



**Registration of a Charge**

Company name: **GORT NORTH EAST INVESTMENTS LIMITED**

Company number: **02706520**



X85Z891T

Received for Electronic Filing: **22/05/2019**

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**Details of Charge**

Date of creation: **16/05/2019**

Charge code: **0270 6520 0012**

Persons entitled: **MOUNT STREET MORTGAGE SERVICING LIMITED**

Brief description: **THE COMPANY CHARGES BY WAY OF FIRST LEGAL MORTGAGE THE MORTGAGED PROPERTY (AS DEFINED IN THE INSTRUMENT), INCLUDING THE LEASEHOLD PROPERTY KNOWN AS Q16, QUORUM BUSINESS PARK, BUNTON LANE, NEWCASTLE UPON TYNE NE12 8BX WITH THE TITLE NUMBERS TY510270 AND TY423266. FOR FURTHER INFORMATION, PLEASE SEE CLAUSE 3.2 AND SCHEDULE 9 OF THE INSTRUMENT. THE COMPANY ALSO CHARGES BY WAY OF FIRST FIXED CHARGE ALL THE INTELLECTUAL PROPERTY (AS DEFINED IN THE INSTRUMENT), ALTHOUGH NO FURTHER DETAIL IS SPECIFIED IN THE INSTRUMENT. FOR FURTHER INFORMATION, PLEASE SEE CLAUSE 3.4 OF THE INSTRUMENT.**

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**Contains negative pledge.**

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**Authentication of Form**

## 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: **JAYNE BACKETT**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 2706520

Charge code: 0270 6520 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th May 2019 and created by GORT NORTH EAST INVESTMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd May 2019 .

Given at Companies House, Cardiff on 23rd May 2019

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

Date: ..... **16 May** ..... 2019

**THE COMPANIES listed in Schedule 1**  
as Original Chargors

**Mount Street Mortgage Servicing Limited**  
as Security Agent

# Security Agreement

relating to a £55,000,000 term loan facility agreement

## Contents

No.	Heading	Page
1.	Interpretation	1
2.	Covenant to Pay	5
3.	Creation of Security	5
4.	Continuing Security	9
5.	Perfection	9
6.	Further Assurance	10
7.	Restrictions on Dealing	11
8.	Investments	11
9.	Intellectual Property	13
10.	Enforcement of Security	14
11.	Receiver	15
12.	Powers of Receiver	16
13.	Power of Attorney	20
14.	Preservation of Security	20
15.	Payments	22
16.	Release of Security	23
17.	Tacking	23
18.	No Merger or Prejudice	23
19.	Partial Invalidity	23
20.	Remedies and Waivers	23
21.	Changes to the Parties	24
22.	Notices	24
23.	Security Agent Provisions	25
24.	Indemnity to the Security Agent	26
25.	Governing Law	26

<b>Schedule 1</b>	<b>27</b>
<b>Original Chargors</b>	27
<b>Schedule 2</b>	<b>28</b>
<b>Accounts</b>	28
<b>Schedule 3</b>	<b>29</b>
<b>Notice to Account Bank</b>	29
<b>Schedule 4</b>	<b>33</b>
<b>Notice to Counterparty to Assigned Contract</b>	33
<b>Schedule 5</b>	<b>36</b>
<b>Notice to Counterparty to Hedging Agreement</b>	36
<b>Schedule 6</b>	<b>39</b>
<b>Notice to Insurers</b>	39
<b>Schedule 7</b>	<b>42</b>
<b>Notice to Tenants</b>	42
<b>Schedule 8</b>	<b>45</b>
<b>Form of Deed of Accession</b>	45
<b>Schedule 9</b>	<b>51</b>
<b>The Properties</b>	51

THIS DEED is made the .....16..... day of .....May..... 2019

**BETWEEN:**

- (1) **THE COMPANIES** listed in Schedule 1 (each an "**Original Chargor**", together the "**Original Chargors**"); and
- (2) **MOUNT STREET MORTGAGE SERVICING LIMITED** as agent and security trustee for the Secured Parties (the "**Security Agent**").

**BACKGROUND**

- (A) Each Chargor enters into this Deed in connection with the Facility Agreement.
- (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**

Terms defined in the Facility Agreement have the same meaning when used in this Deed unless given a different meaning in this Deed, and in this Deed:

**"Accounts"** means each of the General Account, the Deposit Account, the Disposals Account, Interest Reserve Account or the Rent Account and includes any replacement of that Account, details of which are set out in Schedule 2 (*Accounts*);

**"Additional Chargor"** means a person which becomes a Chargor in accordance with Clause 21.1 (*Assignment and Transfer by a Chargor*) after the date of this Deed;

**"Assigned Contracts"** means:

- (a) each contract in respect of any disposal of any Security Asset;
- (b) each Lease Document;
- (c) each Hedging Agreement;
- (d) any agreement with, or any appointment of, the Asset Manager;
- (e) any agreement with, or any appointment of, the Property Manager;
- (f) any document in respect of Subordinated Debt that is governed by English law;
- (g) the sale and purchase agreement entered into between Gort North East Investments Limited and Pinta Holdings Limited on or about the date of this Deed in respect of the entire issued share capital in Molana View Limited; and
- (h) any other agreement to which a Chargor is a party and which the Security Agent and the relevant Chargor has designated as an Assigned Contract,

in each case including any guarantees or sureties entered into in respect of them;

**"Borrower"** means Gort North East Investments Limited, a company registered in England (company registration no. 02706520) whose registered office is at Suite 2, Albion House, Etruria Office Village, Forge Lane Etruria, Stoke On Trent, ST1 5RQ;

**"Chargor"** means each Original Chargor and each Additional Chargor;

**"Deed of Accession"** means a deed by which a person becomes a party to this Deed, substantially in the form of Schedule 8 (*Deed of Accession*);

**"Equipment"** means any plant and machinery, fixtures, fittings, furniture, furnishings, equipment, vehicles and other chattels and all Related Rights;

**"Facility Agreement"** means the facility agreement dated on or about the date of this Deed between (among others), the Borrower and the Security Agent;

**"Intellectual Property"** means any rights of any Chargor in respect of any patent, copyright, trademark, trade name, service mark, invention, design, knowhow, confidential information, domain names or any other kind of intellectual property whether registered or unregistered and any registration or application relating to any of the foregoing;

**"Investments"** means the existing or future interest of any Chargor in:

- (a) any securities or investments of any kind, including shares, stocks, debentures, bonds, units, depository receipts, notes, commercial paper, certificates of deposit or any form of loan or other capital of or in any legal entity; and
- (b) any warrant, option or other right to subscribe for, purchase or otherwise acquire any such security or investment,

in each case, including any Related Assets in respect of any such investments;

**"LPA"** means the Law of Property Act 1925;

**"Mortgaged Property"** means the property details of which are set out in Schedule 8 (*Properties*) and, where the context so requires, includes the buildings on such property;

**"Party"** means a party to this Deed;

**"Receiver"** means a receiver or receiver and manager or administrative receiver of the whole or any part of the Security Assets;

**"Related Assets"** means:

- (a) all dividends, interest and other moneys payable in respect of the Investments; or
- (b) any right, money or property accruing or offered at any time in relation to the Investments by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise;
- (c) any right against any clearance system in relation to the Investments; or
- (d) any right under any custodian or other agreement in relation to the Investments;



**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset;
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset;
- (d) all monies and proceeds paid or payable in respect of that asset;
- (e) in relation to a property, each and every part of that property, including the land, cellars, eaves, buildings, structures, fixtures and fittings (including such trade fixtures and fittings, furnishings and Equipment in which each Chargor has an interest) now or in the future on that property and all easements and other rights attaching to that property; and
- (f) in relation to a property, the benefit of any covenants or warranties in respect of that property or any moneys paid or payable in respect of those covenants or warranties,

including all rights against any trustee, nominee, fiduciary or clearing system;

**"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 of the assets of each Chargor which from time to time are, or are expressed to be, subject to the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed; and

**"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 irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities have been terminated.

## 1.2 Construction

- (a) The provisions of Clause 1.2 (*Construction*) of the Facility Agreement shall apply, with any necessary amendments, in this Deed.
- (b) Each Chargor acknowledges the terms of the Finance Documents.
- (c) Any reference in this Deed to the **"Borrower"**, a **"Chargor"**, the **"Security Agent"**, a **"Party"** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents (as relevant) and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facility Agreement.

