



Companies House

MR01(ef)

Registration of a Charge

Company name: **DEVELOPMENT SECURITIES PLC**

Company number: **01528784**

Received for Electronic Filing: **11/07/2013**



Details of Charge

Date of creation: **09/07/2013**

Charge code: **0152 8784 0153**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description:

Contains fixed charge(s).

Notification of addition to or amendment of charge.

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: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1528784

Charge code: 0152 8784 0153

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th July 2013 and created by DEVELOPMENT SECURITIES PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th July 2013 .

Given at Companies House, Cardiff on 12th July 2013



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Confidential

EXECUTION VERSION

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

Dated

9 July

2013

Sign & Dated

Norton Rose Fulbright LLP
09/07/13

DEVELOPMENT SECURITIES INVESTMENT VENTURES LIMITED
DEVELOPMENT SECURITIES PLC
as Assignor

DEVELOPMENT SECURITIES (ROMFORD) LIMITED
as Borrower

and

THE ROYAL BANK OF SCOTLAND PLC
as Security Trustee

Note: this Deed is subject to the terms of an Intercreditor Deed dated on or about the date of this Deed

SUBORDINATED DEBT ASSIGNMENT

CERTIFIED TRUE COPY

NORTON ROSE FULBRIGHT
Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ United Kingdom
nortonrosefulbright.com

Date 09/07/13

NORTON ROSE

Contents

Clause	Page
Interpretation.....	2
1 Definitions and interpretation.....	2
Security	6
2 Payment of Secured Obligations.....	6
3 Assignment.....	6
4 Notice of assignment	6
5 Set-off	6
6 Restrictions	7
7 Perfection.....	7
Enforcement.....	8
8 Enforcement	8
9 Application of proceeds	9
Representations and Undertakings	10
10 Representations	10
Undertakings.....	12
11 Undertakings relating to the Assigned Assets.....	12
12 General undertakings	12
Miscellaneous	14
13 Third party security protections	14
14 Duration of the security.....	15
15 Expenses, liability and indemnity	16
16 Payments.....	16
17 Remedies.....	17
18 Power of attorney	17
19 Resignation of the Security Trustee	17
20 Notices.....	17
21 Law and jurisdiction	18
Schedule 1 Initial administrative details of the parties.....	19

Deed dated 9 July 2013

SIGNATORIES

Assignor Development Securities (Investment Ventures) Limited, incorporated in England and Wales with registration number 05625280 and Development Securities PLC, incorporated in England and Wales with registration number 01528784

Borrower Development Securities (Romford) Limited, incorporated in England and Wales with registration number 07750907

Security Trustee The Royal Bank of Scotland plc for and on behalf of the Finance Parties

IT IS AGREED as follows:

Interpretation

1 Definitions and interpretation

Definitions

1.1 Unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined:

- (a) before the Senior Discharge Date, in the Senior Facility Agreement; and
- (b) after the Senior Discharge Date, in the Mezzanine Facility Agreement,

shall have the same meaning given to them in this Deed.

1.2 In this Deed:

Assigned Assets means those assets which are from time to time the subject of clause 3.2.

Assignor means Development Securities (Investment Ventures) Limited, incorporated in England and Wales with registration number 05625280 and Development Securities PLC, incorporated in England and Wales with registration number 01528784

Default Rate means:

- (a) before the Senior Discharge Date, the rate calculated in accordance with clause 8.4 of the Senior Facility Agreement; and
- (b) after the Senior Discharge Date, the rate calculated in accordance with clause 8.4 of the Mezzanine Facility Agreement

Disposal means any transfer or other disposal of a Charged Asset or of an interest in a Charged Asset, or the creation of any Right over an asset in favour of another person, but not the creation of Security Interest

Enforcement Time, in relation to the Assignor, means any time:

- (a) following the service by the Agent of a notice under clause 24.19 of the Senior Facility Agreement or clause 24.19 of the Mezzanine Facility Agreement; or
- (c) at which any step is being taken by any person to put the Assignor into administration, where such step is an Event of Default

Facility Agreement means:

- (a) before the Senior Discharge Date, the Senior Facility Agreement; and
- (b) after the Senior Discharge Date, the Mezzanine Facility Agreement

