



**Registration of a Charge**

Company name: **STANHOPE PLC**

Company number: **03017841**



X8Z5YOJ4

Received for Electronic Filing: **19/02/2020**

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**Details of Charge**

Date of creation: **14/02/2020**

Charge code: **0301 7841 0005**

Persons entitled: **SITUS ASSET MANAGEMENT LIMITED AS SECURITY AGENT FOR THE FINANCE PARTIES**

Brief description: **N/A**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**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:

**ALLEN & OVERY LLP**



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

Company number: 3017841

Charge code: 0301 7841 0005

The Registrar of Companies for England and Wales hereby certifies that a charge dated 14th February 2020 and created by STANHOPE PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th February 2020 .

Given at Companies House, Cardiff on 20th February 2020

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



**Companies House**



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

EXECUTION VERSION

**DATED:** 14 February **2020**

**STANHOPE PLC**

as Grantor

and

**SITUS ASSET MANAGEMENT LIMITED**

as Security Agent and secured party

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**SECURITY INTEREST AGREEMENT**

in relation to (i) units in the Chiswick Park Seven Unit Trust and (ii) contract rights in or pursuant to various loan agreements

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**THIS AGREEMENT** is made the 14 day of February 2020

**BETWEEN:**

- (1) **STANHOPE PLC**, a public limited company incorporated in England and Wales with registered number 03017841 and having its registered office at 2<sup>nd</sup> Floor, 100 New Oxford Street, London WC1A 1HB (the "**Grantor**"); and
- (2) **SITUS ASSET MANAGEMENT LIMITED** as security agent and trustee for the Finance Parties (as defined below) (the "**Security Agent**").

**WHEREAS:**

- (A) The Grantor enters into this Agreement as a condition subsequent to the advance of a loan under the Facility Agreement (as defined below).
- (B) The Grantor and the Security Agent intend this Agreement to be a security agreement for the purposes of the Law (as defined below).

**IT IS HEREBY AGREED** as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement:

" <b>advance</b> "	has the meaning given to that word in Article 33(4) of the Law;
" <b>Affected Securities</b> "	means the Securities which from time to time comprise or are included in the Collateral;
" <b>after-acquired property</b> "	has the meaning given to that expression in the Law and includes future collateral as referred to in Article 18(2)(c) and (d) of the Law;
" <b>this Agreement</b> "	extends to every separate and independent stipulation contained herein and includes the Recitals and Schedules and any amendment, variation, supplement, replacement, restatement or novation which is for the time being in effect;
" <b>Bankrupt</b> " and " <b>Bankruptcy</b> "	include the meanings given to those words by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other state of bankruptcy, insolvent winding up, administration, receivership, administrative receivership or similar status under the laws of any relevant jurisdiction;

the "**Collateral**"

means:

- (a) 14.552 units in the Unit Trust (the "**Specified Units**");
- (b) any other units in the Unit Trust that may from time to time be legally or beneficially owned by the Grantor (being after-acquired property);
- (c) all Derivative Assets;
- (d) (where the context allows) any proceeds (that are not Derivative Assets) of all such Securities and the Derivative Assets;
- (e) all the Grantor's right, title and interest from time to time to and in all such Securities and the Derivative Assets and proceeds;
- (f) the Contract Rights; and
- (g) the proceeds of such Contract Rights,

including any after-acquired property falling within any of the above paragraphs of this definition;

"**Competing Rights**"

means any security or other right of the Grantor (whether by way of set-off, counterclaim, subrogation, indemnity, contract, proof in liquidation, contribution or otherwise) exercisable against any person with a view to:

- (a) the Grantor reducing any of the Grantor's liabilities under or in connection with this Agreement;
- (b) the Grantor obtaining reimbursement in respect of any of the Grantor's liabilities under or in connection with this Agreement; or
- (c) the Grantor having the benefit of, sharing in or enforcing any security for the reduction or reimbursement of any such liabilities;

the "**Confirmation**"

means the confirmation to be given to the Security Agent by the Trustee substantially in the form set out in the Schedule 1;

<b>"Contract Rights"</b>	means all right, title and interest and powers, present and future, of the Grantor to or in or pursuant to any Loan Agreement including the payment obligations and liabilities of the relevant Loan Agreement Counterparty documented or evidenced by or otherwise due in respect of each Loan Agreement;
<b>"Control"</b>	means "control" as that word is defined in Article 3(5) of the Law;
<b>"Data Protection Laws"</b>	means any privacy and/or data protection law applicable from time to time to any party to this Agreement which may include, without limitation, the Data Protection (Jersey) Law 2018, the Data Protection Authority (Jersey) Law 2018 and the EU General Data Protection Regulation (Regulation EU 2016/679);
<b>"Derivative Assets"</b>	means all Securities, dividends, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time (including after-acquired property) by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Affected Securities or any Derivative Assets previously described and all rights from time to time thereto;
<b>"Encumbrance"</b>	includes any security interest, mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest;
<b>"Event of Default"</b>	means any of the events listed or referred to in Clause 7;
the <b>"Exchange Rate"</b>	means a rate of exchange between one currency and another which is determined by the Security Agent to be a reasonable market rate as at the time that the exchange is effected;
the <b>"Facility Agreement"</b>	means the GBP140,000,000 facility agreement dated on or about the date hereof between, amongst others, (1) the Grantor as a JPUT Unitholder and (2) the Security Agent, as at the same time may be amended, varied, novated or supplemented from time to time;