## 1.3 Disposition of Property

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a

valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### 1.4 **Joint and Several Chargors**

- (a) Where two or more persons purport to create a charge over a Security Asset under this Deed then:
  - (i) they (or such of them as have the joint interest in the relevant Security Asset) shall be deemed to have jointly mortgaged, charged and/or assigned, as appropriate, their joint interest in the relevant Security Asset;
  - (ii) each person shall be deemed to have mortgaged, charged and/or assigned, as appropriate, its individual interest (if any) in the relevant Security Asset; and
  - (iii) each person shall be deemed to have confirmed the charge granted by the others.
- (b) Any undertaking, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally.

#### 1.5 **Third party rights**

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
- (c) Any Receiver, Delegate, Finance Party or any officer, employee or agent of such Receiver, Delegate or Finance Party may, subject to this sub-clause and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

#### 1.6 **Related Rights**

A reference in this Deed to any Security Asset includes all Related Rights in respect of that Security Asset and a reference in this Deed to any mortgage, charge or assignment of any Security Asset shall include all Related Rights in respect of that Security Asset.

#### 1.7 **Deed**

This Deed is to take effect as a deed notwithstanding that the Security Agent may only execute it under hand.

## 1.8 **Benefit**

The provisions of this Deed are for the benefit of the Security Agent as security trustee for and on behalf of the Secured Parties.

## 2. **Covenant to Pay**

Without limiting Clause 18 (*Guarantee and Indemnity*) of the Facility Agreement, each Chargor shall:

- (a) pay the Secured Liabilities when due or if they do not specify a time, on written demand by the Security Agent; and
- (b) indemnify and keep each Secured Party indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any covenant or other obligation of any Chargor under the Finance Documents.

## 3. **Creation of Security**

### 3.1 **Security Generally**

All the Security created, or expressed to be created, under this Deed:

- (a) is created in favour of the Security Agent;
- (b) is created over the present and future assets of each Chargor;
- (c) is security for the payment of all the Secured Liabilities; and
- (d) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### 3.2 **Land**

Each Chargor charges:

- (a) by way of a first legal mortgage all its estates or interests in the Mortgaged Property and any other freehold or leasehold property now owned by it; and
- (b) (to the extent that they are not the subject of a legal mortgage under paragraph (a) above) by way of first fixed charge all its estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives each Chargor a right to occupy or use that property.

### 3.3 **Contracts**

- (a) Each Chargor assigns absolutely to the Security Agent, subject to a proviso for re-assignment on redemption, all of its right, title and interests under each Assigned Contract (including, in relation to any Lease Document all Rental Income and any guarantee of Rental Income contained in or relating to such Lease Document).
- (b) To the extent that any such right described in paragraph (a) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (a)

above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which each relevant Chargor may derive from that right or be awarded or entitled to in respect of that right.

- (c) To the extent that they do not fall within any other part of this sub-clause or are not effectively assigned under paragraphs (a) or (b) above, each relevant Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.
- (d) If a Chargor assigns an agreement or document under this Deed (or charges it) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained:
  - (i) that Chargor must notify the Security Agent immediately;
  - (ii) unless the Security Agent otherwise requires, that Chargor shall use all reasonable endeavours to obtain such consent as soon as practicable; and
  - (iii) that Chargor must promptly supply to the Security Agent a copy of such consent obtained by it.

### 3.4 **Intellectual Property**

Each Chargor charges by way of first fixed charge all the Intellectual Property.

### 3.5 **Accounts**

Each Chargor charges by way of a first fixed charge all of its right, title and interest in each Account and any amount standing to the credit of such Account and the debts represented by such Account.

### 3.6 **Investments**

Each Chargor charges by way of a first fixed charge all of its right, title and interest in the Investments and Related Assets.

### 3.7 **Book Debts etc.**

Each Chargor charges by way of a first fixed charge:

- (a) all of its Subordinated Debt;
- (b) all of its book and other debts;
- (c) all other moneys due and owing to it; and
- (d) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (a) to (c) above.

### 3.8 **Insurances**

- (a) Each Chargor assigns absolutely to the Security Agent, subject to a proviso for re-assignment on redemption, all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf from time to time or in which it has an interest and the proceeds payable under any such contract or policy of insurance (other than

the proceeds of any policy of insurance in respect of third party liability which are payable to one or more third parties, and not to that Chargor).

- (b) To the extent that any such right described in paragraph (a) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (a) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which each relevant Chargor may derive from that right or be awarded or entitled to in respect of that right.
- (c) To the extent that they do not fall within any other part of this Clause or are not effectively assigned under paragraphs (a) or (b) above, each relevant Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.

### 3.9 **Equipment**

Each Chargor charges by way of a first fixed charge all the fixed and moveable Equipment, its interest in any Equipment in its possession and the benefit of all related Authorisations, agreements and warranties.

### 3.10 **Authorisations**

- (a) Each Chargor charges by way of first fixed charge the benefit of all Authorisations held now or in the future by it in relation to any Security Asset and/or the business of that Chargor.
- (b) To the extent that they do not fall within any other part of this clause or are not effectively charged under paragraph (a) above, each relevant Chargor assigns absolutely to the Security Agent, subject to a proviso for re-assignment on redemption, all of its rights and interests under each Authorisation in relation to any Security Asset and/or the business of that Chargor.
- (c) If a Chargor charges or assigns an Authorisation under this Deed and the charge or assignment breaches a term of that Authorisation because a third party's consent has not been obtained:
  - (i) that Chargor must notify the Security Agent;
  - (ii) unless the Security Agent otherwise requires, that Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable; and
  - (iii) that Chargor must promptly supply to the Security Agent a copy of the consent obtained by it.

### 3.11 **Goodwill**

Each Chargor charges by way of first fixed charge all of its goodwill.

### 3.12 **Uncalled Capital**

Each Chargor charges by way of first fixed charge all of its uncalled capital.

### 3.13 **Causes of Action**

Each Chargor assigns absolutely to the Security Agent, subject to a proviso for re-assignment on redemption, all of its rights in respect of all causes of action and other rights and remedies in which it has an interest, including, without limitation, any VAT recoveries.

### 3.14 Floating Charge

- (a) Each Chargor charges by way of first floating charge all of its property, undertaking and assets, both present and future, not otherwise effectively mortgaged, charged or assigned under this Deed (other than the proceeds of any policy of insurance in respect of third party liability which are payable to one or more third parties, and not to that Chargor).
- (b) The floating charge created by each Chargor pursuant to paragraph (a) above is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986 (the "**Insolvency Act**").
- (c) Paragraph 14 of Schedule B1 to the Insolvency Act shall apply to this Deed and the Security Agent may appoint an administrator to any Chargor pursuant to that paragraph.
- (d) The Security Agent may convert the floating charge created by this Deed over all or any of the Security Assets into a fixed charge by written notice to each Chargor specifying the relevant Security Assets (either specifically or generally):
  - (i) while an Event of Default is continuing; and/or
  - (ii) if the Security Agent (acting reasonably) considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process.
- (e) If:
  - (i) a Chargor takes any step to create any Security (other than any Security permitted by the Finance Documents) in breach of Clause 7.1 (*Security*) over any of the Security Assets not subject to a mortgage or fixed charge;
  - (ii) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator in respect of a Chargor; or
  - (iii) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Security Assets (except where such steps are frivolous or vexatious and are discharged, stayed or dismissed within 14 days of commencement); or
  - (iv) any other floating charge over any Security Asset is converted into a fixed charge,

the floating charge over the relevant Security Assets shall automatically and immediately be converted into a fixed charge.
- (f) No floating charge created by this Deed may be converted into a fixed charge on assets for which a moratorium is in force and for so long as such conversion would breach Schedule A1 of the Insolvency Act 1986.

### 3.15 Reconversion to a Floating Charge

Any floating charge which was crystallised under Clause 3.14 (*Floating charge*) may by notice in writing given at any time by the Security Agent to any Chargor be reconverted into a floating charge in relation to the assets specified in such notice.

#### **4. Continuing Security**

##### **4.1 Continuing Security**

The Security created, or expressed to be created, by this Deed 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.

##### **4.2 Additional Security**

The Security created, or expressed to be created, by this Deed:

- (a) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Secured Party; and
- (b) may be enforced against any Chargor without having recourse to any other rights of any Secured Party.

##### **4.3 Survival of Obligations**

The payment obligations of the Obligors under the Finance Documents shall survive the enforcement of the whole or any part of the Security Assets.

#### **5. Perfection**

##### **5.1 Land**

In the case of the Mortgaged Property, each Chargor, shall promptly:

- (a) and in any event within any applicable priority period, apply to the Land Registry to register the Security created or expressed to be created by this Deed;
- (b) submit to the Land Registry the duly completed form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction on the register of title to that freehold or leasehold property;

*"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated [ • ] in favour of Mount Street Mortgage Servicing Limited (as agent and trustee for the Secured Parties) referred to in the Charges Register (or its conveyancer)."*

- (c) submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Security Assets; and
- (d) pay all appropriate registration fees.

