



Registration of a Charge

Company Name: **U AND I GROUP PLC**

Company Number: **01528784**



Received for filing in Electronic Format on the: **20/05/2021**

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Details of Charge

Date of creation: **14/05/2021**

Charge code: **0152 8784 0169**

Persons entitled: **AVIVA COMMERCIAL FINANCE LIMITED**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **CATHERINE JONES**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1528784

Charge code: 0152 8784 0169

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th May 2021 and created by U AND I GROUP PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th May 2021 .

Given at Companies House, Cardiff on 21st May 2021

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

EXECUTION VERSION

SUBORDINATED CREDITOR'S SECURITY AGREEMENT

DATED 14 May **2021**

THE COMPANIES LISTED IN SCHEDULE 1

and

AVIVA COMMERCIAL FINANCE LIMITED

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

Eversheds Sutherland (International) LLP

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Eversheds Sutherland (International) LLP

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THIS DEED is dated 14 May 2021 and is made

BETWEEN:

- (1) **THE COMPANIES LISTED IN SCHEDULE 1** (each a **Chargor** and together the **Chargors**) and
- (2) **AVIVA COMMERCIAL FINANCE LIMITED** (the **Security Agent**) as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

BACKGROUND:

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

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Deed:

Act means the Law of Property Act 1925.

Borrower means U and I IPA Limited, a company registered in England and Wales (registered number 12795817)

Facility Agreement means the £66,666,457.39 facility agreement dated 4 December 2017 originally between (amongst others) U and I Group PLC and the Security Agent and as amended on 10 August 2018, 17 December 2018, 19 February 2019 and 12 January 2021 and as amended and restated on 22 October 2020 and on the date of this Deed.

Party means a party to this Deed.

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

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

Security Assets means all assets of the Chargors the subject of any security created by this Deed.

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

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

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

Subordination Agreement means the Subordination Agreement entered into by, amongst others, the Chargors as Original Subordinated Creditors (as defined therein), U and I IPB Limited as Subordinated Debtor (as defined therein) and the Security Agent.

1.2 Construction

- (a) Capitalised terms defined in the Facility Agreement have, unless expressly defined in this Deed, the same meaning in this Deed.
- (b) The provisions of clause 1.2 (Construction) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- (c) A Finance Document or other agreement or instrument includes (without prejudice to any prohibition on amendments) any amendment to that Finance Document or other agreement or instrument, including any change in the purpose of, any extension of or any increase in the amount of a facility or any additional facility;
 - (i) the term this **Security** means any security created by this Deed; and
 - (ii) a reference to any asset includes present and future properties, revenues and rights of every description.
- (d) Any covenant of a Chargor under this Deed (other than a payment obligation) remains in force during the Security Period.
- (e) If the Security Agent considers that an amount paid to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- (f) Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of sale of that Security Asset.

1.3 Jersey Terms

In this Deed, where it relates to a person incorporated or formed or having its "centre of main interests" (as that term is used in (Article 3(1) of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast), a reference to:

- (a) a "composition", "compromise", "assignment" or "arrangement" with any creditor, "winding up", "administration" or "dissolution" includes, without limitation, "bankruptcy" (as that term is interpreted pursuant to Article 8 of the Interpretation (Jersey) Law 1954), a compromise or arrangement of the type referred to in Article 125 of the Companies (Jersey) Law 1991, any procedure of process referred to in Part 21 of the Companies (Jersey) Law 1991, and any other similar proceedings affecting the rights of creditors generally under Jersey law, and shall be construed so as to include any equivalent or analogous proceedings;
- (b) a "liquidator", "receiver", "administrative receiver", "administrator" or the like includes, without limitation, the Viscount of the Royal Court of Jersey, Autorisés or any other person performing the same function of each of the foregoing;

- (c) a "security interest" includes, without limitation, any hypothèque whether granted or arising by operation of law and any security interest created pursuant to the Security Interests (Jersey) Law 1983 or Security Interests (Jersey) Law 2012 and any related legislation.