<b>"Finance Document"</b>	has the meaning given to such term in the Facility Agreement and <b>"Finance Documents"</b> shall be construed accordingly;
<b>"Finance Parties"</b>	has the meaning given to such term in the Facility Agreement and <b>"Finance Party"</b> shall be construed accordingly;
<b>"Further Advance"</b>	means "further advance" as that expression is defined in Article 33(4) of the Law;
the <b>"Grantor"</b>	includes the successors or (as the case may be) heirs of the person named as the Grantor above;
the <b>"Law"</b>	means the Security Interests (Jersey) Law 2012;
<b>"Loan Agreement"</b>	means any loan agreement between the Grantor (as lender) and a Loan Agreement Counterparty (as borrower) as those loan agreements may be amended, supplemented or varied from time to time, together with any additional loan agreement in any principal sum or currency that may from time to time be made between the Grantor and a Loan Agreement Counterparty on such terms as the Grantor and a Loan Agreement Counterparty may agree (and as such further loan agreements may themselves be amended, supplemented or varied from time to time) and includes any such loan agreement whether documented or not;
<b>"Loan Agreement Counterparty"</b>	means each of: <ul style="list-style-type: none"> <li>(i) the Trustee in its capacity as trustee of the Unit Trust;</li> <li>(ii) CHIS 7A Limited; and</li> <li>(iii) CHIS 7 Limited;</li> </ul>
<b>"Loan Receivables"</b>	means all such Contract Rights as consist in the right, title and interest to and in any amount payable to the Grantor under any Loan Agreement;
the <b>"Notice"</b>	means the notice to be given to the relevant Loan Agreement Counterparty substantially in the form set out in Schedule 2;
<b>"Obligor"</b>	has the meaning given to that term in the Facility Agreement;
<b>"proceeds"</b>	has in relation to the (other) Collateral the meaning given to

	that word in the Law;
<b>"Required Currency"</b>	means the currency or currencies in which the Secured Liabilities are for the time being expressed;
the <b>"Secured Liabilities"</b>	means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever and whether originally incurred by an Obligor or by some other person) of each Obligor to the Finance Parties (or any of them) under or in connection with each of the Finance Documents and including for the avoidance of doubt any obligations and liabilities in respect of any Further Advances;
<b>"Securities"</b>	includes without limitation any property within the definition of "investment security" under Article 1 ( <i>Definitions</i> ) of the Law;
the <b>"Security Agent"</b>	includes the successors and assigns of the person named as the Security Agent above;
<b>"Security Interests"</b>	means the security interest(s) created by or for which provision is made in this Agreement;
<b>"Security Period"</b>	means the period beginning on the date of this Agreement and ending on the date on which all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full;
<b>"Trustee"</b>	means Esera Trust (Jersey) Limited, a company incorporated in Jersey with registered number 21755 in its capacity as trustee of the Unit Trust and each successor as trustee of the Unit Trust;
<b>"Trust Instrument"</b>	means the unit trust instrument dated 31 August 2012 executed by the Trustee documenting the Unit Trust as amended pursuant to a supplemental trust instrument dated on or about the date of this Agreement and as such trust instrument may be amended from time to time;
<b>"Unit Trust"</b>	means the Chiswick Park Seven Unit Trust as established and constituted by and pursuant to the Trust Instrument; and

**"Unitholders Agreement"** means the unitholders' agreement dated on or about the date of this Agreement between the Grantor, Lekker Til LP acting by its general partner Lekker Til (GP) LLP and the Trustee in respect of the Unit Trust.

1.2 In this Agreement, unless the context otherwise requires:

- 1.2.1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*;
- 1.2.1 references to a "**Recital**" or "**Clause**" are to a recital or clause in the body of this Agreement, references to "**Schedule**" are to a schedule of or to this Agreement and references to "**paragraph**" are to a paragraph of a Schedule;
- 1.2.2 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being and as amended, varied, supplemented, replaced, restated or novated from time to time and including any (however fundamental) variation, increase, extension or addition of or to: (a) any such agreement, instrument or document (including any Finance Document); and/or (b) any facility or amount or value made available thereunder; and/or(c) any purpose thereof, and whether or not contemplated by any party to this Agreement or any Transaction Obligor when this Agreement is executed;
- 1.2.3 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law;
- 1.2.4 references to a "**person**" include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.5 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Facility Agreement and words and expressions not otherwise defined in this Agreement or in the Facility Agreement shall, if defined in the Law, be construed in accordance with the Law;
- 1.2.6 the Security Agent is "**the secured party**", the Grantor is "**the grantor**", the Collateral is the "**collateral**" and this Agreement is a "**security agreement**", for the purposes of the Law;
- 1.2.7 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement;

- 1.2.8 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property;
- 1.2.9 an Event of Default is "**continuing**" if it has not been remedied or waived;
- 1.2.10 to the extent that there is a conflict or inconsistency between the provisions of the Facility Agreement and this Agreement, the provisions of the Facility Agreement shall prevail, unless this would prejudice the security interests constituted or intended to be constituted by this Agreement, or be contrary to the requirements of the Law; and
- 1.2.11 the provisions of clause 1.2 (*Construction*) to clause 1.10 (*Contractual recognition of bail-in*) of the Facility Agreement apply to this Agreement as though they were set out in full in this Agreement except that references to the Facility Agreement are to be construed as references to this Agreement.
- 1.3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.4 The Grantor irrevocably agrees that the rent and any other JPUT Income arising in respect of the Trustee and belonging to the Grantor may be applied (notwithstanding the provisions of the Trust Instrument) by the Trustee or a Finance Party to meet the obligations owed by the Obligor to the Finance Parties pursuant to the Finance Documents and hereby irrevocably instructs the Trustee or Finance Party to so apply the said rent and any other such JPUT Income pursuant to the terms of the Finance Documents and irrevocably instructs the Trustee to grant Security over all JPUT Income and each of the Control Accounts held in the name of the Trustee that are held in Jersey as set out in the Transaction Security Documents, and agrees that its interests in all such property and assets are overreached by such Security and that the Finance Parties may act in respect of such property and assets as if the Trustee were (subject to the Security) the legal and beneficial owner thereof, and so that the beneficiary or acquirer of any such property or assets (whether a Finance Party or other person and whether on any realisation or enforcement pursuant to such Security or otherwise) will take free of its interests in such property and assets; any claim the Grantor has in respect of any such property and assets shall be against the Trustee only (except in the case of fraud, wilful default or gross negligence on the part of the Finance Parties).
- 2. CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS**
- 2.1 The Grantor and the Security Agent hereby agree that the Security Agent shall have continuing first priority security interests in the Collateral and each part thereof as security for itself and on behalf of the Finance Parties for the Secured Liabilities in accordance with the Law and that such security is hereby created.