## 5.2 Notices of Charge or Assignment

- (a) Each Chargor shall immediately serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed, on:
  - (i) each bank or financial institution where an Account is held or to be held (Schedule 3 (*Notice to Account Bank*));
  - (ii) each counterparty to an Assigned Contract other than a Lease Document or a Hedging Agreement (Schedule 4 (*Notice to counterparty to Assigned Contract*));
  - (iii) each counterparty to a Hedging Agreement (Schedule 5 (*Notice to counterparty to Hedging Agreement*)); and
  - (iv) each of its insurers (Schedule 6 (*Notice to insurers*)).
- (b) Each Chargor shall prepare the notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed, on any tenant, guarantor or counterparty under any Lease Document (Schedule 7 (*Notice to tenant*)) with each notice to be served when an Event of Default has occurred.
- (c) The Chargors shall ensure that each bank or financial institution on whom the notice is served under paragraph 5.2(a)(i) above countersigns the acknowledgment in the form set out in Schedule 3 (*Notice to Account Bank*) and returns the notice to the Security Agent.
- (d) The Chargors shall use reasonable endeavours to ensure that each person on whom notice is served under paragraphs 5.2(a)(ii) to 5.2(a)(iv) above countersigns the acknowledgment in the form set out in the relevant schedule and returns the notice to the Security Agent.
- (e) Entry into this Deed by each Chargor that is party to an Assigned Contract constitutes notice to it of the Security created or expressed to be created by this Deed over such Assigned Contract and each Chargor, by entering into this Deed, acknowledges receipt of such notice.

## 6. Further Assurance

- 6.1 Each Chargor shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
  - (a) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Finance Documents or by law;
  - (b) to confer on the Security Agent or confer on the Secured Parties Security over any property and assets of each Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or



- (c) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created or expressed to be created by this Deed.

6.2 Each 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 Secured Parties by or pursuant to the Finance Documents.

## **7. Restrictions on Dealing**

### **7.1 Security**

Each Chargor shall not create or permit to subsist any Security over any Security Asset, other than any Security permitted by the Finance Documents.

### **7.2 Disposals**

No Chargor shall (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset except as permitted by the Finance Documents.

## **8. Investments**

### **8.1 Investments**

Each Chargor represents and warrants to the Security Agent (for the benefit of each Secured Party) on the date of this Deed (and in the case of any Additional Chargor, on the date of the relevant Deed of Accession) that:

- (a) the Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right;
- (b) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of any of the Investments on creation or the enforcement of the Security created by or expressed to be created by this Deed to the extent permitted by law;
- (c) it is the sole legal and beneficial owner of the Investments;
- (d) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion); and
- (e) the Investments are the entire issued share capital of the issuer of each of the Investments.

### **8.2 Certificated Investments and Related Assets**

Each Chargor shall on the date of this Deed (and in the case of any Additional Chargor, on the date of the relevant Deed of Accession), to the extent applicable:

- (a) immediately deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Investments and/or Related Assets; and
- (b) promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to the Investments and/or Related Assets; this includes:
  - (i) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers and any other relevant transfer instruments in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent so directs, with the transferee left blank; and
- (c) if an Event of Default is continuing and on request by the Security Agent procure that those share transfer and other transfer instruments are registered by the issuer of the Investments and/or Related Assets and that any share certificates or other document of title or evidence of ownership in the name of the transferee are delivered to the Security Agent.

### 8.3 **Changes to Rights**

No Chargor shall take or allow the taking of any action on its behalf which may result in the rights attaching to any of the Investments being altered or further shares being issued.

### 8.4 **Calls**

- (a) Each Chargor shall in accordance with its obligations under the Investments pay all calls or other payments due and payable in respect of the Investments.
- (b) If a Chargor fails to comply with paragraph (a) above after being requested to do so by the Security Agent, the Security Agent may pay the calls or other payments in respect of any Investment on behalf of the Chargor.
- (c) The Chargors shall within three Business Days of written request reimburse the Security Agent for any payment made by the Security Agent under this clause, together with default interest charged thereon in accordance with the Facility Agreement.

### 8.5 **Voting Rights Before Event of Default**

- (a) Subject to Clause 8.6 (*Voting rights after Event of Default*), each Chargor may continue to exercise all voting rights, powers and other rights in respect of its Investments provided that no Chargor shall exercise such voting rights in any manner likely to result in, or otherwise permit or agree to, any:
  - (i) variation of the rights attaching to or conferred by all or some of the Investments, which would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Deed;
  - (ii) increase in the issued share capital of the issuer of such Investments, which would prejudice the value of, or the ability of the Security Agent to realise, the Security created by this Deed.

- (b) Subject to Clause 8.6 (*Voting rights after Event of Default*), all dividends or other income or distributions paid or payable in relation to the Investments shall be paid to the relevant Chargor.

## 8.6 Voting Rights After Event of Default

- (a) Following the occurrence of an Event of Default which is continuing, the Security Agent or its nominee may exercise or refrain from exercising:
  - (i) any voting rights; and
  - (ii) any other powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise,

in each case, in the name of the relevant Chargor, the registered holder or otherwise and without any further consent or authority on the part of the relevant Chargor and irrespective of any direction given by that Chargor.
- (b) Following the occurrence of an Event of Default which is continuing and to the extent that the Investments remain registered in the name of a Chargor, that Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments in any way it sees fit.
- (c) The Chargors shall indemnify the Security Agent against any loss or liability properly incurred by the Security Agent as a direct consequence of the Security Agent acting in respect of Investments on the direction of a Chargor, following the occurrence of an Event of Default which is continuing.

## 9. Intellectual Property

### 9.1 Representations

Each Chargor represents and warrants to the Security Agent (for the benefit of each Secured Party) on the date of this Deed (and in the case of any Additional Chargor, on the date of the relevant Deed of Accession) that:

- (a) it is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all the Intellectual Property held by it; and
- (b) it has taken all formal or procedural actions (including payment of fees) required to maintain all the Intellectual Property.

### 9.2 Preservation

- (a) Each Chargor shall:
  - (i) preserve and maintain the subsistence of such Intellectual Property which is necessary for its business;
  - (ii) prevent any infringement in any respect of such Intellectual Property;
  - (iii) make registrations and pay all registration fees and taxes necessary to maintain such Intellectual Property in full force and effect and record its interest in such Intellectual Property;

- (iv) not use (or licence or permit any third party to use) such Intellectual Property in a way, or take any step or omit to take any step in respect of such Intellectual Property which is likely to adversely affect the existence of, value of or its rights to use such Intellectual Property; and
  - (v) not (other than where such Intellectual Property has become redundant) discontinue the use of such Intellectual Property.
- (b) Each Chargor shall promptly, if requested to do so by the Security Agent (acting reasonably), sign or procure the signature of, and comply with all reasonable instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed.

## **10. Enforcement of Security**

### **10.1 When Enforceable**

The Security created or expressed to be created by this Deed shall be immediately enforceable if:

- (a) an Event of Default occurs and is continuing; or
- (b) a Chargor requests the Security Agent to appoint a Receiver over the whole or any part of its undertaking and assets.

### **10.2 Power of Sale**

- (a) At any time when Security created or expressed to be created by this Deed is enforceable the Security Agent shall be entitled, without prior notice to any Chargor or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit).
- (b) The statutory powers of sale, of appointing a Receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed.

### **10.3 Section 103 of the LPA**

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed.

### **10.4 Section 93 of the LPA**

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed.

### **10.5 No Liability as Mortgagee in Possession**

Neither the Security Agent, a Receiver nor any Delegate is:

- (a) liable to account as mortgagee in possession in respect of the Security Assets; nor
- (b) liable for any loss upon realisation or exercise of any power, authority or right of the Security Agent, a Receiver or any Delegate arising under this Deed, nor for any act, default, neglect, or misconduct of any nature whatsoever (otherwise, in each case, than

by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).

## 10.6 **Possession**

If the Security Agent or a Receiver enters into possession of the Security Assets, such person may at any time go out of possession at the discretion of such person.

## 10.7 **Privileges**

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

## 10.8 **No Duty to Enquire**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether an Event of Default has occurred or whether the rights conferred by or pursuant to any Finance Document are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights; or
- (d) as to the application of any money borrowed or raised.

## 10.9 **Protection to Purchasers**

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc.) of the LPA, Section 42(3) of the Insolvency Act or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate.