Finance Documents means the Finance Documents (as defined in the Senior Facility Agreement) and the Finance Documents (as defined in the Mezzanine Facility Agreement)

Finance Parties means the Senior Finance Parties and the Mezzanine Finance Parties, each as defined in the Intercreditor Deed

Finance Party Security means the Security Interest created by this Deed and any other existing or future Security Interest granted by the Assignor to the Security Trustee to secure the payment and discharge of the Secured Obligations

Finance Party Security Document means a document creating or evidencing Finance Party Security

Financial Collateral has the meaning given to it by the Financial Collateral Arrangements (No 2) Regulations 2003

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or
- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation

Mezzanine Facility Agreement means the mezzanine facility agreement dated at about the same date as this Deed between, amongst others, the Assignor as Borrower, the Agent and the Security Trustee, as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties)

Obligations, in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;
- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else

Officer, in relation to a person, means any officer, employee or agent of that person

Right means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary

Secured Obligations means all Obligations from time to time incurred by the Obligors under or in connection with the Finance Documents

Security Interest means any mortgage, charge, standard security, right in security, security, pledge, lien, right of set-off, right to retention of title or other encumbrance, whether fixed or floating, over any present or future property, assets or undertaking

Security Trustee means The Royal Bank of Scotland plc or any other person appointed as security trustee for the Finance Parties under the Finance Documents

Senior Discharge Date has the meaning given to that term in the Intercreditor Deed

Senior Facility Agreement means the senior facility agreement dated at about the same date as this Deed between, amongst others, the Assignor as Borrower, the Agent and the Security Trustee, as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties)

Subordinated Debt has the meaning given to it in the Intercreditor Deed

Subordinated Debt Documentation has the meaning given to it in the Intercreditor Deed

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999

- 1.3 If any provision of this Deed shall conflict with any term of the Facility Agreement, then the relevant term of the Facility Agreement shall prevail.

Interpretation

- 1.4 In this Deed:
- (a) the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;
 - (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
 - (c) references to either of the Senior Facility Agreement or the Mezzanine Facility Agreement, or any of the Finance Documents or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
 - (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;
 - (e) references to a Finance Party or any other person include its successors in title, permitted assignees and permitted transferees;
 - (f) words importing the plural include the singular and vice versa; and
 - (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Security Trustee, after consultation with the Assignor, determines to be necessary in order to preserve the intended effect of this Deed.
- 1.5 Where this Deed imposes an obligation on the Assignor to do something if required or requested by the Security Trustee, it will do so as soon as practicable after it becomes aware of the requirement or request.
- 1.6 It is intended that this document takes effect as a deed even though the Security Trustee may only execute it under hand.
- 1.7 This Deed may be executed in counterparts.
- 1.8 The provisions of any other Finance Document relating to any obligation of the Lenders to make further advances, are deemed to be incorporated in this Deed.

- 1.9 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.

Third party rights

- 1.10 The Rights conferred on each Receiver and on each Officer of the Security Trustee or a Receiver under clauses 15 (*Expenses, liability and indemnity*) and 16 (*Payments*) are enforceable by each of them under the Third Parties Act.
- 1.11 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.12 Subject to clause 38 (*Amendments and waivers*) of the Senior Facility Agreement or, after the Senior Discharge Date, clause 38 (*Amendments and waivers*) of the Mezzanine Facility Agreement, the parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they may not terminate this Deed or vary any of its terms if this would have the effect of terminating or adversely affecting the Rights of a Receiver or of an Officer of the Security Trustee or a Receiver under this Deed without its consent, but only to the extent that it has notified the Security Trustee that it intends to enforce that clause at the time of the termination or variation.

Intercreditor Deed

- 1.13 This Deed is subject to the terms of the Intercreditor Deed.

Security

2 Payment of Secured Obligations

- 2.1 The Assignor will pay or otherwise discharge the Secured Obligations when they become due for payment or discharge.
- 2.2 The liability of the Assignor for the payment and discharge of the Secured Obligations shall be limited to the Security Interest created under this Deed and the proceeds of the realisation of the Security created under this Deed over the Assigned Assets received by the Security Trustee as provided in this Deed.