- 2.2 The recourse of the Finance Parties to the Grantor in respect of its obligations and liabilities arising under or in connection with the Security Interests shall be satisfied solely out of the Collateral and not from any other assets of the Grantor.
- 2.3 To the intent that the Security Interests shall attach to the Collateral, the Grantor and the Security Agent hereby agree that:
- 2.3.1 subject to clause 2.11, in the case of Affected Securities represented by a certificate or certificates the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being (at the option of the Security Agent) registered with the Trustee in the register of unitholders of the Unit Trust as the holder of the Affected Securities; and
- 2.3.2 to the extent that the Security Agent shall not have Control of some or any of the Affected Securities represented by a certificate or certificates pursuant to Clause 2.3.1, the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being in possession of all certificates representing all such Affected Securities; and
- 2.3.3 in the case of Collateral that is not Affected Securities to which Security Interests have attached pursuant to Clauses 2.3.1 or 2.3.2, the Security Interests shall hereby attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law.
- 2.4 In accordance with Clause 2.3, and in order to facilitate the exercise of the Security Agent's rights under this Agreement, the Grantor has delivered together with this Agreement and shall ensure that in the future there shall promptly be delivered to the Security Agent or to its order:
- 2.4.1 the certificates representing all Affected Securities represented by a certificate or certificates;
- 2.4.2 instruments of transfer in respect of all Affected Securities represented by a certificate or certificates and in respect of which Security Interests are attached under Clause 2.3.2, duly executed by the holder but otherwise completed or partially completed in such manner as the Security Agent directs;
- 2.4.3 a copy (certified true and correct by a director or the secretary of the Trustee) of the register of unitholders of the Unit Trust showing:
- (a) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.3.1, the Security Agent; and
- (b) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.3.2, the Grantor,

as the registered holder of all Affected Securities represented by a certificate or certificates and in either case noting the interest of the Security Agent pursuant to this Agreement; and

- 2.4.4 the Confirmation, signed by a director or other duly authorised signatory of the Trustee.
- 2.5 The Grantor shall promptly after entering into any Loan Agreement, execute a notice in or substantially in the form set out in Schedule 2 and, on execution of such notice by the Security Agent, promptly deliver it to each Loan Agreement Counterparty and any other parties to each Loan Agreement (other than the Grantor) and use its reasonable endeavors to procure completion and delivery to the Security Agent of the acknowledgement thereof by each Loan Agreement Counterparty and any other parties to each Loan Agreement (other than the Grantor), in order to facilitate the exercise of the Security Agent's rights under this Agreement.
- 2.6 In accordance with Articles 18 (*Attachment: general rule*) and 19 (*After-acquired property*) of the Law, the Security Agent and the Grantor hereby agree that the Security Interests shall attach:
  - 2.6.1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon execution of this Agreement; and
  - 2.6.2 to the extent that the Collateral constitutes after-acquired property, to such Collateral immediately on the acquisition of rights in such Collateral by the Grantor without the need for any specific appropriation of the property by the Grantor.
- 2.7 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and the Grantor hereby agree that:
  - 2.7.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Collateral pursuant to Clause 2.3.1 or 2.3.2 and/or (at the option of the Security Agent) by registration of a financing statement in accordance with Article 22(4) of the Law;
  - 2.7.2 the Security Interests in any Affected Securities not represented by a certificate or certificates and Collateral that is not proceeds shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law;
  - 2.7.3 the Security Interests in Derivative Assets that are not Affected Securities represented by a certificate or certificates shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law; and
  - 2.7.4 the Security Interests in proceeds shall, without prejudice to the operation of Article 26 (*Temporary perfection of security interests in proceeds*) of the Law, be perfected

by registration of a financing statement in accordance with Article 25 (*Continuous perfection of security interests in proceeds*) of the Law.

- 2.8 The Security Agent may, subject only to the Law and to Clause 2.13, at any time (without exercising the power of enforcement) cause or require any person on its behalf other than the Grantor to become the registered holder of any part of the Collateral and/or to have possession of the certificates representing the Affected Securities.
- 2.9 Subject to Clause 2.13, the Security Agent may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Security Agent for the purpose of becoming registered under Clause 2.3.1 or otherwise facilitating the exercise of any of its rights under this Agreement and on the request of the Security Agent, the Grantor shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust.
- 2.10 Subject to Clause 2.13, the Grantor hereby agrees that the Security Agent may at any time and from time to time without the consent of the Grantor take any such further action as the Security Agent may reasonably deem necessary in order to give the Security Agent a continuing first priority security interest or interests in the Collateral under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.11 Following entry into of any Loan Agreement by the Grantor after the Utilisation Date, the Grantor will promptly provide a copy of each Loan Agreement to the Security Agent.
- 2.12 Without prejudice to Clause 2.2, the Grantor covenants with and undertakes to the Security Agent (the Security Agent acting for itself and on behalf of the other Finance Parties) to pay and discharge the Secured Liabilities in the manner provided for in the Finance Documents.
- 2.13 The Security Agent hereby agrees that notwithstanding Clauses 2.3.1, 2.8, 2.9 and 2.10 it (or its nominee) shall not become registered as holder of the Affected Securities in the register of unitholders of the Unit Trust whilst no Event of Default is continuing.
- 2.14 The Grantor acknowledges and agrees that for the purposes of Article 18(1)(a) of the Law, value has been given and the Grantor has rights in all of the Collateral and the power to grant rights in all of the Collateral to the Security Agent.

### **3. FURTHER ASSURANCE AND POWER OF ATTORNEY**

- 3.1 The Grantor must, at its own expense and upon request, take whatever action the Security Agent may require for:
- 3.1.1 creating, perfecting or protecting any security intended to be created by this Agreement; or
- 3.1.2 at any time whilst the Security Agent's power of enforcement is exercisable under this

Agreement, facilitating the realisation of the Collateral, or the exercise of any right, power or discretion exercisable by the Security Agent or any of its delegates or sub-delegates in respect of the Collateral.