## 10.10 **Financial Collateral Arrangements**

To the extent that the provisions of the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Regulations**") apply to any Security Asset, the Security Agent shall have the right, on giving prior notice to the Chargor, at any time after the Security created or expressed to be created by this Deed becomes enforceable, to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities. The value of each Security Asset appropriated in accordance with this clause shall be, in the case of cash, the amount of the cash appropriated, and, in the case of any Investments, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent (acting reasonably) may select. Each Chargor agrees that the method of valuation provided for in this clause 10.10 is commercially reasonable for the purposes of the Regulations.

## 11. **Receiver**

### 11.1 **Appointment of Receiver**

Following the occurrence of an Event of Default that is continuing or upon receipt of request from a Chargor for the Security Agent to appoint a Receiver, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Security Assets pursuant to this Deed and subject to any applicable insolvency law:

- (a) the Security Agent may, by writing under the hand of any authorised officer of the Security Agent, appoint a Receiver in relation to the Security Assets;
- (b) subject to the Insolvency Act the Security Agent may, from time to time, in similar manner, remove a Receiver and appoint another in its place;
- (c) the Security Agent may, either at the time of appointment or at any time thereafter, fix the remuneration of a Receiver;
- (d) the Security Agent and any agent or nominee wherever situated may, without further notice, exercise in respect of all or any part of any shares and their Related Assets subject to the Security created by this Deed all the powers and rights exercisable by the registered holder of such shares and their Related Assets and all other powers conferred on mortgagees by the LPA as varied or extended by this Deed; and
- (e) the Security Agent and any agent or nominee wherever situated may apply any dividends, interest or other payments received or receivable by the Security Agent or by such nominee in respect of the shares and their Related Assets subject to the Security created by this Deed as if they were proceeds of sale.

None of the restrictions imposed by the LPA in relation to the appointment of receivers, the giving of notice or otherwise shall apply.

## **11.2 Delegation by Receiver**

A Receiver may from time to time delegate, by power of attorney or otherwise, to any person any of its powers and discretions, whether arising by statute, the provisions of this Deed or otherwise, upon such terms and for such periods of time as the Receiver may in its discretion think fit and may from time to time terminate any such delegation. The Security Agent shall not be liable for any loss or damage arising from any such delegate's act, default, neglect or misconduct of any nature whatsoever.

## **12. Powers of Receiver**

### **12.1 General Powers**

A Receiver has all the powers to do or abstain from doing anything which a Chargor could do or abstain from doing in relation to the Security Assets including, without limitation, the powers and discretions set out below in this clause, the powers conferred by Section 109 of the LPA (Appointment, powers, remuneration and duties of receivers) and, in the case of a Receiver who is an administrative receiver, the powers conferred by Section 29 of the Insolvency Act (Definitions) and Schedule 1 to the Insolvency Act (Powers of administrator or administrative receiver).

### **12.2 Possession**

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

### **12.3 Carry on Business**

A Receiver may carry on, manage or concur in carrying on or managing the whole or any part of the business of any Chargor as the Receiver may in its discretion think fit.

#### 12.4 **Dealings with Security Assets**

A Receiver may, in each such case in such manner and generally on such terms as it may in its discretion think fit:

- (a) manage, insure, repair, decorate, maintain, alter, improve, renew or add to the Security Assets or concur in so doing;
- (b) commence or complete any building operations on any of the Mortgaged Property; and
- (c) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

including entry into any agreement, deed or contract in relation to any of the above.

#### 12.5 **Sale of Security Assets**

- (a) A Receiver may sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as the Receiver may in its discretion think fit.
- (b) Without prejudice to the generality of paragraph (a) above, a Receiver may do any of these things for any valuable consideration, including, without limitation, cash, shares, stock, debentures or other obligations. Any such consideration may be payable in a lump sum or by instalments spread over such period as a Receiver may in its discretion think fit.
- (c) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the Mortgaged Property containing them without the consent of any Chargor.

#### 12.6 **Mortgaged Property**

- (a) A Receiver may, in each such case in such manner and generally on such terms as a Receiver may in its discretion think fit, with all the powers of an absolute beneficial owner:
  - (i) let, hire or lease (with or without premium) any Mortgaged Property and accept surrenders of leases or tenancies or concur in so doing;
  - (ii) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of any of the Mortgaged Property; and
  - (iii) exchange or concur in exchanging any of the Mortgaged Property.
- (b) A Receiver may exercise any such power in paragraph (a) above by effecting such transaction in the name or on behalf of any relevant Chargor or otherwise.
- (c) Without any further consent by or notice to any Chargor, a Receiver may exercise all the powers and provisions conferred on a landlord or a tenant by any legislation in force.

- (d) A Receiver may make allowances to, and re-arrangements with, any person occupying the whole or any part of the Mortgaged Property, and negotiate and agree, or refer to arbitration, any revision of rent under any leases in respect of which the rental may fall to be reviewed and accept service of, or serve, any notice received or required or deemed desirable in connection with any such review or with the exercise of any option.

#### 12.7 **Borrow Money**

- (a) For the purpose of exercising any of the powers, authorities or discretions conferred on the Receiver by or pursuant to this Deed or of defraying any costs (including, without limitation, its remuneration) which are incurred by the Receiver in the exercise of such powers, authorities or discretions or for any other purpose, a Receiver may raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the security constituted by this Deed (subject to the prior written consent of the Security Agent) or otherwise, and generally on such terms as the Receiver may in its discretion think fit.
- (b) No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of any money so raised or borrowed.

#### 12.8 **Lending**

A Receiver may lend money or advance credit to any customer of a Chargor.

#### 12.9 **Calls**

A Receiver may make, or require the directors of a Chargor to make, such calls upon the shareholders of that Chargor in respect of any uncalled capital (notwithstanding the representations and covenants contained in the relevant Finance Documents) of that Chargor as a Receiver may in its discretion require and enforce payment of any call so made by action (in the name of that Chargor or the relevant Receiver as that Receiver may in its discretion think fit) or otherwise.

#### 12.10 **Compromise and Legal Actions**

A Receiver may:

- (a) settle or compromise any claim, adjust any account, refer to arbitration any dispute, and deal with any question or demand relating in any way to the Security Assets; and
- (b) bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets,

as the Receiver may in its discretion think fit.



**12.11 Subsidiaries**

A Receiver may, notwithstanding the representations and covenants contained in the relevant Finance Documents, do the following in its discretion as it thinks fit:

- (a) promote the formation of any Subsidiary of any Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets;
- (b) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such Subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period; and
- (c) arrange for such Subsidiary to trade or cease to trade.

**12.12 Appointments and Delegation**

A Receiver may:

- (a) appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as the Receiver may in its discretion think fit; and
- (b) delegate its powers in accordance with this Deed.

**12.13 Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which the Receiver may in its discretion think proper or desirable for realising the Security Assets.

**12.14 Investigations**

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Agent or otherwise and comply with all lawful orders and directives regarding Environmental Law.

**12.15 Other**

A Receiver may:

- (a) do all such other acts and things as the Receiver may in its discretion consider to be incidental or conducive to any of the matters or powers set out in this Deed or otherwise incidental or conducive to the preservation, improvement or realisation of the Security Assets; and
- (b) use the name of any Chargor for any purpose in relation to this Deed.

**12.16 Receiver as Agent of the Chargors**

A Receiver is for all purposes the agent of each Chargor. Subject to the provisions of the Insolvency Act 1986, each Chargor is solely responsible for all Receivers' acts, defaults, neglect

and misconduct of any nature whatsoever and for each Receiver's remuneration and costs, to the exclusion of liability on the part of the Security Agent.

#### 12.17 **No Obligation**

No Receiver is obliged to exercise any of the powers set out in this clause.

#### 12.18 **Several Power**

Where more than one Receiver is appointed, each Receiver has the power to act severally unless the Security Agent specifies otherwise in the appointment of such Receiver.

#### 12.19 **Powers Exercisable by the Security Agent**

- (a) The Security Agent may exercise all powers granted to a Receiver by this Deed, whether as attorney of a Chargor or otherwise.
- (b) The powers of a Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Agent and so that, without limitation, such powers are and remain exercisable by the Security Agent in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Agent is from time to time subsisting.

### 13. **Power of Attorney**

#### 13.1 **Appointment**

Each Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution) on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit:

- (a) to do anything which a Chargor is obliged to do under any Finance Document, but has failed to do on the date it was obliged so to do; and
- (b) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document, the LPA or the Insolvency Act.

#### 13.2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause.

### 14. **Preservation of Security**

#### 14.1 **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 by a Secured Party 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, then the liability of each Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred and each Secured Party shall be entitled to recover the value or amount of that payment, security or disposition from the Chargors.

