the Charged Accounts and all monies at any time standing to the credit of the Charged Accounts together with all interest from time to time accrued or accruing on such monies, any investment made out of such monies or account and all rights to repayment of any of the foregoing;
- (d) to the extent that any Assigned Asset is not effectively assigned under clause 4.2 (*Security assignments*) by way of first fixed charge such Assigned Asset; and
- (e) the benefit of all licences, consents, and Authorisations held or used in connection with the Chargor's ownership or use of the Property.

4.2 Security assignments

The Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to:

- (a) all Rental Income at any time arising (to the extent not validly mortgaged under clause 4.1(a));
- (b) each Hedging Agreement, all rights and remedies in connection with the Hedging Agreements and all proceeds and claims arising from them; and
- (c) all Insurances.

To the extent that any Assigned Asset described in clause 4.2(c) is not assignable, the assignment which that clause purports to effect shall operate as an assignment of all present and future rights and claims of the Chargor to any proceeds of such Insurances,

4.3 Notice of assignment and/or charge

- (a) Immediately on a Default which is continuing, the Chargor shall:
 - (i) in respect of each Lease, deliver a duly completed notice to each tenant and each other party to that Lease and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 3 (*Form of notice to and acknowledgement by tenant*) or in such other form as the Security Agent shall agree;
- (b) Within two Business Days of the execution of this Deed (and within two Business Days upon the obtaining of any Insurance or the execution of any Hedging Agreement or the opening of any Charged Account after the date of this Deed) the Chargor shall:
 - (i) in respect of each Charged Account deliver a duly completed notice to the Account Bank and use its reasonable endeavours to procure that the Account Bank executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 2 (*Form of notice to and acknowledgement from Account Bank*);

- (ii) in respect of each Hedging Agreement, deliver a duly completed notice to each other party to that Hedging Agreement, and use its reasonable endeavours to procure that each such person executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 4 (*form of notice to and acknowledgement by hedge counterparty*); and
- (iii) in respect of each of its Insurances, deliver a duly completed notice of assignment to each other party to that Insurance, and shall use its reasonable endeavours to procure that each such party executes and delivers to the Security Agent an acknowledgement, in each case in the respective forms set out in schedule 5 (*Form of notice to and acknowledgement by insurers*),

or, in each case, in such other form as the Security Agent shall agree.

4.4 Assigned Assets

The Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed.

5. FLOATING CHARGE

The Chargor charges and agrees to charge by way of first floating charge:

- (a) all moveable plant, machinery, implements, utensils, furniture and equipment now or from time to time placed on or used in or upon the Property; and
- (b) the benefit of all licences, contracts and warranties in connection with the same.

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Agent may, by written notice to the Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the Security Assets of the Chargor specified in the notice if:

- (a) an Event of Default has occurred and is continuing; or
- (b) the Security Agent reasonably considers any Security Assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.

6.2 Small companies

The floating charge created under this Deed by the Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge:

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) the Chargor creates (or attempts or purports to create) any Security (other than a Security permitted under the Facility Agreement) on or over the relevant Security Asset without the prior written consent of the Security Agent; or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and
- (b) over all Security Assets of the Chargor which are subject to a floating charge if an administrator is appointed in respect of the Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986).

6.4 Partial conversion

The giving of a notice by the Security Agent pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of Security Assets of the Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of Security Assets or of any other right of the Secured Parties.

7. CONTINUING SECURITY

7.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period.

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which any Secured Party may at any time hold for any Secured Obligation.

7.3 Right to enforce

This Deed may be enforced against the Chargor without any Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them.

8. LIABILITY OF CHARGOR RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, the Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

9. ACCOUNTS

No monies at any time standing to the credit of any Charged Account with the Security Agent or any other Secured Party (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than a Secured Party.

10. REPRESENTATIONS

10.1 General

The Chargor makes the representations and warranties set out in this clause 10 to each Secured Party.