3.2 This includes:

3.2.1 at any time whilst the Security Agent's power of enforcement is exercisable under this Agreement, the execution of any transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee; or

3.2.2 the giving of any notice, order or direction and the making of any registration,

which, in any such case, the Security Agent may think expedient for the purposes set out in Clause 3.1.

3.3 For the purpose of facilitating the exercise of the powers of the Security Agent under the Law and pursuant to this Agreement, the Grantor hereby irrevocably (and by way of security) appoints the Security Agent as the Grantor's attorney (with full power of substitution) for the Grantor to take any action which the Grantor is obliged to take under this Agreement, including, without limitation, anything referred to in Clause 9.

3.4 The Grantor covenants with and undertakes to the Security Agent to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 3.3.

3.5 The power of attorney granted by the Grantor to the Security Agent pursuant to Clause 3.3 may only be exercised whilst an Event of Default is continuing.

4. **REPRESENTATIONS AND WARRANTIES**

4.1 The Grantor represents and warrants to the Security Agent on the date of this Agreement and represents in accordance with clause 19.31 (*Times at which representations are made*) of the Facility Agreement as Repeating Representations with reference to the facts and circumstances then existing:

4.1.1 that for the purposes of Article 18(1)(a) of the Law, value has been given;

4.1.2 that for the purposes of Article 18(1)(b) of the Law, the Grantor has rights in all of the Collateral save for any after acquired property (but shall, upon such acquisition) and the power to grant rights in the Collateral to the Security Agent;

4.1.3 that, subject only to the Security Interests, the Collateral is the Grantor's sole and absolute property free from any Encumbrance and that the Grantor's title to the Collateral is not liable to be challenged on any grounds;



- 4.1.4 that all Affected Securities have been duly issued and are not subject to any option to purchase or similar rights and insofar as comprising units in the Unit Trust constitute 50 per cent. of the issued units of the Unit Trust;
- 4.1.5 that the Trust Instrument does not and could not restrict or inhibit any transfer of the Collateral on creation or enforcement of the Security Interests;
- 4.1.6 that it is duly incorporated or created and validly existing under the law of its jurisdiction of incorporation or formation;
- 4.1.7 that it has the power, capacity and authority to enter into, deliver, exercise its rights and perform its obligations under this Agreement and the transactions contemplated by this Agreement;
- 4.1.8 that it has taken all necessary action under its constitutional documents to duly authorise its entry into, the delivery by it of, the exercise of its rights under and the performance of its obligations under this Agreement and the transactions contemplated by this Agreement;
- 4.1.9 that, subject to the Legal Reservations and Perfection Requirements:
- (a) the obligations expressed to be assumed by it in this Agreement are legal, valid, binding and enforceable obligations;
  - (b) this Agreement creates the security interests which it purports to create and those security interests are valid and effective; and
  - (c) this Agreement has or will have first ranking priority (or subsequent ranking priority insofar as the prior ranking priority Security is conferred under another Transaction Security Document) and is not subject to any prior ranking or pari passu ranking Security (other than under another Transaction Security Document) other than Permitted Security;
- 4.1.10 that the Grantor has not granted any power of attorney or similar right in respect of any rights or powers relating to the Collateral other than to the Security Agent under this Agreement;
- 4.1.11 that the entry into, delivery by it of, the exercise of its rights under and the performance of its obligations under this Agreement and the transactions contemplated hereunder, and the grant of the Security Interests do not and will not:
- (a) conflict in any material respect with any law or regulation applicable to it;
  - (b) conflict with its constitutional documents; or

- (c) conflict with any agreement or instrument binding upon it or any of the Collateral or constitute a default or termination event (however described) under any such agreement or instrument in each case to an extent which would have a Material Adverse Effect;
- 4.1.12 that, subject to the Legal Reservations, all Authorisations required in its Relevant Jurisdiction:
  - (a) to enable it lawfully to enter into, deliver, exercise its rights and perform its obligations under this Agreement and the transactions contemplated herein; and
  - (b) at the time that evidence is required to be submitted to make this Agreement admissible in evidence in its Relevant Jurisdiction and in the courts of any relevant jurisdiction to which the parties to this Agreement have submitted,

have been obtained or effected and are in full force and effect other than any Perfection Requirement; and
- 4.1.13 that the Grantor has disclosed all of its previous names (if any) to the Security Agent.
- 4.2 The Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the representations and warranties set out in this Clause 4.
- 5. **COVENANTS AND UNDERTAKINGS** The Grantor covenants with and undertakes to the Security Agent to the intent that the same shall be continuing covenants and undertakings until the expiry of the Security Period:
  - 5.1.1 that it shall promptly on request from the Security Agent provide to the Security Agent all necessary information that the Security Agent requires in order to register any financing statement or financing change statement in accordance with Clause 2.7 or any other provision of this Agreement for such period or periods as the Security Agent shall (acting reasonably) in its discretion deem appropriate;
  - 5.1.2 that, except as permitted under or created under or pursuant to a Finance Document, it may not create or permit to subsist any Security on its Collateral (except for the Security Interests);
  - 5.1.3 that, except as permitted under any Finance Document, it may not sell, transfer, licence, convey, lease or otherwise dispose of any of its Collateral;
  - 5.1.4 that the Grantor shall remain liable to observe and perform all of the other conditions and obligations assumed by it or by which a holder of units in the Unit Trust is bound in respect of any of the Collateral, notwithstanding the method by which the Security Interests may have attached or been perfected;