## 14.2 **Waiver of Defences**

The obligations of each Chargor 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 rights and/or obligations under this Deed (and whether or not known to it or any Secured Party) including, without limitation:

- (a) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;
- (b) the release of any Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor of 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 any Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) 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;
- (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental, whether or not more onerous or of whatever nature) or replacement of a 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;
- (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.

## 14.3 **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 any Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

## 14.4 **Appropriations**

Until the Secured Liabilities have been irrevocably paid in full, any Secured Party (or any trustee or agent on its behalf) may:

- (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) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from any Chargor or on account of a Chargor's liability under this Deed.

**14.5 Deferral of a Chargor's Rights**

Until the Secured Liabilities have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor shall exercise any rights 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 by a Transaction Obligor or any other person;
- (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 any 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 a Transaction Obligor to make any payment, or perform any obligation, in respect of which a Transaction Obligor has given a guarantee, undertaking or indemnity under any Finance Document;
- (e) to exercise any right of set-off against any Transaction Obligor or other person; and/or
- (f) to claim or prove as a creditor of any Transaction Obligor or other person in competition with any Secured Party.

If a Chargor receives any benefit, payment or distribution in relation to such rights, it shall 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 that Chargor under or in connection with the Finance Documents to be repaid in full) on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct.

**15. Payments****15.1 Continuation of Accounts**

- (a) At any time if any subsequent Security affects any Security Asset (other than any Security permitted by the Finance Documents), any Security Asset is disposed of or a petition is presented or resolution passed in relation to the winding-up of any Chargor (other than a frivolous or vexatious petition which is discharged, stayed or dismissed within 14 days of commencement), any Secured Party may:
  - (i) close any account of that Chargor then existing; and
  - (ii) open a new account in the name of that Chargor (whether or not it permits any existing account to continue).
- (b) If the Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred, unless the relevant Chargor has received written notice from that Secured Party to the contrary.
- (c) All payments made to that Secured Party after such an event shall be credited to, or treated as having been credited to, the new account.

- (d) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the Secured Liabilities.

## 15.2 **Application of Payments to the Security Agent**

The Security Agent shall apply all amounts received or recovered under this Deed in satisfaction of, whether in whole or in part, the Secured Liabilities in accordance with the Facility Agreement.

## 16. **Release of Security**

### 16.1 **Release**

At the end of the Security Period, the Security Agent shall, at the written request and cost of the Chargors, take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by this Deed and return all deeds and documents of title held by the Security Agent in relation to this Deed and execute and deliver such further deeds and documents as the Chargors may reasonably require to give effect to this clause.

### 16.2 **Retention**

If the Security Agent (acting reasonably) considers that any amount paid or credited to it under a Finance Document or this Deed is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have irrevocably paid.

## 17. **Tacking**

Each Chargor acknowledges that each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

## 18. **No Merger or Prejudice**

This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Agent of any other security at any time held by the Security Agent.

## 19. **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 of this Deed nor the legality, validity or enforceability of the remaining provisions under the law of any other jurisdiction will in any way be affected or impaired.

## 20. **Remedies and Waivers**

- (a) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy.
- (b) No election to affirm this Deed on the part of any Secured Party shall be effective unless it is in writing.
- (c) 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.

- (d) The rights and remedies provided in this Deed are cumulative and are not exclusive of any rights or remedies provided by law.

## **21. Changes to the Parties**

### **21.1 Assignment and Transfer by a Chargor**

- (a) No Chargor shall assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed.
- (b) Each Chargor acknowledges the terms of and agrees to be bound by clause 26 (*Changes to the Transaction Obligors*) of the Facility Agreement.
- (c) The Borrower may request that a new chargor becomes a party to this Deed by such person executing a Deed of Accession in the form set out in Schedule 8 (*Form of Deed of Accession*).
- (d) Delivery of a Deed of Accession constitutes confirmation by an Additional Chargor that it makes the relevant representations referred to in this Deed and agrees to be bound by the terms of this Deed as if it were an original Party thereto.

### **21.2 Assignment and Transfer by the Security Agent**

The Security Agent may assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations under the terms of the Facility Agreement.

## **22. Notices**

Any communication to be made under or in connection with this Deed shall be made as provided in the Facility Agreement.

### **22.1 Addresses**

- (a) The address (and the department or officer, if any, for whose attention the communication is to be made) of each Chargor and the Security Agent for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below or any substitute address or department or officer which that Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

- (i) To the Security Agent

Address for notice: Mount Street Mortgage Servicing Limited, Woolgate Exchange, 25 Basinghall Street, London, EC2V 5HA

Email: [anna.jozsa@mountstreetllp.com](mailto:anna.jozsa@mountstreetllp.com)

Attention: Anna Jozsa

- (ii) To Gort North East Investments Limited, Molana View Limited and/or Glendine Developments Limited

Address for notice: Mincoffs Solicitors LLP, 5 Osborne Terrace, Newcastle upon Tyne NE2 1SQ

Email: [rbannon@mincoffs.co.uk](mailto:rbannon@mincoffs.co.uk) and [henry@glendine.eu](mailto:henry@glendine.eu)

Fax: 0191 212 7768

Attention: Ryan Bannon

## **22.2 Delivery**

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address and, if a particular department or officer is specified as part of its address details provided under Clause 22.1 (*Addresses*), if addressed to that department or officer.
- (b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) All notices from or to any Chargor shall be sent through the Security Agent;
- (d) Any communication or document made or delivered to a Chargor in accordance with this Clause 22.2 (*Delivery*) will be deemed to have been made or delivered to each of the Transaction Obligors.
- (e) Any communication or document which becomes effective, in accordance with paragraphs (a) to (c) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

## **22.3 Notification of address**

Promptly upon receipt of notification of an address or change of address pursuant to Clause 22.1 (*Addresses*) or changing its own address, the Security Agent shall notify the other Parties.

## **23. Security Agent Provisions**

- (a) The Security Agent executes this Deed in the exercise of the rights, powers and authority conferred and vested in it under the Facility Agreement and any other Finance Document for and on behalf of the Secured Parties for whom it acts. It will exercise its powers, rights, duties and authority under this Deed in the manner provided for in the Facility Agreement and, in so acting, it shall have the protections, immunities, limitations of liability, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Agreement and the other Finance Documents.
- (b) Without prejudice to clause 27.6 (*No Fiduciary Duties*) of the Facility Agreement, the Security Agent shall not owe any fiduciary duties to any of the Parties or any of their directors, employees, agents or affiliates.
- (c) Notwithstanding any other provisions of this Deed, in acting under and in accordance with this Deed the Security Agent is entitled to seek instructions from the relevant

Secured Parties in accordance with the provisions of the Facility Agreement and at any time, and where it so acts or refrains from acting on the instructions of a Secured Party or Secured Parties entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from acting.

## **24. Indemnity to the Security Agent**

- (a) Each Chargor shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, (including legal fees), loss or liability incurred by any of them as a result of:
  - (i) any failure by the Company to comply with its obligations under Clause 16 (*Costs and Expenses*) of the Facility Agreement;
  - (ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised;
  - (iii) the taking, holding, protection or enforcement of the Transaction Security;
  - (iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent and each Receiver and Delegate by the Finance Documents or by law;
  - (v) any default by any Transaction Obligor in the performance of any of the obligations expressed to be assumed by it in the Finance Documents;
  - (vi) instructing lawyers, accountants, tax advisers, surveyors, insurance advisors, or other professional advisers or experts as permitted under the Facility Agreement; or
  - (vii) acting as Security Agent, Receiver or Delegate under the Finance Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct).
- (b) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Assets in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this Clause 24 and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

## **25. Governing Law**

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

**THIS DEED** has been entered into as a deed and delivered on the date stated at the beginning of this Deed.



**Schedule 1****Original Chargors**

Name	Registered Number
Gort North East Investments Limited	02706520
Molana View Limited	11498272
Glendine Developments Limited	11561633

**Schedule 2****Accounts**

<b>Account name</b>	<b>Account holder</b>	<b>Account bank</b>	<b>Sort code</b>	<b>Account number</b>
Rent Account	Gort North East Investments Limited	██████████	██████	██████
Deposit Account	Gort North East Investments Limited	██████████	██████	██████
Interest Reserve Account	Gort North East Investments Limited	██████████	██████	██████
Disposals Account	Gort North East Investments Limited	██████████	██████	██████
General Account	Gort North East Investments Limited	██████████	██████	██████
General Account	Molana View Limited	██████████	██████	██████
General Account	Glendine Developments Limited	██████████	██████	██████

**Schedule 3****Notice to Account Bank**

To: [Insert name of counterparty]

Address: [ • ]

[Date]