10.2 Ownership of Security Assets

The Chargor is the sole legal and beneficial owner of all of the Security Assets identified in schedule 1 (*Details of security assets*).

10.3 Time when representations made

- (a) All the representations and warranties in this clause 10 are made by the Chargor on the date of this Deed and are also deemed to be made by the Chargor:
 - (i) on the date of each Utilisation Request and each Utilisation Date; and
 - (ii) on the first day of each Interest Period.
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

11. UNDERTAKINGS BY THE CHARGOR

11.1 Negative pledge and disposals

The Chargor shall not do or agree to do any of the following without the prior written consent of the Security Agent:

- (a) create or permit to subsist any Security on any Security Asset except as expressly permitted under the Facility Agreement; or
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except as contemplated under the Facility Agreement).

11.2 Deposit of documents and notices

The Chargor shall ensure:

- (a) all deeds and documents necessary to show good and marketable title to the Chargor's interests in the Security Assets and all local land charges, land charges and Land Registry search certificates and similar documents received by or on behalf of the Chargor in relation to the Security Assets, from the Utilisation Date be either:

- (i) in possession of the Security Agent;
 - (ii) held at the applicable Land Registry to the order of the Security Agent; or
 - (iii) held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose; and
- (b) immediately on request by the Security Agent, affix to any plant, machinery, fixtures, fittings, computers, vehicles, office equipment, other equipment and other asset for the time being owned by it which is a Security Asset (in a prominent position) a durable notice of this Deed (in any form required by the Security Agent).

11.3 Insurance

The Chargor shall at all times comply with its obligations as to insurance and the proceeds of insurance contained in the Facility Agreement (and in particular, clause 24.9 (*Insurances*) of the Facility Agreement).

11.4 Rental Income

The Chargor shall:

- (a) without prejudice to clause 11.1 (*Negative pledge and disposals*) (but in addition to the restrictions in that clause), not, without the prior written consent of the Security Agent, sell, assign, charge, factor or discount or in any other manner deal with any Rental Income;
- (b) collect all Rental Income promptly and deal with it in accordance with the Facility Agreement, and in particular, clause 17 (*Bank Accounts*) of the Facility Agreement.

11.5 Operation of Charged Accounts

The Chargor shall not withdraw or attempt or be entitled to withdraw (or direct any transfer of) all or any part of the monies in the Charged Accounts unless expressly permitted to do so under the Facility Agreement or with the prior written consent of the Security Agent and the Security Agent shall be entitled (in its absolute discretion) to refuse to permit any such withdrawal or transfer.

11.6 Account Bank and notices

- (a) The initial Account Bank is Barclays Bank PLC.
- (b) If there is a change of Account Bank pursuant to clause 17.6 of the Facility Agreement, the net amount (if any) standing to the credit of the relevant Charged Accounts maintained with the old Account Bank will be transferred to the corresponding Charged Accounts maintained with the new Account Bank immediately upon the appointment taking effect. By this Deed the Chargor irrevocably gives all authorisations and instructions necessary for any such transfer to be made.
- (c) The Chargor shall take any action which the Security Agent requires to facilitate a change of Account Bank pursuant to clause 17.6 of the Facility Agreement and any transfer of credit balances (including the execution of bank mandate forms) and

irrevocably appoints the Security Agent as its attorney to take any such action if the Chargor should fail to do so.

11.7 Security Assets generally

The Chargor shall:

- (a) pay all rates, rents and other outgoings owed by it in respect of the Security Assets;
- (b) comply with all covenants and obligations affecting any Security Asset (or its manner of use);
- (c) not, except with the prior written consent of the Security Agent, enter into any onerous or restrictive obligation affecting any Security Assets (except as expressly permitted under the Facility Agreement); and
- (d) provide the Security Agent with all information which it may reasonably request in relation to the Security Assets.