- 5.1.5 that, other than as permitted under a Finance Document, it shall not take or allow the taking of any action on its behalf which may result in the rights attaching to any of the Affected Securities being altered or further Securities being issued other than an alteration that does not:
- (a) adversely affect the enforceability of this Agreement or the rights of the Finance Parties under this Agreement;
  - (b) adversely affect the saleability or transferability of such Securities; or
  - (c) operate to decrease the value of such Securities (taken as a whole);
- 5.1.6 that, it must pay all calls or other payments due and payable in respect of its Securities and if it fails to do so, the Security Agent may pay the calls or other payments in respect of any Securities on behalf of that Grantor. The relevant Grantor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause;
- 5.1.7 that, it shall promptly copy to the Security Agent and comply with all requests for information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document relating to any of the Securities. If a Grantor fails to do so, the Security Agent may elect to provide such information as it may have on behalf of that Grantor;
- 5.1.8 to procure that without the prior written consent of the Security Agent no change is made to the Trust Instrument (save for any changes to the Trust Instrument which are permitted under the Facility Agreement) or to the terms of issue of any Affected Securities or any rights attaching thereto;
- 5.1.9 the Grantor may not, without the prior written consent of the Security Agent amend or agree to amend any provision of the Unitholders' Agreement in a manner which would:
- (a) adversely affect the enforceability of this Agreement or the rights of the Finance Parties under this Agreement;
  - (b) adversely affect the saleability or transferability of such Securities; or
  - (c) operate to decrease the value of such Securities (taken as a whole);
- 5.1.10 that, except as set out in the terms of this Agreement, there are and will be no restrictions on the transferability of the Affected Securities;

- 5.1.11 that the Grantor shall not take any steps to terminate the Unit Trust or to commence any Bankruptcy or insolvency procedure or process of or relating to the Trustee or the Unit Trust;
- 5.1.12 that, other than as provided for in the Facility Agreement or in favour of the Security Agent, the Grantor shall not create, confer or enter into, or enforce or take the benefit of (or attempt to enforce or take the benefit of), any contractual rights or obligations of set-off or netting with respect to the Collateral; and
- 5.1.13 that it shall notify the Security Agent in writing of any change of name by no later than five Business Days after the change takes effect.
- 5.2 The Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 5.

## **6. VOTING RIGHTS**

### **Units**

- 6.1 Whilst no Event of Default is continuing, the Grantor may continue to exercise all voting rights in relation to the Securities provided that it shall not exercise (and shall procure that any nominee acting on its behalf does not exercise) its voting rights in relation to any Securities in any manner which in the opinion of the Security Agent would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Agreement or any other Finance Document.
- 6.2 At any time whilst an Event of Default is continuing, the Security Agent may (but without any obligation to do so or liability for failing to do so) at its discretion exercise or cause to be exercised (in the name of the Grantor or otherwise and without any further consent or authority from the Grantor) all voting and other powers or rights attaching thereto which may be exercised by the legal and beneficial owner of the Securities, any person who is the holder of the Securities or otherwise in such manner as the Security Agent thinks fit.

### **Contract Rights**

- 6.3 Without prejudice to the other provisions of this Agreement, including but not limited to those of Clauses 2 and 5, whilst no Event of Default is continuing (but, in any event, subject to the terms of the Finance Documents), the Grantor may exercise all rights constituting or included in the Loan Agreement Contract Rights other than the right to receive or retain the Loan Receivables (unless otherwise permitted to do so by the terms of the Finance Documents), provided that such exercise may not be in any manner which in the opinion of the Security Agent would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Agreement or any other Finance Document.

6.4 The authority in Clause 6.3 shall in no way constitute the Grantor as the agent of the Security Agent.

6.5 At any time whilst an Event of Default is continuing, the Security Agent may (but without any obligation to do so or liability for failing to do so) at its discretion exercise or cause to be exercised (in the name of the Grantor or otherwise and without any further consent or authority from the Grantor) such Loan Agreement Contract Rights in such manner as the Security Agent thinks fit.

## **7. DISTRIBUTIONS AND OTHER DERIVATIVE ASSETS**

7.1 The Security Agent shall not have (and nor shall any nominee of the Security Agent have) any duty to take up any Derivative Assets that are attributable to any Securities or to ensure that any such Derivative Assets or any Loan Receivables are duly and punctually paid, received or collected as and when due and payable or to ensure that the correct amounts are paid, received or collected.

7.2 Whilst no Event of Default is continuing (but, in any event, subject to the terms of the Finance Documents), any dividends, interest and other Derivative Assets of an income nature or any Loan Receivables that are offered to, distributed to or received by the Grantor (or its nominee) must be distributed in accordance with the terms of the Finance Documents.

7.3 Whilst an Event of Default is continuing, if any dividends, interest and other Derivative Assets of an income nature or any Loan Receivables are offered to, distributed to or received by the Grantor (or its nominee) in respect of the Securities or Contract Rights, the Grantor shall immediately notify the Security Agent and such Derivative Assets or any Loan Receivables shall immediately be paid, delivered and transferred (as appropriate) to the Security Agent (or its nominee) and pending such payment, delivery or transfer such Derivative Assets or any Loan Receivables:

7.3.1 shall be held by the Grantor (or its nominee) in trust for the Security Agent; and

7.3.2 shall be segregated from other property and funds of the Grantor (or such nominee).

7.4 In the case of dividends, interest and other Derivative Assets of an income nature that are attributable to any Securities or any Loan Receivables the Security Agent may, whilst an Event of Default is continuing, apply all or any part of such Derivative Assets and/or Loan Receivables in or towards the discharge of the Secured Liabilities.

7.5 Until such application, dividends, interest and other Derivative Assets of an income nature that are attributable to any Securities and/or Loan Receivables shall remain part of the Collateral.

- 7.6 For the avoidance of doubt, a security interest in Securities shall itself encompass all Derivative Assets and Loan Receivables which are considered as a matter of law to be a composite part of the Securities.

**8. EVENTS OF DEFAULT**

An Event of Default as defined in the Facility Agreement shall constitute an Event of Default for the purposes of this Agreement.

**9. ENFORCEMENT BY THE SECURITY AGENT**

- 9.1 The Security Agent's power of enforcement over the Collateral shall become exercisable immediately upon and at any time whilst an Event of Default is continuing, provided that the Security Agent has served on the Grantor written notice specifying the Event of Default which is continuing.