Dear Sirs

**Security Agreement dated [ • ] (the "Security Agreement") between [insert name of Chargor] and [ • ] (the "Security Agent")**

1. This letter constitutes notice to you that under the Security Agreement we have charged by way of first fixed charge in favour of the Security Agent (as agent and trustee for the Secured Parties referred to in the Security Agreement) all our rights, title and interest in all sums of money which may now or in the future be held with you for our account in the accounts identified in the schedule to this notice and to any other accounts from time to time maintained with you by us (the "**Accounts**") together with all interest from time to time earned on such sums and the debts represented by such sums and interest.
2. With effect from the date of your receipt of this notice:
  - (a) subject to paragraph (e) below, all sums from time to time standing to the credit of the Accounts should be held to the order of the Security Agent;
  - (b) subject to paragraph (e) below, such sums may only be paid or released in accordance with the written instructions of the Security Agent at any time;
  - (c) [the terms and conditions relating to the Accounts designated as "Blocked" may not be amended, varied or waived without the prior written consent of the Security Agent;
  - (d) we are not permitted to withdraw any amount from the Accounts designated as "Blocked" in the schedule to this notice without the prior written consent of the Security Agent;] and
  - (e) we are permitted to withdraw or transfer amounts from the Accounts [designated as "Not blocked" in the schedule to this notice] until such time as the Security Agent provides written notification to you that such permission is withdrawn.
3. You are authorised and instructed, without requiring further approval from us:
  - (a) to pay all monies received by you for the Accounts to (and only to) the credit of the Accounts;
  - (b) to provide the Security Agent with such information relating to the Accounts as it may from time to time request; and
  - (c) to comply with the terms of any written notice or instructions in any way relating to, or purporting to relate to, the Security Agreement, the sums standing to the credit of the

Accounts from time to time or the debts represented by them 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.

4. These instructions may not be revoked without the prior written consent of the Security Agent.
5. Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm (by way of undertaking in favour of the Security Agent) that:
  - (a) you agree to the terms of this notice and to act in accordance with its provisions;
  - (b) you have not received notice of the interest of any third party in the accounts; and
  - (c) you have not and will not claim, exercise or enforce any security interest, right of set-off, counterclaim or similar right in respect of the Accounts or the debts represented by them without the prior written consent of the Security Agent.
6. This notice and any non-contractual obligations arising out of or in relation to this notice shall be governed by, and interpreted in accordance with, English law.

Yours faithfully

.....

for and on behalf of  
[    •    ] as Chargor

.....

for and on behalf of  
[    •    ] as Security Agent

**SCHEDULE**

Account Number	Sort Code	Status
[●]	[●]	[Blocked/not blocked]

[*On acknowledgement copy*]

To: [Security Agent]

[Address]

Copy to: [ • ]

We acknowledge receipt of the above notice and agree to and confirm the matters set out in it.

.....

for and on behalf of

[Account Bank]

Date: [ • ]

**Schedule 4****Notice to Counterparty to Assigned Contract**

To: [Insert name of counterparty]

Address: [ • ]

[Date]

Dear Sirs

**[ • ] Limited - Facility Agreement dated [ • ]**

1. We refer to:

- (a) [Insert description of relevant Assigned Contract[s]] (the "**Contract**"); and
- (b) the security agreement (the "**Security Agreement**") dated [ • ] between, [amongst others,] [ • ] Limited as chargor and [ • ] as agent and trustee for the Secured Parties referred to in the Security Agreement (the "**Security Agent**").

Terms defined in the Security Agreement have the same meaning in this notice.

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Secured Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Contract, subject to a proviso for reassignment.

2. We irrevocably instruct and authorise you and confirm that:

- (a) we will remain liable under the Contract to perform all the obligations assumed by us under the Contract. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Contract; and
- (b) we are entitled to exercise all of our rights, powers and discretions under the Contract, and you should continue to give notices under the Contract to us, unless and until you receive notice from the Security Agent to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Agent or as it directs.

3. Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Contract without the prior written consent of the Security Agent.

4. The instructions in this notice:

- (a) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;
- (b) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us; and

(c)            may not be revoked or amended without the prior written consent of the Security Agent.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law.

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Contract as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [   •   ], marked for the attention of [   •   ].

.....  
Authorised signatory for and on behalf of  
[*Insert name of Chargor*]  
as Chargor



[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Contract.

We confirm that:

- (a) we have not received any other notice of any assignment of, or any security, charge or the interest of any third party in the Contract;
- (b) there has been no amendment, waiver or release of any rights or interests in the Contract since the date of the Contract;
- (c) we will not agree to any amendment, waiver or release of any provision of the Contract without the prior written consent of the Security Agent;
- (d) as at the date of this acknowledgment, we are not aware of any breach by the Chargor of the terms of the Contract; and
- (e) we do not have and have not claimed or exercised any right or claim against the Chargor, or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Contract.

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

.....  
For and on behalf of [*Insert name of counterparty*]

Date: .....

**Schedule 5****Notice to Counterparty to Hedging Agreement**

To: [Insert name of counterparty to Hedging Agreement]

Address: [ • ]

[Date]

Dear Sirs

**[ • ] Limited - Facility Agreement dated [ • ]**

We refer to:

- (A) [Insert description of Hedging Agreement] (the "**Hedging Agreements**"); and
- (B) the security agreement (the "**Security Agreement**") dated [ • ] between, [amongst others,] [ • ] Limited as chargor and [ • ] as security agent and trustee for the Secured Parties referred to in the Security Agreement (the "**Security Agent**").

Terms defined in the Security Agreement have the same meaning in this notice.

We give you notice that under the Security Agreement we assigned absolutely, subject to a proviso for re-assignment on redemption, to the Security Agent all our rights under the Hedging Agreements.

We irrevocably and unconditionally instruct and authorise you to:

- (a) disclose to the Security Agent any information relating to the Hedging Agreements which the Security Agent may request from you; and
- (b) pay any sum payable by you under the Hedging Agreements to our account at [ • ], account number [ • ], sort code [ • ].

Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Hedging Agreements without the prior written consent of the Security Agent.

The instructions in this notice:

- (a) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;
- (b) apply until you receive written notice from the Security Agent to the contrary and notwithstanding any previous instructions given by us; and
- (c) may not be revoked or amended without the prior written consent of the Security Agent.

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

Please acknowledge receipt of this notice by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [ • ], marked for the attention of [ • ].

Yours faithfully,

.....

(Authorised signatory)

*[Chargor]*

[On duplicate]

To: [ • ] (as Security Agent)

Copy: [Chargor]

[Date]

Dear Sirs,

**[ • ] Facility Agreement for [ • ] dated [ • ]**

We confirm receipt from [Chargor] (the "**Chargor**") of a notice dated [ ] (the "**Notice**") of an assignment upon the terms of the Security Agreement (as defined in the Notice) of all the Chargor's rights under the Hedging Agreements (as defined in the Notice).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice;
- (b) have not received notice of any prior security over, or the interest of any third party in, the Hedging Agreements;
- (c) must pay any amount payable by us under the Hedging Agreements to the Chargor's account with you at [ • ], Sort Code [ • ], Account No. [ • ];
- (d) we will not agree to any amendment, waiver or release of any provisions of the Hedging Agreements without the prior written consent of the Security Agent; and
- (e) must accept your instructions in relation to the Chargor's rights under the Hedging Agreements.

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

Yours faithfully,

.....

(Authorised signatory)

[Hedge Counterparty]

**Schedule 6****Notice to Insurers**

To: [Insert name of the Insurers]

Address: [ • ]

[Date]

Dear Sirs

**[ • ] Limited - Facility Agreement dated [ • ]**

We refer to:

- (C) [Insert description of relevant insurance policies or if not workable, attach a schedule] (the "**Insurances**"); and
- (D) the security agreement (the "**Security Agreement**") dated [ • ] between, [amongst others,] [ • ] Limited as chargor and [ • ] as security agent and trustee for the Secured Parties referred to in the Security Agreement (the "**Security Agent**").

Terms defined in the Security Agreement have the same meaning in this notice.

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Secured Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Insurances (other than the proceeds of any policy of insurance in respect of third party liability which are payable to one or more third parties, and not to us), subject to a proviso for reassignment.

We will remain liable to perform all our obligations under the Insurances and the Security Agent is under no obligation or liability of any kind whatsoever to any person either under the Insurances or in the event of any failure by us to perform our obligations under the Insurances. Save as otherwise set out below, you will continue to deal with us in relation to the Insurances until you receive notice to the contrary from the Security Agent. Thereafter, we will cease to have any right to deal with you in relation to the Insurances and from that time, you should deal only with the Security Agent.