12. POWER TO REMEDY

12.1 Mortgagee in possession

The exercise of the powers of the Security Agent under this clause ¹²~~11.7~~ shall not render it or any other Secured Party liable as a mortgagee in possession. DLA

12.2 Monies expended

The Chargor shall pay to the Security Agent on demand any ¹²(monies which are expended by the Security Agent in exercising its powers under this clause ~~11.7~~, together with interest at the Default Rate from the date on which those monies were expended by the Security Agent (both before and after judgment) and otherwise in accordance with clause 8.4 (*Default Interest*) of the Facility Agreement. DLA

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

13.3 Enforcement

After this Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

14.2 Powers of leasing

The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with section 99 or 100 of the Act.

14.3 Powers of Security Agent

- (a) At any time after this Security becomes enforceable (or if so requested by the Chargor by written notice at any time), the Security Agent may without further notice (unless required by law):
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets; and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of the Chargor; and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver.
- (b) The Security Agent is not entitled to appoint a Receiver in respect of any Security Assets of the Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of the Chargor.

14.4 Redemption of prior mortgages

At any time after this Security has become enforceable, the Security Agent may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on the Chargor.

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the Chargor to the Security Agent on demand.

14.5 Privileges

- (a) Each Receiver and the Security Agent 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.
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226)) each Receiver and the Security Agent shall have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Obligations.
- (c) For the purpose of clause 14.5(b), the value of the financial collateral appropriated shall be such amount as the Receiver or Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it.

14.6 No liability

- (a) Neither the Security Agent, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct).
- (b) Without prejudice to the generality of clause 14.6(a), neither the Security Agent, any other Secured Party nor any Receiver shall be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

14.7 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or any Receiver or Delegate will be concerned to enquire:

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

15. RECEIVER

15.1 Removal and replacement

The Security Agent may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and,

whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated.

15.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

15.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent (or, failing such agreement, to be fixed by the Security Agent).

15.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Agent in relation to the Secured Obligations shall be capable of being applied by the Security Agent in discharge of the Secured Obligations.

15.5 Agent of Chargor

Any Receiver shall be the agent of the Chargor. The Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to the Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have:

- (a) all the powers which are conferred on the Security Agent by clause 14.3 (*Powers of Security Agent*);
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act;
- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers.

16.2 Additional powers

In addition to the powers referred to in clause 16.1 (*General powers*), a Receiver shall have the following powers:

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed;

- (b) to manage the Security Assets and the business of the Chargor as he thinks fit;
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation;
 - (i) fixtures may be severed and sold separately from the Property containing them, without the consent of the Chargor;
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party); and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit;
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land);
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;
- (g) to take any such proceedings (in the name of the Chargor or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment);
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit;
- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Agent shall direct);
- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm);
- (k) to form one or more Subsidiaries of the Chargor and to transfer to any such Subsidiary all or any part of the Security Assets;
- (l) to operate any rent review clause in respect of any Property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease; and

(m) to:

- (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset;
- (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets; and
- (iii) use the name of the Chargor for any of the above purposes.

17. APPLICATION OF PROCEEDS

17.1 Application

All monies received by the Security Agent or any Receiver under or in connection with this Deed or the Security Assets after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in the following order:

- (a) *first*, in satisfaction of, or provision for, all costs, charges and expenses incurred, and payments made, by any Secured Party and of all remuneration due to the Receiver, in connection with this Deed or the Security Assets;
- (b) *secondly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 17.3 (*Appropriation and suspense account*); and
- (c) *thirdly*, in payment of any surplus to the Chargor or other person entitled to it.

17.2 Contingencies

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Security Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Security Agent may determine).

17.3 Appropriation and suspense account

- (a) Subject to clause 17.1 (*Application*), the Security Agent shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine.
- (b) Any such appropriation shall override any appropriation by the Chargor.
- (c) All monies received, recovered or realised by the Security Agent under or in connection with this Deed may at the discretion of the Security Agent be credited to a separate interest-bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate (if any) as the Security Agent may determine) without the Security Agent having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations unless such monies would clear all Secured Obligations in full.