- 9.2 Subject only to the Law, the Security Agent may whilst an Event of Default is continuing exercise the power of enforcement in respect of the Security Interests in any manner permitted by or not in conflict with the Law, including, without limitation, by the Security Agent or some person on its behalf:

9.2.1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);

9.2.2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);

9.2.3 by taking any one or more of the following ancillary actions:

(a) taking control or possession of all or any of the Collateral;

(b) exercising any rights of the Grantor in relation to all or any of the Collateral;

(c) instructing any person who has an obligation in relation to all or any of the Collateral to carry out that obligation for the benefit of the Security Agent (or to its order); and

9.2.4 exercising or applying any remedy set out in this Clause 9.2.4 (such remedies being exercisable pursuant to the power of enforcement) to the extent that such remedy is not in conflict with the Law:

(a) directing from time to time the Grantor as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any Affected Securities;

- (b) directing the Grantor as to the disposal of all or any of the Collateral, including, where appropriate specifying the person(s) who are to acquire such Collateral, the terms upon and manner in which such disposal(s) shall take place, including the price or other *cause* or consideration (whether payable immediately, by instalments or otherwise deferred); and directing the mode of application of the proceeds of such disposal(s) in such manner as the Security Agent shall in its absolute discretion determine, including by way of sale to a third party, to the Security Agent or to an associate or nominee of the Security Agent.
- 9.3 For the purposes of this Agreement, references to the exercise of a "**power of enforcement**" shall include any method or process by which value is given, allowed or credited by the Security Agent for the Collateral against the Secured Liabilities.
- 9.4 Where the power of appropriation or sale is exercised in relation to any non-monetary obligation, the "monetary value" (as referred to in Article 51 (*When does a surplus exist?*) of the Law) of such obligation shall be the loss or losses suffered by the Security Agent or by any other person by reason of non-performance of such obligation (including as such obligation is owed, or also owed, to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Grantor by the Security Agent.
- 9.5 The Security Agent or some person on its behalf may at any time whilst an Event of Default is continuing exercise one or more than one of the powers set out in Clause 9.2, in its sole and absolute discretion and in whatever order and combination as the Security Agent thinks fit.
- 9.6 In accordance with Article 44(4) of the Law, the Security Agent and the Grantor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to the Grantor.
- 9.7 The Security Agent or some person on its behalf may at its discretion:
  - 9.7.1 exercise its power of enforcement in respect of the Security Interests over any part of the Collateral without reference to the time, manner, *cause*, consideration or Exchange Rate that may be/has been applicable to such exercise in respect of any other part of the Collateral; and
  - 9.7.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Collateral notwithstanding that it shall have exercised such power over any other part of the Collateral.
- 9.8 No person dealing with the Security Agent shall be concerned to enquire as to the propriety of exercise of any power of enforcement in respect of the Security Interests (including, without limitation, whether any Security Interest has become enforceable, whether any of the Secured Liabilities remain due, as to the necessity or expediency of any conditions to which a sale or other disposition is made subject or generally as to the application of any monies representing

the proceeds of enforcement of the Security Interests in respect of the Collateral). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.

- 9.9 To the fullest extent permitted by law, the Security Agent shall be under no liability to the Grantor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral in accordance with the Law if the Security Agent applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution.
- 9.10 In accordance with Article 54(5)(a) of the Law, the Security Agent and the Grantor hereby agree that the Grantor shall not have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise.
- 9.11 The Security Agent is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held by it, or any moneys or property that it holds or is entitled to receive, before the power of enforcement is exercised.
- 9.12 The Security Agent will be accountable (and the Grantor is entitled to be credited) only for actual value or proceeds realised by the Security Agent arising from the appropriation, sale or other realisation of any Collateral by the Security Agent.
- 9.13 If the value or proceeds of the appropriation, sale or other realisation of any Collateral is insufficient to discharge the Secured Liabilities in full, the Grantor will remain liable to the Security Agent for any shortfall.
- 9.14 Notwithstanding anything contained in this Agreement, but subject to the Law, any actual value or proceeds realised by the Security Agent or its nominee arising from the appropriation, sale or other realisation of any Collateral by the Security Agent or its nominees whilst the security created pursuant to this Agreement is enforceable must be applied in accordance with clause 27 (*Application of Proceeds*) of the Facility Agreement.

## 10. **ASSIGNMENT AND SUCCESSION**

- 10.1 The Security Agent may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any Security Interest in accordance with clause 26.16 (*Resignation of the Security Agent*) of the Facility Agreement. For the purpose of any such participation, assignment, transfer or disposal the Security Agent may disclose information about the Grantor, Loan Agreement Counterparty, the Unit Trust and the Trustee and the financial condition of the Grantor, Loan Agreement Counterparty, the Unit Trust and the Trustee as shall have been made available to the Security Agent by or on behalf of the Grantor, Loan Agreement Counterparty, the Unit Trust or the Trustee or which is otherwise publicly available.



10.2 The Security Interests and other rights of the Security Agent arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Security Agent and shall inure for the benefit of the Security Agent's successors.

10.3 The Grantor may not assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

## **11. SUSPENSE ACCOUNT**

11.1 The Security Agent may, in its discretion, place to the credit of a suspense account or impersonal account for so long as the Security Agent shall think fit, any monies received under or in connection with this Agreement whilst an Event of Default is continuing in order to, amongst other things and as required by the Security Agent, preserve the rights of the Security Agent to prove for the full amount of all claims against the Grantor or any other person.

11.2 Subject to the terms of the Facility Agreement, the Security Agent may, at any time whilst an Event of Default is continuing, apply any of the monies referred to in Clause 11.1 in or towards satisfaction of any of the Secured Liabilities as the Security Agent, in its absolute discretion (acting reasonably), may from time to time conclusively determine.

11.3 Without prejudice to the generality of Clause 11.1 or 11.2, if the power of enforcement is exercised when any of the Secured Liabilities are contingent or future, the Security Agent may place to the credit of a suspense account or impersonal account the proceeds of enforcement while the Secured Liabilities remain contingent or future.