3 Assignment

- 3.1 The assignment contained in this clause 3.2:
- (a) is given to the Security Trustee as trustee for the Finance Parties;
 - (b) secures the payment and discharge of the Secured Obligations; and
 - (c) is given with full title guarantee.
- 3.2 The Assignor assigns absolutely all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:
- (a) the Subordinated Debt Documentation including all rights and remedies for enforcing the Subordinated Debt Documentation; and
 - (b) the Subordinated Debt,

and any Rights accruing to, derived from or otherwise connected with the above (including proceeds, insurances, guarantees and Security).

4 Notice of assignment

By entering into this deed, the Borrower:

- (a) acknowledges to the Security Trustee that it has notice of the assignment of all the Assignor's benefits, rights, titles, claims and interests in and to the Assigned Assets;
- (b) confirms to the Security Trustee that it has not claimed or exercised, has no outstanding right to claim or exercise and will not exercise, any right of set-off, counterclaim or other right relating to any payments to be made by it in respect of the Subordinated Debt;
- (c) confirms that it has not received any notice that any third party has or will have any right or interest in or has made or will be making any claim or demand or taking any action against the Assigned Assets; and
- (d) acknowledges that the Security Trustee shall not be under any obligation in relation to any Subordinated Debt or any Subordinated Debt Documentation as a consequence of this deed and the Assignor shall at all times remain liable to perform all obligations expressed to be assumed by it in respect of the Subordinated Debt and the Subordinated Debt Documentation.

5 Set-off

- 5.1 A Finance Party may set off any matured Secured Obligation due from the Assignor (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that

Finance Party to the Assignor, regardless of the place of payment, booking branch or currency of either obligation.

- 5.2 If the obligations are in different currencies, the relevant Finance Party may convert either obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.
- 5.3 These Rights are in addition to the security conferred on the Security Trustee under this Deed.

6 Restrictions

- 6.1 The Assignor will ensure that the restrictions contained in this clause 6 are complied with unless the Security Trustee (acting on the instructions of the Agent in accordance with the terms of the Intercreditor Deed) agrees to the contrary.
- 6.2 No Security Interest will exist over, or in relation to, any Assigned Asset other than a Permitted Security Interest.
- 6.3 There will be no Disposal of any Assigned Asset other than a Permitted Disposal.

7 Perfection

General action

- 7.1 The Assignor will, at its own expense, create all such Security Interests, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Security Trustee may require from time to time in order to:
- (a) ensure that it has an effective first-ranking assignment by way of security over the Assigned Assets; and
 - (b) to facilitate the enforcement of the Finance Party Security Interest, the realisation of the Assigned Assets or the exercise of any Rights held by the Security Trustee or any Receiver under or in connection with the Finance Party Security.
- 7.2 The scope of clause 7.1 is not limited by the specific provisions of the rest of this clause 7 or by any other provision of the Finance Party Security Documents.

Subsequent security

- 7.3 If a Finance Party receives notice that any Security has been created over the Assigned Assets, that Finance Party will be treated as if it had immediately opened a new account for the Assignor, and all payments received by that Finance Party from the Assignor will be treated as if they had been credited to the new account and will not reduce the amount then due from the Assignor to that Finance Party.

Enforcement

8 Enforcement

Time for enforcement

- 8.1 The Security Trustee may enforce the Finance Party Security at any time which is an Enforcement Time or if the Assignor requests in writing it to do so.

Methods of enforcement

- 8.2 The Security Trustee may enforce the Finance Party Security by:
- (a) appointing a Receiver of all or any part of the Assigned Assets; or
 - (b) receiving the benefit of or selling the Assigned Assets, giving notice to any person in relation to the Assigned Assets or in any other way it may decide.
- 8.3 To the extent that the Finance Party Security arises under a security financial collateral arrangement, the Security Trustee may also enforce it by giving written notice to the Assignor that it is appropriating those Assigned Assets which consist of financial collateral. On receipt of that notice by the Assignor, the Security Trustee will automatically become the absolute owner of that financial collateral, and the Assignor will have no further interest in it. The value of the financial collateral will, as soon as practicable after it has been established, be applied in discharge of the equivalent amount of the Secured Obligations in accordance with clause 9 (*Application of proceeds*). For this purpose, the Security Trustee will value the financial collateral as follows:
- (a) in the case of cash, by reference to its face value received by the Security Trustee; and
 - (b) in the case of credit claims, by reference to the amount actually recovered by the Security Trustee.