1. We irrevocably and unconditionally instruct and authorise you:
  - (a) that all moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Security Agent that an Event of Default has occurred, in which event you should make all future payments as then directed by the Security Agent;
  - (b) subject to any applicable legislation and despite the assignments referred to above, that all sums in respect of any claim under any third party Insurance by an insured party shall be paid;
    - (i) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made; and

- (ii) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Security Agent.

2. The instructions in this notice:

- (a) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;
- (b) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us; and
- (c) may not be revoked or amended without the prior written consent of the Security Agent.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law.

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [ • ], United Kingdom, marked for the attention of [ • ].

.....  
Authorised signatory for and on behalf of  
[Insert name of Chargor]  
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms.

We confirm that we have not received any other notice of assignment or change, or notice that any other person claims any rights in respect of the Insurances.

We further confirm that:

- (a) there has been no amendment, waiver or release of any rights or interests in the Insurances since the date of the Insurances;
- (b) we have noted the Security Agent's interest as co-insured and first loss payee on the Insurances;
- (c) we will not agree to an amendment, waiver or release of any provision of the Insurances without the prior written consent of the Security Agent; and
- (d) we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other rights relating to the Insurances.

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

.....  
For and on behalf of  
[Insert name of Insurer]

Date: .....

## Schedule 7

### Notice to Tenants

[On the letterhead of the relevant Chargor]

To: [Insert name of tenant]

Address: [ • ]

[Date]

Dear Sirs

**[ • ] Limited - Facility Agreement dated [•]**

We refer to:

- (A) [Insert description of relevant Occupational Lease] (the "**Occupational Lease**"); and
- (B) the security agreement (the "**Security Agreement**") dated between, [amongst others,] [ • ] Limited as chargor and [ • ] as security agent and trustee for the Secured Parties referred to in the Security Agreement (the "**Security Agent**").

Terms defined in the Security Agreement have the same meaning in this notice.

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Secured Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the lease documents and the Occupational Lease, including all rent payable to us under the lease documents and the Occupational Lease, subject to a proviso for reassignment.

1. We irrevocably and unconditionally instruct and authorise you:
  - (a) to make all payments in connection with the Occupational Lease and the lease documents as directed by the Security Agent from time to time;
  - (b) the Security Agent currently instructs you to pay all amounts due under the Occupational Lease and the lease documents to [insert relevant account details];
  - (c) until otherwise advised by the Security Agent, we will remain liable under the Occupational Lease and the lease documents to perform all the obligations assumed by us under the Occupational Lease and the lease documents. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Occupational Lease and the lease documents;
  - (d) you should continue to give notices under the Occupational Lease and the lease documents as directed under the Occupational Lease and the lease documents, unless and until you receive notice from the Security Agent to the contrary; and
  - (e) to disclose to the Security Agent any information relating to the Occupational Lease and the lease documents which the Security Agent may request.



2. Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Occupational Lease and the lease documents without the prior written consent of the Security Agent.
3. The instructions in this notice:
  - (a) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;
  - (b) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us; and
  - (c) may not be revoked or amended without the prior written consent of the Security Agent.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law.

Please acknowledge receipt of this notice by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [ • ], United Kingdom, marked for the attention of [ • ].

Yours faithfully,

.....  
Authorised signatory for and on behalf of  
[Insert name of Chargor]  
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms.

We confirm that:

1. we have not received any other notice of any assignment or charge of the Chargor's interest in the Occupational Lease and the lease documents in favour of any other person nor that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor in respect of the Occupational Lease or the lease documents.
2. we shall pay all rent and all other moneys payable by us under the Occupational Lease and the lease documents into the [Chargor's] account and we must continue to pay those moneys into the [Chargor's] account until we receive the prior written consent of the Security Agent to the contrary;<sup>1</sup>
3. we will not agree to any amendment, waiver or release of any provisions of the Occupational Lease and the lease documents without the prior written consent of the Security Agent;
4. the Chargor will remain liable to perform all its obligations under the Occupational Lease and the lease documents and the Security Agent is under no obligation of any kind whatsoever under the Occupational Lease or the lease documents nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Occupational Lease and the lease documents;
5. no breach or default on the part of the Chargor of any of the terms of the Occupational Lease or the lease documents will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach; and
6. we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Occupational Lease or the lease documents.

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

.....  
 For and on behalf of  
 [Insert name of tenant]

Date: .....

---

<sup>1</sup> Check if need to reflect other arrangements, e.g. rent paid into Property Manager's Account

## Schedule 8

### Form of Deed of Accession

**THIS DEED OF ACCESSION** is made the [ • ] day of [ • ] 201[ • ]

#### **BETWEEN:**

- (1) [ • ] a company incorporated under the laws of [England and Wales] with registration number [ • ] and whose registered office is at [ • ] (the "**Acceding Chargor**");
- (2) [ • ] a company incorporated under the laws of [England and Wales] with registration number [ • ] and whose registered office is at [ • ] (the "**Borrower**") for itself and as agent for and on behalf of each of the other Chargors named in the Security Agreement referred to below; and
- (3) [ • ] (the "**Security Agent**") as agent and trustee for itself and the Secured Parties referred to the Security Agreement (as defined below)

#### **BACKGROUND**

- (A) The Acceding Chargor is a [wholly-owned] Subsidiary of [the Borrower].
- (B) The Borrower has entered into a Security Agreement dated [ • ] 201[ • ] (as supplemented and amended by Deeds of Accession or otherwise from time to time, the "**Security Agreement**") between the Borrower, each of the other companies named in it as Chargors, and the Security Agent as agent and security trustee for the Secured Parties referred to in the Security Agreement, a copy of which is attached to this Deed as the Appendix.
- (C) The Acceding Chargor has as the request of the Borrower and in consideration of the Finance Parties making or continuing to make facilities available to the Borrower [or any other member of the Group] and after giving due consideration to the terms and conditions of the Security Agreement and the other Finance Documents and satisfying itself that there are reasonable grounds for believing that the entry into this Deed by it will be of material commercial benefit to it and its members as a whole, decided in good faith and for the purpose of carrying on its business to enter into this Deed and become a Chargor under the Security Agreement.

#### **NOW THIS DEED WITNESSES** as follows:

1. Terms defined in the Security Agreement shall have the same meaning in this Deed.
2. The Acceding Chargor agrees to become a party to and bound by the terms of the Security Agreement as a Chargor with immediate effect and so that the Security Agreement shall be read and construed for all purposes as if the Acceding Chargor had been an original party to it in the capacity of Chargor (but so that the security created consequent on such accession shall be created on the date of this Security Agreement).
3. The Acceding Chargor makes the representations in the Security Agreement on the date of this Deed and undertakes to be bound by all the covenants and agreements in the Security Agreement that are expressed to be binding on a Chargor. In accordance with the foregoing, the Acceding Chargor now grants to the Security Agent as agent and security trustee for the Secured Parties, the assignments, charges, mortgages and other security described in the Security Agreement as being granted, created or made by Chargors under the Security Agreement, to the intent that its assignments, charges, mortgages and other security shall be

effective and binding upon it and its property and assets and shall not in any way be avoided, discharged or released or otherwise adversely affected by any ineffectiveness or invalidity of the Security Agreement or of any other party's execution of it or any other Deed of Accession, or by any avoidance, invalidity, discharge or release of any guarantee, assignment or charge contained in the Security Agreement or in any other Deed of Accession or in any other Finance Document. The Security Agreement and this Deed shall be read as one to this extent and so that references in the Security Agreement to "this Security Agreement", "herein", and similar phrases shall be deemed to include this Deed and all references in the Security Agreement to any Schedule (or any part of it) shall be deemed to include a reference to the Schedules] to this Deed (or relevant part of it).