18. SET-OFF

18.1 Set-off rights

- (a) Each Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by the Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Secured Party by the Chargor) against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (b) At any time after this Security has become enforceable (and in addition to its rights under clause 18.1(a)), each Secured Party may (but shall not be obliged to) set-off any contingent liability owed by the Chargor under any Finance Document against any obligation (whether or not matured) owed by the Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (c) If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (d) If either obligation is unliquidated or unascertained, the Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation.

18.2 Application of monies in the Charged Accounts

The Security Agent is irrevocably authorised at any time (whether or not a Default has occurred) to apply any monies in any Charged Account in accordance with the Facility Agreement.

19. DELEGATION

Each of the Security Agent and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Agent nor any Receiver shall 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 Delegate.

20. FURTHER ASSURANCES

20.1 Further action

The Chargor shall, at its own expense, immediately do all acts and execute all documents as the Security Agent or a Receiver may reasonably specify (and in such form as the Security Agent or a Receiver may reasonably require) for:

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document;
- (b) facilitating the realisation of any Security Asset;

- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Receiver or Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law; or
- (d) creating and perfecting Security in favour of the Security Agent or any other Secured Party over any property and assets of the Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Security Document.

This includes:

- (i) the re-execution of this Deed or such Security Document;
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Agent or to its nominee; and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

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

20.2 Finance Documents

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 Security Agent or the other Secured Parties by or pursuant to the Finance Documents.

20.3 Specific security

Without prejudice to the generality of clause 20.1 (*Further action*), the Chargor will immediately upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*)).

21. POWER OF ATTORNEY

The Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any Delegate to be its attorney to take any action whilst an Event of Default is continuing or enforcement of this Security has occurred which the Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*). The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 21.

22. CURRENCY CONVERSION

All monies received or held by the Security Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Agent or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Agent's spot rate of exchange. The Chargor shall indemnify the Security Agent against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Agent nor any Receiver shall have any

liability to the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such conversion.

23. CHANGES TO THE PARTIES

23.1 Chargor

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

23.2 Security Agent

The Security Agent may assign or transfer all or any part of its rights under this Deed pursuant to the resignation or removal of the Security Agent in accordance with the Facility Agreement. The Chargor shall, immediately upon being requested to do so by the Security Agent, enter into such documents as may be necessary or desirable to effect such assignment or transfer.

24. MISCELLANEOUS

24.1 New accounts

- (a) If any Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than a Security permitted by the Facility Agreement) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for the Chargor. If it 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 such notice.
- (b) As from that time all payments made to such Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

24.2 Tacking

- (a) Each Finance Party shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made.

24.3 Articles of association

The Chargor certifies that this Security does not contravene any of the provisions of its articles of association.

24.4 Land Registry

- (a) The Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Security Agent) for a restriction in the following terms to be entered on the Register of Title relating to any of the Property registered at the Land Registry and against which this Deed may be noted:

"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 [◆] 2016 in favour of Barclays Bank PLC referred to in the charges register or their conveyancer."

- (b) The Chargor:
- (i) authorises the Security Agent to make any application which the Security Agent deems appropriate for the designation of this Deed, the Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003;
 - (ii) shall use its best endeavours to assist with any such application made by or on behalf of the Security Agent; and
 - (iii) shall notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Facility Agreement or any other Finance Document following its designation as an exempt information document.
- (c) The Chargor shall not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.
- (d) The Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect the Security.

24.5 Protective clauses

- (a) The Chargor is deemed to be a principal debtor in relation to this Deed. The obligations of the Chargor under, and the security intended to be created by, this Deed shall not be impaired by any forbearance, neglect, indulgence, extension or time, release, surrender or loss of securities, dealing, amendment or arrangement by any Secured Party which would otherwise have reduced, released or prejudiced this Security or any surety liability of the Chargor (whether or not known to it or to any Secured Party).
- (b) Clause 18 of the Facility Agreement (*Guarantee and indemnity*) applies in relation to this Deed as if references to the obligations referred to in such clause respectively were references to the obligations of the Chargor under this Deed.