Expressions defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 will have the same meanings in this clause.

- 8.4 A Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.
- 8.5 The appointment of a Receiver may be made subject to such limitations as are specified by the Security Trustee in the appointment.
- 8.6 If more than one person is appointed as a Receiver, each person will have power to act independently of any other, except to the extent that the Security Trustee may specify to the contrary in the appointment.
- 8.7 Subject to the Insolvency Legislation, the Security Trustee may remove or replace any Receiver.

Powers on enforcement

- 8.8 A Receiver will have the following powers in respect of the Assigned Assets:
- (a) the powers given to an administrative receiver by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in section 103 of that Act; and

- (c) the power to do, or omit to do, on behalf of the Assignor, anything which the Assignor itself could have done, or omitted to do, if the Assigned Assets were not the subject of Security Interest and the Assignor were not in insolvency proceedings.
- 8.9 The Security Trustee will, if it enforces the Finance Party Security itself, have the same powers as a Receiver in respect of the assets which are the subject of the enforcement.
- 8.10 Except to the extent provided by law, none of the powers described in this clause 8 will be affected by an Insolvency Event in relation to the Assignor.

Status and remuneration of Receiver

- 8.11 A Receiver will be the agent of the Assignor until the Assignor goes into liquidation. He will have no authority to act as agent for the Security Trustee, even in the liquidation of the Assignor.
- 8.12 The Security Trustee may from time to time determine the remuneration of any Receiver.

Third parties

- 8.13 A person dealing with the Security Trustee or with a Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:
 - (a) those persons have the power to do those things which they are purporting to do; and
 - (b) they are exercising their powers properly.

9 Application of proceeds

All money received by the Security Trustee or a Receiver under or in connection with the Finance Documents (whether during, or before, enforcement of the Finance Party Security) will, subject to the rights of any persons having priority, be applied in accordance with the provisions set out in the Intercreditor Deed.

Representations and Undertakings

10 Representations

General

- 10.1 The Assignor makes the representations and warranties set out in this clause 10 to the Security Trustee.

Status

- 10.2 It is a corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.
- 10.3 It has the power to own its assets, including but not limited to the Assigned Assets, and carry on its business as it is being conducted.
- 10.4 No limit on its powers will be exceeded as a result of the grant of security contemplated by this Deed.

Good title to assets

- 10.5 It is the sole legal and beneficial owner of the Assigned Assets.

Binding obligations

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

Non-conflict with other obligations

- 10.7 The entry into and performance by it, and the transactions contemplated by, this Deed does not and will not conflict with:
- (a) any law or regulation applicable to it;
 - (b) its constitutional documents; or
 - (c) any agreement or instrument binding upon it or any of its assets
- and in the case of (c) which has or would reasonably be expected to have a Material Adverse Effect.

Power and authority

- 10.8 Subject to the Legal Reservations, it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed.
- 10.9 No limit on its powers will be exceeded as a result of the granting of the Security Interest contemplated by this Deed.

Validity and admissibility in evidence

- 10.10 Subject to the Legal Reservations, all authorisations required:
- (a) to enable it to enter into, exercise its rights and comply with its obligations in this Deed; and

(b) to make this Deed admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.

Insolvency

10.11 No:

- (a) corporate action, legal proceeding or other procedure or step described in clause 24.7 (*Insolvency proceedings*) of the Senior Facility Agreement or clause 24.7 of the Mezzanine Facility Agreement; or
- (b) creditors' process described in clause 24.8 (*Creditors' process*) of the Senior Facility Agreement or clause 24.8 of the Mezzanine Facility Agreement,

has been taken or, to the knowledge of the Assignor, threatened against it; and none of the circumstances described in clause 24.6 (*Insolvency*) of the Senior Facility Agreement or clause 24.6 (*Insolvency*) of the Mezzanine Facility Agreement applies to it.

No misleading information

10.12 Any factual information produced or supplied by it to the Security Trustee in connection with the Finance Documents and the Subordinated Debt Documentation was true and accurate in all material respects as at its date or (as the case may be) as at the date the information is expressed to be given.