4. The Borrower, for itself and as agent for and on behalf of all other Chargors under the Security Agreement, agrees to all matters provided for in this Deed.
5. Without limiting the generality of the other provisions of this Deed and the Security Agreement pursuant to the terms of this Deed and the Security Agreement, the Acceding Chargor as continuing security for the payment, discharge and performance of all Secured Liabilities, by this Deed and by the Security Agreement in favour of the Security Agent (as agent and trustee for itself and each of the Secured Parties);
  - (a) charges by way of first legal mortgage all the property (if any) now belonging to it brief descriptions of which are specified in the Schedule to this Deed;
  - (b) assigns all of its right, title and interest (if any) in and to each of the contracts and agreements specified in Clause 3.3 (*Contracts*) of the Security Agreement and in or to:
    - (i) *[list additional Material Contracts to be assigned by way of security]*.
  - (c) agrees that the Acceding Chargor's estates and other interests in certain Group Shares and other Investments (together with all related Dividends for the purposes of Clause 3.6 (*Investments*) of the Security Agreement, as such provisions apply in relation to the Acceding Chargor, are specified in the Schedule to this Deed and are by this Deed mortgaged or charged as provided in such provisions and the other provisions of the Security Agreement;
  - (d) agrees that the Acceding Chargor's estates and other interests in certain specific Intellectual Property for the purposes of Clause 3.4 (*Intellectual Property*) of the Security Agreement, as such in relation to the Acceding Chargor are specified in the Schedule to this Deed and are by this Deed charged by way of security as provided in such provisions and the other provisions of the Security Agreement; and
  - (e) agrees that the Acceding Chargor's estates and other interests in certain specific Accounts for the purposes of Clause 3.5 (*Accounts*) of the Security Agreement, as such provisions apply in relation to the Acceding Chargor, are specified in the Schedule to this Deed and are by this Deed charged by way of security as provided in such provisions and the other provisions of the Security Agreement

in each case in accordance with Clause 3.1 (*Security Generally*) of the Security Agreement.

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

**SCHEDULE**

*[Insert details (adopting same format as used in the Schedules to the Security Agreement) of:*

- 1. freehold, leasehold and other immovable property in which the Acceding Chargor has an interest;*
- 2. Group Shares and other Investments in which the Acceding Chargor has an interest:*
- 3. Intellectual Property in which the Acceding Chargor has an interest;*
- 4. Accounts in which the Acceding Chargor has an interest.]*

**APPENDIX**

*[attach executed copy of Security Agreement]*

**SIGNATORIES**

*(to Deed of Accession)*

**The Acceding Chargor**

(for a company incorporated in the United Kingdom

**EXECUTED** as a **DEED** by **[.....] LIMITED/PLC** acting  
by [a director and its secretary][two directors]:

.....

Signature of director

.....

Signature of [secretary][director]

OR

**EXECUTED** as a **DEED** by **[.....] LIMITED/PLC** acting  
by a director in the presence of:

.....

Signature of director

Signature of witness .....

Print name .....

Address .....

.....

.....

Occupation .....

**The Borrower**

**EXECUTED** as a **DEED** by [.....] **LIMITED/PLC** acting  
by [a director and its secretary][two directors]:

.....

Signature of director

.....

Signature of [secretary][director]

*OR*

**EXECUTED** as a **DEED** by [.....] **LIMITED/PLC** acting  
by a director in the presence of:

.....

Signature of director

Signature of witness .....

Print name .....

Address .....

.....

.....

Occupation .....

**The Security Agent**

**SIGNED** for and on behalf of [ • ]



**Schedule 9****The Properties**

Location	Owner	Address	Title Number	Freehold/Leasehold	Allocated Loan Amount (£)
Basingstoke	Glendine Developments Limited	The Crescent, Jays Close, Viables Business Park, Basingstoke RG22 4BS	HP508139	Leasehold	7,657,348
Sunderland	Glendine Developments Limited	6-32 Market Square, Sunderland SR1 3HW	TY386247	Leasehold	6,026,974
Wellingborough	Glendine Developments Limited	Land and buildings on the South West side of Rixon Road, Finedon Road Industrial Estate, and land and buildings on the South side of Rixon Road, Wellingborough NN8 4BA	NN132249 and NN138402	Freehold	5,795,167
Gloucester	Molana View Limited	Beaufort & Granville House, Brunswick Road, GL1 1JZ	GR46596 and GR176081	Freehold	5,408,823
Nottingham	Glendine Developments Limited	3-23 Wheeler Gate (odd), Nottingham NG1 2NA	NT39055	Freehold	4,238,199
Bolton	Glendine Developments Limited	63/65/67 Deansgate & 16-22 (even numbers) Oxford Street, and 12 and 14 Oxford Street and 15, 17, 19 And Yard	GM921599 and LA36171	Freehold	3,245,294

		At Back Of 21 Market Street, Bolton BL1 1HQ			
Edinburgh	Glendine Developments Limited	Enterprise House, 32-34 Earl Grey Street, EH3 9BN	MID92462	Freehold	3,245,294
Prudhoe	Glendine Developments Limited	BNS Telecom Limited and Brock House, Princess Way, Prudhoe, Northumberland NE42 6NJ	ND153574	Freehold	4,033,436
Newcastle	Gort North East Investments Limited	Q16, Quorum Business Park, Benton Lane, Newcastle upon Tyne NE12 8BX	TY510270 and TY423266	Leasehold	2,704,411
Wolverhampton	Glendine Developments Limited	Units 1-6 Wednesfield Way Industrial Estate, Well Lane, WV11 1XP	WM712973	Freehold	2,240,798
Walsall	Glendine Developments Limited	27-31 (odd numbers only) Park Street, Walsall WS1 1LY	WM464775	Freehold	2,074,670
Pontypridd	Glendine Developments Limited	New Inn Centre, Taff Street, Pontypridd CF32 4UE	WA100021	Freehold	1,715,369
Wrexham	Glendine Developments Limited	15-33 (odd numbers) Lord Street, 20 Egerton Street and Halkyn House, Rhos Ddu Road, Wrexham, LL11 1NE	WA914555	Freehold	1,383,113
Hexham	Molana View Limited	1-2 Beaumont Street, 3 Beaumont Street, 1 Old Church and 3A Old	ND104854, ND195233, ND96071, ND193323 and	Freehold	1,081,765

		Church, Hexham, Northumberland NE46 3NA	ND193322		
Nuneaton	Glendine Developments Limited	1 and 1A Queens Road and 17 Market Place, 3 Queens Road, 18 Market Place, 19-20 Market Place, and land on the west side of Market Place, Nuneaton, CV11 4EF	WK419461, WK419460, WK323922, WK304793, and WK242423	Freehold	1,201,531
Blackpool	Glendine Developments Limited	18, 20, 22 Victoria Street, Blackpool FY1 4RW	LAN28374	Freehold	1,093,355
Rugby	Glendine Developments Limited	Wine Barrel, Market Place and 24 Little Church Street,  5-5A Market Place and 21 Little Church Street, 6 Market Place, 22A Little Church Street, 23 and 23A Little Church Street, Rugby CV21 3DY	WK38282, WK23315, WK139924, WK262821, and WK280582	Freehold	1,197,668
Perth	Glendine Developments Limited	175 High Street, PH1 5UN	PTH25809	Freehold	444,296
Spalding	Glendine Developments Limited	5 Hall Place, Spalding PE11 1SA	LL186228	Freehold	212,489

By:

THE ORIGINAL CHARGORS

EXECUTED as a DEED by GORT NORTH EAST  
INVESTMENTS LIMITED acting by a director in the presence of



Signature of director

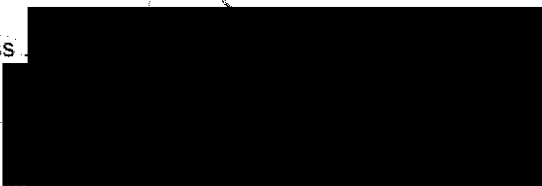
Signature of witness



Print name

STEVEN COLE

Address



Occupation



EXECUTED as a DEED by MOLANA VIEW LIMITED acting  
by a director in the presence of:



Signature of director

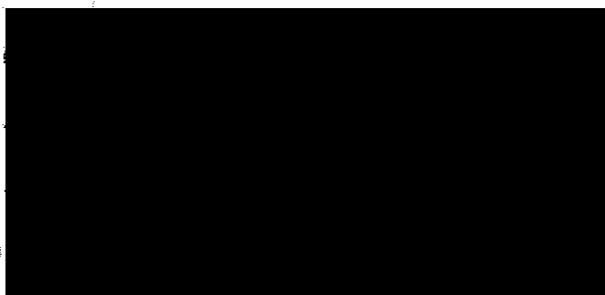
Signature of witness



Print name

STEVEN COLE

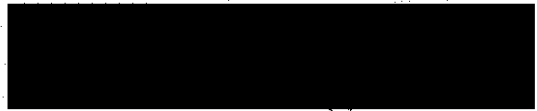
Address



Occupation

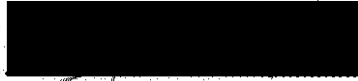
EXECUTION VERSION

EXECUTED as a DEED by GLENDINE DEVELOPMENTS  
LIMITED acting by a director in the presence of:



Signature of director

Signature of witness



Print name

STEVEN COLE

Address



Occupation

THE SECURITY AGENT

EXECUTED AS A DEED by

PAUL LLOYD

for and on behalf of MOUNT STREET MORTGAGE SERVICING  
LIMITED in the presence of:

Signature

Signature

Signature of witness

Print name

AMY HAWITT

Address

Occupation