2. CREATION OF SECURITY

2.1 General

- (a) All the security created under this Deed:
 - (i) is created in favour of the Security Agent;
 - (ii) is created over present and future assets of the Chargors;
 - (iii) is security for the payment and satisfaction of all the Secured Liabilities; and
 - (iv) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.
- (b) The Security Agent holds the benefit of this Deed on trust for the Secured Parties.

2.2 Subordinated Debt

- (a) Each Chargor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
 - (i) in respect of the Subordinated Debt; and
 - (ii) under each Subordinated Document.
- (b) To the extent they have not been effectively assigned under Clause 2.2(a), each Chargor charges by way of first fixed charge all of the assets listed in Clause 2.2(a).

2.3 Limited recourse

Notwithstanding any other provision of this Deed:

- (a) the liability of each Chargor to the Security Agent under this Deed shall be:
 - (i) limited in aggregate to an amount equal to that recovered by the Security Agent as a result of the enforcement of this Deed with respect to the Security Assets; and
 - (ii) satisfied only from the proceeds of sale or other disposal or realisation of the Security Assets pursuant to this Deed; and
- (b) the Security Agent shall not have any recourse under this Deed to the assets of any Chargor other than the Security Assets.

3. REPRESENTATIONS

3.1 Representations

Each Chargor makes the representations and warranties set out in this Clause to each Secured Party.

3.2 Status

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

3.3 Binding obligations

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

3.4 Non-conflict with other obligations

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

- (a) any law or regulation applicable to it;
- (b) its constitutional documents; or
- (c) any agreement or instrument which is binding upon it or any of its assets to the extent that such conflict would have or is reasonably likely to have a Material Adverse Effect.

3.5 Powers and authority

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

3.6 Validity and admissibility in evidence

All Authorisations required:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and
- (b) to make this Deed admissible in evidence in its jurisdictions of incorporation,

have been obtained or effected and are in full force and effect except for any Authorisation referred to in Clause 3.10 (No filing or stamp taxes), which Authorisations will be promptly obtained or effected after the date of this Deed.

3.7 Nature of security

This Deed creates the Security it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

3.8 Subordinated Debt

- (a) It is the sole legal and beneficial owner of the Subordinated Debt.
- (b) The Subordinated Debt is free of any Security (except those created by this Deed or permitted under the Facility Agreement) and any other rights or interests in favour of third parties.
- (c) All payments to it by any other party to a Subordinated Document are not subject to any right of set-off or similar right.
- (d) Each Subordinated Document is its legally binding, valid, and enforceable obligation.
- (e) Neither it nor (so far as it is aware) any other party to a Subordinated Document is in default of any of its material obligations under that Subordinated Document.
- (f) There is no prohibition on assignment in respect of any of the Subordinated Debt or its rights under any Subordinated Document.

3.9 Governing law and enforcement

- (a) Its:
 - (i) irrevocable submission under this Deed to the jurisdiction of the courts of England;
 - (ii) agreement that this Deed is governed by English law; and
 - (iii) agreement not to claim any immunity to which it or its assets may be entitled,
 are legal, valid and binding under the laws of its Relevant Jurisdiction.
- (b) Any judgment obtained in England in relation to this Deed will be recognised and be enforceable by the courts of its Relevant Jurisdictions.

3.10 No filing or stamp taxes

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

3.11 Times for making representations

- (a) The representations and warranties set out in this Deed are made on the date of this Deed.
- (b) Each representation or warranty (other than the representation and warranty made pursuant to Clause 3.10) under this Deed is deemed to be repeated by each Chargor on the date of the Utilisation Request, the Utilisation Date and the first day of each Interest Period.

- (c) When a representation or warranty is repeated, it is applied to the circumstances existing at the time of repetition.

4. RESTRICTIONS ON DEALINGS

No Chargor shall:

- (a) create or allow to subsist any Security (other than this Deed or those permitted under the Facility Agreement) on any Security Asset; or
- (b) sell, transfer, licence, lease or otherwise dispose of any Security Asset.