No proceedings pending or threatened

10.13 No litigation, arbitration or administrative proceedings which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it.

No security

10.14 It has not taken or received, and undertakes that until the date on which all Secured Obligations or other amounts due under this Deed have been paid or discharged in full, it will not take or receive, the benefit of any security or encumbrance of any kind from the Company or any other person in respect of its obligations under this Deed.

Times when representations made

10.15 All the representations and warranties in this clause 10 are made by the Assignor on the date of this Deed and are deemed to be repeated each day on which any representations or warranties are deemed repeated under the Senior Facility Agreement and the Mezzanine Facility Agreement whilst the Assignor has any liability (actual or contingent) under this Deed.

Undertakings

11 Undertakings relating to the Assigned Assets

The Subordinated Debt Documentation

11.1 The Assignor shall:

- (a) comply with the provisions of the Intercreditor Deed and not do or omit to do anything which might result in any impairment of any of the rights and benefits assigned by this deed;
- (b) on request by the Security Trustee, promptly produce to the Agent such information relating to the Assigned Assets as the Agent may from time to time require;
- (c) promptly upon receipt, give to the Security Trustee a copy of any notice, certificate or other communication received by the Assignor in relation to the Assigned Assets; and
- (d) not agree to alter the terms of, or terminate, any Assigned Contract or waive its rights under an Assigned Contract without the consent of the Security Trustee (acting reasonably).

Failure to comply

11.2 If the Assignor fails to comply with any of its obligations under this Deed the Security Trustee may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Assignor.

No assumption of obligations

11.3 The Security Trustee will not be liable to comply with the obligations assumed by the Assignor under the Subordinated Debt Documentation or in respect of any of the Assigned Assets and the Agent will not be under any obligation or liability by reason of, or arising out of, this Deed nor will the Agent be required to make any enquiry as to the nature or sufficiency of any payment received by the Security Trustee or to present or file any claim or take any other action to collect or enforce the payment of any amount or to enforce any other right to which the Security Trustee may be entitled by virtue of this Deed at any time.

12 General undertakings

12.1 The Assignor will take all steps as are necessary to preserve the value of the Assigned Assets.

12.2 The Assignor will notify the Security Trustee as soon as it becomes aware of any matter which might reasonably be expected to have an adverse effect on the Rights of the Security Trustee under the Finance Party Security. Those matters include a claim by any person to an interest in an Assigned Asset.

12.3 The Assignor will provide to the Security Trustee:

- (a) such information about the Assigned Assets;
 - (b) such information about the extent to which it has complied with its obligations under this Deed; and
 - (c) copies of such documents which create, evidence or relate to its Assigned Assets,
- as the Security Trustee may from time to time reasonably request.

- 12.4 The Finance Parties may exchange between themselves any information relating to the Assignor.
- 12.5 If the Assignor does not comply with its obligations under this Deed, the Security Trustee may do so on the Assignor's behalf on such basis as the Security Trustee may reasonably decide. The Assignor will indemnify the Security Trustee on demand against the amount certified by the Security Trustee to be the cost, loss or liability suffered by it as a result of doing so (save for fraud, negligence or wilful misconduct of the Security Trustee).

Miscellaneous

13 Third party security protections

Continuing obligations

- 13.1 This assignment is a continuing security and will extend to the ultimate balance of sums payable by the Borrower under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

- 13.2 If any discharge, release or arrangement (whether in respect of the obligations of the Borrower or any security for those obligations or otherwise) is made by the Security Trustee in whole or in part on the faith of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Assignor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred.

Waiver of defences

- 13.3 The obligations of the Assignor under this Deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to it or to the Security Trustee), including:
- (a) any time, waiver or consent granted to, or composition with, the Borrower or any other person;
 - (b) the release of the Borrower or any other person;
 - (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
 - (e) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - (g) any insolvency or similar proceedings.

Immediate recourse

- 13.4 The Assignor waives any right it may have of first requiring the Security Trustee (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 Assignor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

Appropriations

- 13.5 Until the Secured Obligations have been irrevocably and unconditionally discharged in full, the Security Trustee (or any trustee or agent on its behalf) or a Receiver may:

- (a) refrain from applying or enforcing any other money, security or Rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Obligations, or apply and enforce the same in the manner and order it thinks fit (whether against those amounts or otherwise) and the Assignor will not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any money received from the Assignor or on account of the Assignor's liability under this Deed.