25. NOTICES

25.1 Facility Agreement

Subject to clause 25.2 (*Notices through Company*):

- (a) Clause 37 of the Facility Agreement (*Notices*) (other than clauses 37.3(c), 37.5 (*Electronic communication*) and 37.7 (*Use of websites*)) is incorporated into this Deed as if fully set out in this Deed.
- (b) The address and fax numbers of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Facility Agreement or this Deed.

25.2 Notices through Company

- (a) All communications and documents from the Chargor shall be sent through the Company and all communications and documents to the Chargor may be sent through the Company.
- (b) Any communication or document made or delivered to the Company in accordance with this clause 25 will be deemed to have been made or delivered to the Chargor.

26. AMENDMENTS AND WAIVERS

DLA ^{41 (Amendments and Waivers)}
Clause ~~40 (Remedies and Waivers)~~ of the Facility Agreement applies in relation to this Deed as if references to the obligations referred to in such clause respectively were references to the obligations of the Chargor and the Security Agent under this Deed.

27. COUNTERPARTS

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

28. RELEASE

28.1 Release

Upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of the Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from this Security.

28.2 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

29. GOVERNING LAW

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

IN WITNESS of which this Deed has been duly executed by the Chargor as a deed and duly executed by the Security Agent and has been delivered on the first date specified on page 1 of this Deed.

SCHEDULE 1: DETAILS OF SECURITY ASSETS**Part 1: Property**

Registered land		
Address	Administrative area	Title number
Land on the south east side of Lickey Road Longbridge Birmingham	West Midlands: Birmingham	WM989902
Land lying to the east of Bristol Road South, Birmingham	West Midlands: Birmingham	WM989903

Part 2: Charged Accounts

Account number	Type	Account bank	Account bank branch address and sort code
██████283	Deposit Account	Security Agent	36 Town Road Hanley Stoke-on-Trent ST1 2JQ United Kingdom Sort code: █████643
██████157	Rent Account	Security Agent	36 Town Road Hanley Stoke-on-Trent ST1 2JQ United Kingdom Sort code: █████643

Part 3: Insurances

Insurer	Policy number
Royal & Sun Alliance Insurance plc	██████295

SCHEDULE 2: FORM OF NOTICE TO AND ACKNOWLEDGEMENT FROM ACCOUNT BANK

To: *[insert name and address of Account Bank]*

Dated: [◆]] 20[◆]

Dear Sirs

RE: ACCOUNT HOLDER: [◆]] (THE "CHARGOR")

1. We give notice that, by a legal charge dated [◆]] 20[◆] (the "Legal Charge"), we have charged to [◆]] (the "Security Agent") as Security Agent for certain banks and others (as referred to in the Legal Charge) all our present and future right, title and interest in and to the Charged Accounts (as defined in the schedule to this letter) as the same may be redesignated, substituted or replaced from time to time and all monies at any time standing to the credit of the Charged Accounts (together the "Charged Accounts") and to all interest from time to time accrued or accruing on the Charged Accounts, any investment made out of any such monies or account and all rights to repayment of any of the foregoing by you.
2. We advise you that, under the terms of the Legal Charge, we are not entitled to withdraw any monies from the Charged Accounts without first having obtained the prior written consent of the Security Agent.
3. We irrevocably authorise and instruct you from time to time:
 - (a) unless the Security Agent so authorises you in writing, not to permit withdrawals from the Charged Accounts except to the extent that any withdrawal is expressly permitted by this notice and such permission has not been withdrawn;
 - (b) to hold all monies from time to time standing to the credit of the Charged Accounts to the order of the Security Agent;
 - (c) to pay all or any part of the monies standing to the credit of the Charged Accounts to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect; and
 - (d) to disclose to the Security Agent such information relating to the Chargor and the Charged Accounts as the Security Agent may from time to time request you to provide.
4. We agree that you are not bound to enquire whether the right of the Security Agent to withdraw any monies from any Charged Account has arisen or be concerned with (a) the propriety or regularity of the exercise of that right or (b) notice to the contrary or (c) to be responsible for the application of any monies received by the Security Agent.
5. This notice may only be revoked or amended with the prior written consent of the Security Agent.
6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to the Chargor) that you agree to the above and that:
 - (a) you accept the authorisations and instructions contained in this notice and you undertake to comply with this notice;