5. SUBORDINATED DOCUMENTS

- (a) Each Chargor must:
 - (i) subject to the terms of the Subordination Agreement, duly and promptly perform its obligations under each Subordinated Document; and
 - (ii) supply the Security Agent and any Receiver with copies of each Subordinated Document and any information and documentation relating to any Subordinated Document reasonably requested by the Security Agent or any Receiver.
- (b) After this Security has become enforceable, the Security Agent may exercise, without any further consent or authority on the part of any Chargor and irrespective of any direction given by a Chargor, any of a Chargor's rights under any Subordinated Document.

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Event of Default

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

6.2 Discretion

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

6.3 Statutory powers

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

7. ENFORCEMENT OF SECURITY

7.1 General

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

7.2 No liability as mortgagee in possession

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

7.3 Privileges

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

7.4 Protection of third parties

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

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

7.5 Redemption of prior mortgages

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

7.6 Contingencies

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

8. RECEIVER**8.1 Appointment of Receiver**

- (a) Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:

- (i) this Security has become enforceable; or
 - (ii) a Chargor so requests the Security Agent in writing at any time.
- (b) Any appointment under paragraph (a) above may be by deed, under seal or in writing under its hand.
- (c) Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.
- (d) The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

8.2 Removal

The Security Agent may by writing under its hand remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

8.3 Remuneration

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

8.4 Agent of the Chargors

- (a) A Receiver will be deemed to be the agent of the Chargors for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Chargors alone are responsible for the contracts, engagements, acts, omissions, defaults and losses of a Receiver and for liabilities incurred by a Receiver.
- (b) No Secured Party will incur any liability (either to a Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

8.5 Relationship with Security Agent

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

9. POWERS OF RECEIVER

9.1 General

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

9.2 Possession

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

9.3 Sale of assets

- (a) A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he thinks fit.
- (b) The consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he thinks fit.

9.4 Compromise

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

9.5 Legal actions

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

9.6 Receipts

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

9.7 Delegation

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

9.8 Other powers

A Receiver may:

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

10. APPLICATION OF PROCEEDS

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

This clause is subject to the payment of any claims having priority over this Security. This clause does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

11. EXPENSES AND INDEMNITY

The Chargors must:

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

12. DELEGATION

12.1 Power of Attorney

The Security Agent or any Receiver may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by it under this Deed.

12.2 Terms

Any such delegation may be made upon any terms (including power to sub-delegate) which the Security Agent or any Receiver may think fit.

12.3 Liability

Neither the Security Agent nor any Receiver will be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.

13. FURTHER ASSURANCES

The Chargors must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:

- (a) creating, perfecting or protecting any security intended to be created by this Deed; or
- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of its delegates or sub-delegates in respect of any Security Asset.

This includes:

- (i) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; or
- (ii) 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 think expedient.

14. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of its delegates or sub-delegates to be its attorney to take any action which a Chargor is obliged to take under this Deed but has failed to do so within any applicable grace period or which the Security Agent, Receiver and any of its delegates or sub-delegates may in their absolute discretion consider appropriate in connection with the exercise of any of their rights, powers, authorities or discretions in relation to the Security Assets or under or otherwise for the purposes of any Finance Document or any law or regulation. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause.

15. PRESERVATION OF SECURITY

15.1 Continuing security

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

15.2 Reinstatement

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

15.3 Waiver of defences

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

- (a) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;
- (b) the release of any other Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Transaction Obligor or any other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instruments or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Transaction Obligor or any other person;
- (f) any amendment of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;

- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Finance Document or any other document or security; or
- (h) any insolvency or similar proceedings.

15.4 Chargor Intent

Without prejudice to the generality of Clause 15.3 (Waiver of defences), each Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling decisions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

15.5 Immediate recourse

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

15.6 Appropriations

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

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) against the Secured Liabilities or apply and enforce them in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor will be entitled to the benefit of such moneys, security or rights; and
- (b) hold in an interest bearing suspense account any moneys received from a Chargor or on account of the liability of a Chargor under this Deed.