Deferral of Assignors' rights

13.6 Unless the Security Trustee otherwise directs, the Assignor will not exercise any Rights (including rights of set-off) which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

- (a) to be indemnified or reimbursed by the Borrower;
- (b) to claim any contribution from any other party in relation to the Borrower's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Trustee under the Finance Documents or of any other guarantee or security taken under, or in connection with, the Finance Documents by the Security Trustee;
- (d) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Assignor has given a guarantee, undertaking or indemnity under this Deed;
- (e) to exercise any right of set-off against the Borrower; and/or
- (f) to claim or prove as a creditor of the Borrower in competition with the Security Trustee.

13.7 If the Assignor receives any benefit, payment or distribution in relation to such Rights it will promptly pay an equal amount to the Security Trustee for application in accordance with this Deed.

13.8 Clauses 13.6 and 13.7 only apply until all the Secured Obligations have been irrevocably and unconditionally discharged in full.

13.9 This Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Security Trustee.

14 Duration of the security

14.1 The Obligations of the Assignor under the Finance Documents and the security created by the Finance Party Security will continue until the Secured Obligations have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.

14.2 If any payment by the Assignor or any other security provider or any release given by the Security Trustee (whether in respect of the Secured Obligations or any security for them or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of the Assignor under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and
- (b) the Security Trustee will be entitled to recover the value or amount of that security or payment from the Assignor, as if the payment, release, avoidance or reduction had not occurred.

- 14.3 Section 93 of the Law of Property Act 1925 will not apply to the Finance Party Security.

15 Expenses, liability and indemnity

- 15.1 The Assignor will, on demand (within 3 Business Days), pay all legal and other costs and expenses incurred by each Finance Party in connection with this Deed save for those costs and expenses a Finance Party seeks to recover from the Borrower. This includes any costs and expenses relating to the enforcement of this Deed.
- 15.2 Neither the Security Trustee nor a Receiver nor any of their Officers will be in any way liable or responsible to the Assignor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Assigned Assets or the Finance Party Security, except to the extent caused by its own fraud, negligence or wilful misconduct.
- 15.3 The Assignor will, on demand, indemnify each of the Security Trustee, Receiver and their Officers in respect of all costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:
- (a) anything done or omitted in the exercise of the powers conferred on it under the Finance Party Security, unless it was caused by its fraud, negligence or wilful misconduct;
 - (b) a claim of any kind made against it which would not have arisen if the Finance Party Security had not been granted and which was not caused by its fraud, negligence or wilful misconduct; and/or
 - (c) any breach by the Assignor of the Finance Documents.

16 Payments

- 16.1 All payments by the Assignor under this Deed will be made in full, without any set-off or other deduction in Sterling (or, if different, the currency in which the Company is required to make the relevant payment at such bank and account the Security Trustee may, by giving not less than 5 Business Days notice, specify).
- 16.2 If any tax or other sum must be deducted from any amount payable by the Assignor under this Deed, the Assignor will pay such additional amounts as are necessary to ensure that the recipient receives a net amount equal to the full amount it would have received before such deductions.
- 16.3 All amounts payable by the Assignor under this Deed are exclusive of VAT. The Assignor will, in addition, pay any applicable VAT on those amounts.
- 16.4 If the Assignor fails to make a payment to a person under this Deed, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).
- 16.5 No payment by the Assignor (whether under a court order or otherwise) will discharge the Obligation of the Assignor unless and until the Finance Parties have received payment in full in the currency in which the Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the Obligation concerned, the Finance Parties will have a separate cause of action against the Assignor for the shortfall.
- 16.6 Any certification or determination by the Security Trustee of an amount payable by the Assignor under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

17 Remedies

- 17.1 The Rights created by this Deed are in addition to any other Rights of the Finance Parties against the Assignor or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.
- 17.2 No failure by the Security Trustee or any other Finance Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by the Security Trustee or any other Finance Party preclude its further exercise.
- 17.3 If, at any time, any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

18 Power of attorney

The Assignor, by way of security, irrevocably appoints each of the Security Trustee and any Receiver severally to be its attorney:

- (a) to do anything which the Assignor is obliged to do under the Finance Party Security Documents but has failed to do on the date it was obliged to do so (or within any applicable grace period); and
- (b) to exercise any of the Rights conferred on the attorney by the Finance Party Security Documents or by law.