- (b) you have not, at the date this notice is returned to the Security Agent, received notice of any assignment or charge of or claim to the monies standing to the credit of any Charged Account or the grant of any security or other interest over those monies or any Charged Account in favour of any third party and you will notify the Security Agent promptly if you should do so in the future; and
- (c) you do not at the date of this notice and will not in the future exercise any right to combine accounts or any rights of set-off or lien or any similar rights in relation to the monies standing to the credit of the Charged Accounts [except as expressly contemplated by the Legal Charge].
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of

[NAME OF CHARGOR]

Name: _____

Title: _____

Countersigned by

for and on behalf of

[NAME OF SECURITY AGENT]

SCHEDULE

Charged Accounts	
Charged Account number and designation	Account Bank branch address and sort code
[◆] Rent Account	[◆]
[◆] Deposit Account	[◆]
[◆]	[◆]

[On copy]

To: [◆]
as Security Agent
[ADDRESS]

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice. We confirm and agree:

- (a) that the matters referred to in it do not conflict with the terms which apply to any Charged Account; and
- (b) the matters set out in paragraph [6] of the above notice.

for and on behalf of
[Name of Account Bank]

Dated: [◆] 20[◆]

SCHEDULE 3: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY TENANT

To: [Insert name and address of relevant party]

Dated: [◆]] 20[◆]

Dear Sirs

RE: [DESCRIBE LEASE] DATED [◆]] 20[◆] BETWEEN (1) YOU AND (2) [◆]] (THE "CHARGOR") (THE "LEASE")

1. We give notice that, by a legal charge dated [◆]] 20[◆] (the "Legal Charge"), we have granted a security interest in favour of [◆]] (the "Security Agent") as Security Agent for certain banks and others (as referred to in the Legal Charge) over all our present and future right, title and interest in and to the Lease including all rights and remedies in connection with the Lease and all monies from time to time due to us arising under the Lease.
2. All monies payable by you to the Chargor pursuant to, under or in connection with the Lease shall be paid into our account entitled "[Rent Account]" with the Security Agent, [name of account-holding branch] (Account number [◆], Sort Code [◆]), unless and until you receive written notice from the Security Agent to the contrary, in which event you should make all future payments as then directed by the Security Agent. This authority and instruction is irrevocable without the prior written consent of the Security Agent.
3. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Agent at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure), such information relating to the Lease as the Security Agent may from time to time request;
 - (b) to pay or release all or any part of the sums from time to time due and payable by you to us under the Lease only in accordance with this notice or the written instructions given to you by the Security Agent from time to time;
 - (c) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Legal Charge or the Lease which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
 - (d) to send copies of all notices and other information given or received under the Lease to the Security Agent.
4. We are not permitted to receive from you, otherwise than through the Security Agent, any amount in respect of or on account of the sums payable to us from time to time under the Lease or to agree any amendment or supplement to, or waive any obligation under, the Lease without the prior written consent of the Security Agent.
5. We will remain liable to you to perform the obligations of the landlord under the Lease. Neither the Security Agent nor any receiver, delegate or sub-delegate appointed by it shall at any time be under any obligation or liability to you under or in respect of the Lease.