## **12. EXTINGUISHMENT OF SECURITY INTEREST(S)**

12.1 Save as otherwise provided in the Finance Documents, the Security Interests shall not be extinguished prior to the expiry of the Security Period.

12.2 Where the Secured Liabilities include any obligations as to any Further Advance the Security Interests shall not be extinguished by the repayment of any current advance.

12.3 At the end of the Security Period or as otherwise provided for in accordance with the Finance Documents (including for the avoidance of doubt, upon a Permitted Disposal) the Security Agent must promptly, at the request and cost of the Grantor, take whatever action is necessary to release the Security Interests and return any relevant documentation delivered to the Security Agent pursuant to Clause 2.

12.4 Save as otherwise provided by the Finance Documents, prior to the expiry of the Security Period, the Grantor shall not serve a demand that the Security Agent register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Security Agent under or in connection with this Agreement.

13. **MISCELLANEOUS**

- 13.1 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Secured Liabilities.
- 13.2 The security created by this Agreement is independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or guarantee for any of the Secured Liabilities now or subsequently held by the Security Agent or any person on its behalf.
- 13.3 The rights and remedies of the Security Agent under this Agreement may be exercised from time to time and as often as the Security Agent deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available to the Security Agent or any other Finance Party (whether at law or pursuant to this Agreement, another agreement or the order of any court).
- 13.4 Any settlement or discharge between the Security Agent and the Grantor in respect of the Secured Liabilities shall be conditional upon no security provided, or payment made, to the Security Agent or any other Finance Party by the Grantor or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or voidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Security Agent shall be entitled to recover the value or amount thereof from the Grantor as if no such settlement or discharge had taken place.
- 13.5 No delay, omission, time or indulgence on the part of the Security Agent (or any other Finance Parties) in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it; nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Security Agent may exercise or refrain from exercising any of its rights and (subject always to the Law) remedies independently in respect of different parts of the Collateral.
- 13.6 Save as otherwise expressly provided in the Finance Documents and subject always to the Law, any liberty or power which may be exercised or any determination which may be made by the Security Agent may, subject to the Finance Documents, be exercised or made in the absolute and unfettered discretion of the Security Agent which shall not be under any obligation to give reasons.
- 13.7 The Grantor acknowledges that the Security Agent has no obligation to perform any of the obligations of the Grantor, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of the Grantor or

to take any other action to collect or enforce payment of amounts the Security Agent is entitled to under or pursuant to this Agreement in respect of any Collateral.

- 13.8 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way. In particular, without prejudice to the generality of the foregoing, no defect in respect of a Security Interest created or intended to be created over any part of the Collateral shall affect the Security Interest created over any other part.
- 13.9 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of the Grantor and the Security Agent.
- 13.10 The Grantor may not direct the application by the Security Agent of any sums received by the Security Agent under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Liabilities.
- 13.11 The Security Agent shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the Security Interests.
- 13.12 Any certificate submitted by the Security Agent to the Grantor as to the amount of the Secured Liabilities or any other amount referred to or arising under this Agreement shall, in the absence of manifest error, be conclusive and binding on the Grantor.
- 13.13 This Agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument.
- 13.14 Except as otherwise expressly provided in any Finance Document, the Security Agent shall at no time be deemed to impliedly authorise any dealing in the Collateral for the purposes of Article 24 (*Continuation of security interests in proceeds*) of the Law.
- 13.15 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, the Grantor hereby irrevocably waives the right to receive a copy of any verification statement relating to any financing statement or financing change statement registered in respect of any Security Interest.
- 13.16 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without prejudice to any other obligation under the Finance Documents, the Grantor shall pay to the Security Agent within five Business Days of demand the Security Agent's reasonable fees (calculated in accordance with its standard fees and charges from time to time), costs and expenses including, but not limited to, reasonable legal fees and expenses on solicitor and own client basis, in connection with any demand for registration of a financing change statement

relating to a Security Interest served or purported to be served by any person at any time under or pursuant to Article 75 (*Demand for registration of financing change statement*) of the Law.

13.17 The Security Agent and/or any or all of the other Finance Parties may at any time without prejudicing its/their rights under this Agreement:

13.17.1 determine, reduce, increase or otherwise vary any credit to any person;

13.17.2 give time for payment or grant any other indulgence to any person;

13.17.3 renew, hold over or give up any bills of exchange, promissory notes or other negotiable instruments;

13.17.4 deal with, exchange, release, modify or abstain from perfecting or enforcing any security, guarantee or other right which the Security Agent or any other Finance Party may now or at any time have from or against any person;

13.17.5 compound with any guarantor or other person;

13.17.6 do or omit to do any other act or thing the doing or omission of which, apart from this provision, would or might afford any defence to a surety.

13.18 The Grantor waives any right it may have (whether by virtue of the *droit de discussion*, *droit de division* or otherwise) to require that:

13.18.1 the Security Agent and/or any or all of the other Finance Parties, before enforcing this Agreement, takes any action, exercises any recourse or seeks a declaration of Bankruptcy against any other Obligor or any other person, makes any claim in a Bankruptcy, liquidation, administration or insolvency of any person or enforces or seeks to enforce any other right, claim, remedy or recourse against any other Obligor or any other person;

13.18.2 the Security Agent and/or any or all of the other Finance Parties, in order to preserve any of its/their rights against the Grantor, joins the Grantor as a party to any proceedings against any other Obligor or any other person or any other Obligor or any other person as a party to any proceedings against the Grantor or takes any other procedural steps; or

13.18.3 the Security Agent and/or any or all of the other Finance Parties divides the liability of the Grantor under this Agreement with any Obligor or any other person.

13.19 The Grantor warrants that, as at the date of this Agreement, it has not (save where permitted under a Finance Document) taken, received or exercised any Competing Rights and agrees that it will not in the future (except where permitted under the Finance Documents) take, receive or exercise any Competing Rights until the Security Agent has confirmed in writing to the Grantor

that the Secured Liabilities have been wholly discharged or until the Grantor is otherwise released by the Security Agent from its obligations under this Agreement.