19 Resignation of the Security Trustee

- 19.1 The Security Trustee may be replaced by a successor in accordance with the Facility Agreement.
- 19.2 On the date of its appointment, the successor Security Trustee will assume all the Rights and Obligations of the retiring Security Trustee. However, this does not apply to any Obligations of the retiring Security Trustee which arise out of its acts or omissions as Security Trustee before the appointment of the successor, in respect of which the retiring Security Trustee will continue to have the Obligations imposed by, and the Rights contained in, this Deed, the Facility Agreement and the Intercreditor Deed.
- 19.3 The retiring Security Trustee will, at the Assignors' expense, provide its successor with copies of those of its records as Security Trustee as its successor properly requires to perform its functions as Security Trustee.

20 Notices

- 20.1 Any notice or other communication to a party to this Deed must be in writing. It must be addressed for the attention of such person, and sent to such address or fax number as that party may from time to time notify to the other parties.
- 20.2 It will be deemed to have been received by the relevant party on receipt at that address or fax number.
- 20.3 The initial administrative details of the parties are contained in Schedule 1 (*Initial administrative details of the parties*) but a party may amend its own details at any time by notice to the other party.

- 20.4 Any notice to the Assignor may alternatively be sent to its registered office or to any of its places of business or to any of its directors or its company secretary and it will be deemed to have been received when delivered to any such places or persons.

21 Law and jurisdiction

- 21.1 This Deed and any non-contractual obligations connected with it are governed by English law.
- 21.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- 21.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.
- 21.4 Clause 21.2 is for the benefit of the Security Trustee only. As a result, the Security Trustee will not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed, and it has been delivered on the date stated at the beginning of this Deed.

Schedule 1
Initial administrative details of the parties

Party	Address	Fax number	Attention
Assignor	Portland House, Bressenden Place, London, SW1E 5DS	+44 (0)207 828 4999	Helen Ratsey or the Company Secretary
Borrower	Portland House, Bressenden Place, London, SW1E 5DS	+44 (0)207 828 4999	Helen Ratsey or the Company Secretary
Security Trustee	The Royal Bank of Scotland plc 8th floor, 280 Bishopsgate, London, EC2M 4RB	+44 (0)207 672 1108	Paul de Croos

SIGNATORIES

The Assignor

EXECUTED as a DEED on behalf of)

DEVELOPMENT SECURITIES (INVESTMENT
VENTURES) LIMITED,)

in the presence of:)

Name of witness: HELEN RATSEY)

Address: PORTLAND HOUSE, BRESSENDEN
PLACE, LONDON SW7ESDS)

Occupation: COMPANY SECRETARY)

Director

The Assignor

EXECUTED as a DEED on behalf of)

DEVELOPMENT SECURITIES PLC)

in the presence of:)

Name of witness: HELEN RATSEY)

Address: PORTLAND HOUSE, BRESSENDEN
PLACE, LONDON SW7ESDS)

Occupation: COMPANY SECRETARY)

Director

The Borrower

EXECUTED as a DEED on behalf of

**DEVELOPMENT SECURITIES (ROMFORD)
LIMITED,**

in the presence of:

Name of witness: MICHELON RAISEY

Address: PORTLAND HOUSE, BRESSENDON
PLACE, LONDON, SW1E 5DS

Occupation: COMPANY SECRETARY

[Redacted signature block]

) Director

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The Security Trustee

EXECUTED as a Deed by

THE ROYAL BANK OF SCOTLAND PLC

by:

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Authorised signatory

The Borrower

EXECUTED as a DEED on behalf of)
DEVELOPMENT SECURITIES (ROMFORD)) Director
LIMITED,)
in the presence of:)
.....)
Name of witness:)
Address:)
.....)
Occupation:)

The Security Trustee

EXECUTED as a Deed by
THE ROYAL BANK OF SCOTLAND PLC
by:



Authorised signatory