6. This notice may only be revoked or amended with the prior written consent of the Security Agent.
7. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Agent, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Lease and you will notify the Security Agent promptly if you should do so in future;
 - (c) you have made all necessary arrangements for all future payments under the Lease to be made to the account specified in paragraph 2 of this notice; and
 - (d) you will not exercise any right to terminate the Lease or take any action to amend or supplement the Lease without the prior written consent of the Security Agent.
8. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[NAME OF CHARGOR]

[*On copy*]

To: [◆]
as Security Agent
[ADDRESS]

Copy to: [NAME OF CHARGOR]

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph [7] of the above notice.

for and on behalf of
[◆]

Dated: [◆] 20[◆]

**SCHEDULE 4: FORM OF NOTICE TO AND ACKNOWLEDGMENT BY HEDGE
COUNTERPARTY**

[Insert name and address of Hedge Counterparty]

Dated: [◆]] 20[◆]

Dear Sirs

**[DESCRIBE HEDGING AGREEMENT(S)] DATED [◆]] 20[◆] BETWEEN
(1) YOU AND (2) [◆]] (THE "CHARGOR") (THE "AGREEMENT[S]")**

1. We give notice that, by a legal charge dated [◆]] 20[◆] (the "Legal Charge"), we have assigned to [◆] ("Security Agent") as security trustee for certain banks and others (as specified in the Legal Charge) all our present and future right, title and interest in and to *[insert details of Hedging Agreement(s)]* (together with any other agreement supplementing or amending the same, the "Agreement") including all rights and remedies in connection with the Agreement and all proceeds and claims arising from the Agreement.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Agent without any reference to or further authority from us (and without any enquiry by you as to the justification for such disclosure), such information relating to the Agreement as the Security Agent may at any time and from time to time request;
 - (b) to hold all sums from time to time due and payable by you to us under the Agreement to the order of the Security Agent;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Agreement to the account in our name at the Security Agent designated the "Rent Account", account number *[specify number]*;
 - (d) to comply with any written notice or instructions in any way relating to, or purporting to relate to, the Legal Charge, the sums payable to us from time to time under the Agreement or the debts represented thereby which you receive at any time from the Security Agent without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction; and
 - (e) to send copies of all notices and other information under the Agreement to the Security Agent.
3. We are not permitted to:
 - (a) receive from you, otherwise than through the Security Agent, any amount in respect of or on account of the sums payable to us from time to time under the Agreement; or
 - (b) to agree any amendment or supplement to, or waive any obligation under, the Agreement without the prior written consent of the Security Agent.
4. This notice may only be revoked or amended with the prior written consent of the Security Agent.

5. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Agent, received notice of the assignment or charge or the grant of any security or other interest of any third party in or to the Agreement or any proceeds thereof and you will notify the Security Agent promptly if you should do so in future;
 - (c) you will not permit any sums to be paid to us or any other persons under or pursuant to the Agreement without the prior written consent of the Security Agent;
 - (d) you will not exercise any right to terminate the Agreement or take any action to amend or supplement the Agreement without the prior written consent of the Security Agent.
6. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of

[NAME OF CHARGOR]

[On copy]

To: [◆]
as Security Agent
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm the matters set out in paragraph [5] in the above notice.

for and on behalf of

[name of relevant party]

Dated: [◆] 20[◆]

SCHEDULE 5: FORM OF NOTICE TO AND ACKNOWLEDGEMENT BY INSURERS

To: [Insert name and address of insurer]

Dated: [◆]] 20[◆]

Dear Sirs

RE: [DESCRIBE INSURANCE POLICIES] DATED [◆]] 20[◆] BETWEEN (1) YOU AND (2) [◆]] (THE "CHARGOR")