15.7 Deferral of Chargor's rights

Unless the Security Period has expired or the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or by reason of any amount being payable, or liability arising under this Clause:

- (a) to be indemnified by a Transaction Obligor;
- (b) to claim any contribution from any other guarantor of any Transaction Obligor'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 Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;

- (d) to bring legal or other proceedings for an order requiring any Transaction Obligor to make any payment, or perform any obligation, in respect of which a Chargor has given a guarantee, undertaking or indemnity under this Clause;
- (e) to exercise any right of set-off against any Transaction Obligor; and/or
- (f) to claim or prove as a creditor of any Transaction Obligor in competition with any Secured Party.

If any Chargor receives any benefit, payment or distribution in relation to such rights it must hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Transaction Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and must promptly pay or transfer them to the Security Agent or as the Security Agent may direct for application in accordance with Clause 10 (Application of proceeds).

15.8 Additional security

This Security is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party.

16. CHANGES TO THE PARTIES

16.1 The Chargors

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

16.2 The Secured Parties

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

17. MISCELLANEOUS

17.1 Covenant to pay

The Chargors must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

17.2 Tacking

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

17.3 New Accounts

- (a) If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with a Chargor.

- (b) If the Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.
- (c) As from that time all payments made to the Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

18. RELEASE

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

19. NOTICES

19.1 Communications in writing

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

19.2 Addresses

- (a) The contact details of the Chargors for any communication to be made or delivered under or in connection with this Deed are the same as those set out in the Facility Agreement for the Borrower.
- (b) The contact details of the Security Agent for any communication to be made or delivered under or in connection with this Deed are the same as those set out in the Facility Agreement for the Security Agent.
- (c) Any Party may change its contact details by giving five Business Days' notice to the Security Agent or (in the case of the Security Agent) to the other Party.

19.3 Delivery

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

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

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

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

19.4 Electronic communication

- (a) Any communication to be made between the Parties under or in connection with this Deed may be made by electronic mail or other electronic means to the extent that the Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication and if the Parties:
 - (i) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them by not less than five Business Days' notice.
- (b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Agent or the Security Agent only if it is addressed in such a manner as the Agent or the Security Agent shall specify for this purpose.
- (c) Any electronic communication which becomes effective, in accordance with paragraph (b) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

19.5 English language

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

20. PARTIAL INVALIDITY

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

21. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Secured Party, any right or remedy under this Deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of any Secured Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The

rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

22. COUNTERPARTS

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

23. GOVERNING LAW

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

24. ENFORCEMENT

24.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause is for the benefit of the Secured Parties only. As a result, to the extent allowed by law:
 - (i) no Secured Party will be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction; and
 - (ii) the Secured Parties may take concurrent proceedings in any number of jurisdictions.

THIS DEED has been entered into as a deed on the date stated at the beginning of this Deed and it is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

SCHEDULE 1**THE CHARGORS**

Name of Chargor	Jurisdiction of incorporation and registration number (or equivalent, if any)
U and I IPA Limited	England and Wales, 12795817
U and I IPA SC Limited	England and Wales, 12798332
The Deptford Project Limited	England and Wales, 05537144
The Deptford Project 2 Limited	England and Wales, 09010341
Furlong Shopping Centre Limited	England and Wales, 04129313
U and I Investment Portfolio Limited	England and Wales, 12790552
U and I Group PLC	England and Wales, 01528784
U and I PPP Limited	England and Wales, 04378676
Development Securities (Armagh) Limited	England and Wales, 07750965
U and I Retail Limited	Jersey, 116359
DS Jersey (No.5) Limited	Jersey, 88504

SIGNATORIES

The Chargors

EXECUTED AS A DEED by
U AND I IPA LIMITED
acting by two directors

Director Matthew Weiner

Director Marcus Shepherd

) Communications to be delivered to:

)

)Address: U & I
7A Howick Place
London
SW1P 1DZ

)fax number:

Attention: Company Secretary

EXECUTED AS A DEED by
U AND I IPA SC LIMITED
acting by two directors

Director Matthew Weiner

Director Marcus Shepherd

) Communications to be delivered to:

)

)Address: U & I
7A Howick Place
London
SW1P 1DZ

)fax number:

Attention: Company Secretary

EXECUTED AS A DEED by
THE DEPTFORD PROJECT LIMITED
acting by two directors

Director Matthew Weiner

Director Marcus Shepherd

) **Communications to be delivered to:**

)
)Address: U & I
7A Howick Place
London
SW1P 1DZ

) Tax number:

) Attention: Company Secretary

EXECUTED AS A DEED by
THE DEPTFORD PROJECT 2 LIMITED
acting by two directors

Director Matthew Weiner

Director Marcus Shepherd

) **Communications to be delivered to:**

)
)Address: U & I
7A Howick Place
London
SW1P 1DZ

) Tax number:

) Attention: Company Secretary

EXECUTED AS A DEED by
FURLONG SHOPPING CENTRE LIMITED
acting by two directors

Director Matthew Weiner

Director Marcus Shepherd

) **Communications to be delivered to:**

)
)Address: U & I
7A Howick Place
London
SW1P 1DZ

) Tax number:

) Attention: Company Secretary

EXECUTED AS A DEED by
**U AND I INVESTMENT PORTFOLIO
LIMITED**

acting by two directors

Director Matthew Weiner

Director
Marcus Shepherd

) **Communications to be delivered to:**
)

)Address: U & I
7A Howick Place
London
SW1P 1DZ

)Fax number:

)Attention: Company Secretary

EXECUTED AS A DEED by
U AND I GROUP PLC
acting by two directors

Director Matthew Weiner

Director
Marcus Shepherd

) **Communications to be delivered to:**
)

)Address: U & I
7A Howick Place
London
SW1P 1DZ

)Fax number:

)Attention: Company Secretary

EXECUTED AS A DEED by
U AND I PPP LIMITED
acting by two directors

Director Matthew Weiner

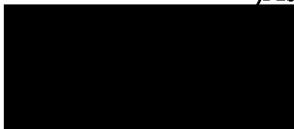
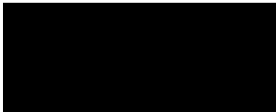
Director
Marcus Shepherd


) **Communications to be delivered to:**
)


)Address: U & I
7A Howick Place
London
SW1P 1DZ

)Fax number:

)Attention: Company Secretary

EXECUTED AS A DEED by) **Communications to be delivered to:**
DEVELOPMENT SECURITIES (ARMAGH))
LIMITED
acting by two directors)Address: U & I
Director Matthew Weiner  7A Howick Place
Director Marcus Shepherd  London
SW1P 1DZ
Fax number:
Attention: Company Secretary

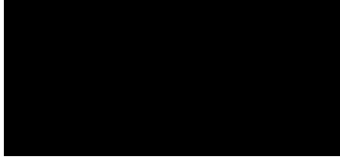
SIGNED AS A DEED by)
U AND I RETAIL LIMITED)
a company incorporated in Jersey)
acting by Matthew Weiner 
being a person who
in accordance with the laws of that
territory, is acting under the
authority of that company

SIGNED AS A DEED by)
DS JERSEY (NO.5) LIMITED)
a company incorporated in Jersey)
acting by Matthew Weiner 
being a person who
in accordance with the laws of that
territory, is acting under the
authority of that company

Security Agent

EXECUTED AS A DEED BY

**Suzanne Orr as an attorney for AVIVA
COMMERCIAL FINANCE LIMITED**



Communications to be delivered to:

**Address:
Carrara 0
6 Surrey Street
Norwich
NR1 3GG**

**Fax number: 01603 689085 / 01603 683608
Attention: Paul Kilvington**