1. We give notice that, by a legal charge dated [◆]] 20[◆] (the "Legal Charge"), we have assigned to [◆]] (the "Security Agent") as Security Agent for certain banks and others (as specified in the Legal Charge) all our present and future right, title and interest in and to the policies described above (together with any other agreement supplementing or amending the same, the "Policies") including all rights and remedies in connection with the Policies and all proceeds and claims arising from the Policies.
2. We irrevocably authorise and instruct you from time to time:
 - (a) to disclose to the Security Agent at our expense (without any reference to or further authority from us and without any enquiry by you as to the justification for such disclosure) such information relating to the Policies as the Security Agent may from time to time request;
 - (b) to hold all sums from time to time due and payable by you to us under the Policies to the order of the Security Agent;
 - (c) to pay or release all or any part of the sums from time to time due and payable by you to us under the Policies only in accordance with the written instructions given to you by the Security Agent from time to time;
 - (d) to comply with any written notice or instructions in any way relating to (or purporting to relate to) the Legal Charge, the sums payable to us from time to time under the Policies or the debts represented by them which you may receive from the Security Agent (without any reference to or further authority from us and without any enquiry by you as to the justification for or validity of such notice or instruction); and
 - (e) to send copies of all notices and other information given or received under the Policies to the Security Agent.
3. We irrevocably instruct you, with effect from the date of this notice, to note on the relevant Policies the Security Agent's interest as first loss payee and as first priority assignee of the Policies and the rights, remedies, proceeds and claims referred to above.
4. We are not permitted to receive from you, otherwise than through the Security Agent, any amount in respect of or on account of the sums payable to us from time to time under the Policies [in excess of £[◆]] or to agree any amendment or supplement to, or waive any obligation under, the Policies without the prior written consent of the Security Agent.
5. This notice may only be revoked or amended with the prior written consent of the Security Agent.

6. Please confirm by completing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us) that you agree to the above and that:
- (a) you accept the instructions and authorisations contained in this notice and you undertake to comply with this notice;
 - (b) you have not, at the date this notice is returned to the Security Agent, received notice of the assignment or charge, the grant of any security or the existence of any other interest of any third party in or to the Policies or any proceeds of them or any breach of the terms of any Policy and you will notify the Security Agent promptly if you should do so in future;
 - (c) you will not permit any sums to be paid to us or any other person under or pursuant to the Policies without the prior written consent of the Security Agent; and
 - (d) you will not exercise any right to terminate, cancel, vary or waive the Policies or take any action to amend or supplement the Policies without the prior written consent of the Security Agent.
7. This notice, and any acknowledgement in connection with it, and any non-contractual obligations arising out of or in connection with any of them, shall be governed by English law.

Yours faithfully

for and on behalf of
[Name of Chargor]

[On copy]

To: [◆]
as Security Agent
[ADDRESS]

Copy to: [NAME OF CHARGOR]

Dear Sirs

We acknowledge receipt of the above notice and consent and agree to its terms. We confirm and agree to the matters set out in paragraph [6] in the above notice.

for and on behalf of
[◆]

Dated: [◆] 20[◆]

EXECUTION PAGE

THE CHARGOR

Executed as a deed by ST.)
MODWEN DEVELOPMENTS)
LIMITED acting by:)

Director

Witness signature

Witness name:

JAHEDEL HUSSAIN

Witness address:

DLA PIPER UK LLP
VICTORIA SQUARE HOUSE
VICTORIA SQUARE
BIRMINGHAM B2 4DL
Telephone: 08700 111 111
Fax: 0121 262 5794

Address: Park Point, 17 High Street, Longbridge, Birmingham B31 2UQ

Facsimile No: 0121 222 9401

THE SECURITY AGENT

Signed by _____ for)
and on behalf of BARCLAYS BANK PLC:)

) Signature _____

Address: Level 27, 1 Churchill Place, Canary Wharf, London E14 5HP

Facsimile No: 0207 516 7671

Attention: Gregg Newman, Head of Commercial Real Estate Asset Management