- 13.20 If, notwithstanding Clause 13.21, any Competing Rights are taken, exercised or received by the Grantor (in breach of any Finance Document), such Competing Rights and all monies or other property or assets received or held in respect thereof shall be held by the Grantor on trust for the Security Agent to be applied in or towards the discharge of the Grantor's liabilities under this Agreement and shall be transferred, assigned or, as the case may be, paid to the Security Agent promptly following the Security Agent's demand.
- 13.21 The Security Agent's (and any other Finance Party's) rights under Clauses 13.19 to 13.22 are in addition to and shall not in any way derogate from or be prejudiced by any security held by the Security Agent (and any other Finance Party) from any person (including the Security Interests).
- 13.22 Each party to this Agreement shall comply in all respects with the Data Protection Laws as far as they may apply from time to time and each such party shall assist the other in bringing such fair processing and other notices as may be required by the other party and in the form required by the other party to the attention of data subjects.
- 13.23 None of the provisions of this Agreement, nor any notice or other document given in connection with this Agreement shall constitute an appointment of the Security Agent (or any person on its behalf) as (or its agreement to be) a trustee or protector of the Unit Trust.
- 13.24 The Security Agent shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, undertakings and covenants given by the Grantor in and pursuant to this Agreement upon trust for the Finance Parties on the terms and conditions of clause 26 (*The Security Agent*) of the Facility Agreement.
- 13.25 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 26 (*The Security Agent*) of the Facility Agreement. All and any other duties and liabilities of a trustee that would otherwise attach to the Security Agent as trustee under or by reason of this Agreement are hereby excluded to the maximum extent permitted by law.
- 13.26 The Security Agent executes this Agreement as security agent and trustee in the exercise of the powers and authority conferred and vested in it under the Facility Agreement and any other Finance Document for and on behalf of the Finance Parties for whom it acts. It will exercise its powers and authority under this Agreement in the manner provided for in the Facility Agreement and, in so acting, the Security Agent shall have the protections, immunities, rights, powers, authorisations, indemnities and benefits conferred on it under and by the Facility Agreement and the other Finance Documents.
- 13.27 The Security Agent shall not owe any fiduciary duties to any party to this Agreement or any of their directors, employees, agents, or affiliates.

- 13.28 Notwithstanding any other provision of this Agreement, in acting under and in accordance with this Agreement the Security Agent is entitled to seek instructions from the Finance 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 Finance Party or Finance Parties entitled to give it instructions, the Security Agent shall not incur any liability to any person for so acting or refraining from acting.

#### 14. **COMMUNICATIONS**

The provisions of clause 34 (*Notices*) of the Facility Agreement shall apply to the giving of notices, demands or other communications under this Agreement *mutatis mutandis* and shall be construed as if reference to an Obligor includes reference to the Grantor.

#### 15. **GOVERNING LAW AND JURISDICTION**

- 15.1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Security Agent that the courts of the Island of Jersey are to have jurisdiction to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("**Proceedings**") may be brought in such court.

- 15.2 Nothing contained in this Agreement shall limit the right of the Security Agent to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against the Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.

- 15.3 The Grantor irrevocably waives (and hereby irrevocably agrees not to raise) any objection which it may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process.

- 15.4 The Grantor further hereby irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon the Grantor and may be enforced in the court of any other jurisdiction.

#### 16. **AGENT FOR SERVICE**

- 16.1 The Grantor irrevocably appoints Estera Trust (Jersey) Limited of 13/14 Esplanade, St Helier, Jersey JE1 1EE as its agent for service of process in relation to any Proceedings before the courts of the Island of Jersey in connection with this Agreement and agrees that failure by a process agent to notify the Grantor of the process will not invalidate the Proceedings concerned.

- 16.2 If any person appointed as an agent for service of process notifies the Grantor that it is unable for any reason to act as agent for service of process, the Grantor shall promptly appoint another agent for service of process on terms acceptable to the Security Agent (acting reasonably). Failing this, the Security Agent may appoint another agent for this purpose.

## SCHEDULE 1

### CONFIRMATION

To: Situs Asset Management Limited  
as security agent for the Finance Parties (as defined in the Security Agreement as defined below)

For the attention: \_\_\_\_\_

Dear Sirs

In this Confirmation:

**"Derivative Assets"** means all securities, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Securities or to assets previously described and all rights from time to time thereto and including any after-acquired property falling within any of the foregoing;

**"Grantor"** means Stanhope PLC;

**"Securities"** means the securities specified below; and

**"Security Agreement"** means the security interest agreement between the Grantor and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Derivative Assets.

We confirm that:

2. as at the date of this Confirmation we have not had notice of any security interest (other than under the Security Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Securities or the Derivative Assets;
3. we shall promptly notify you if we receive notice of any such matter in the future;
4. to the extent that it may prejudice or compete with the priority of any security granted to you by the Grantor, unless expressly permitted by the Finance Documents, we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Securities,



the Derivative Assets or any proceeds (that are not Derivative Assets) of the Securities and Derivative Assets; and

5. if whilst an Event of Default (as defined in the Security Agreement) is continuing, you wish your own name, or the name of such other person as you shall nominate, to be entered in the register of unitholders of the Chiswick Park Seven Unit Trust as holder of any Securities, we shall immediately effect this.

This confirmation is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....  
duly authorised

**ESTERA TRUST (JERSEY) LIMITED** in its capacity as  
trustee of the **CHISWICK PARK SEVEN UNIT TRUST**

Date:

#### **THE SECURITIES**

14,552 units in the Chiswick Park Seven Unit Trust (the "**Unit Trust**") any other units in the Unit Trust that may from time to time be owned by the Grantor, all such securities being subject to the Security Agreement.

## SCHEDULE 2

### NOTICE

To: Estera Trust (Jersey) Limited in its capacity as trustee of the Chiswick Park Seven Unit Trust, CHIS 7 Limited, CHIS 7A Limited each of 13 – 14 Esplanade, St Helier, Jersey, JE1 1EE

Date:

Dear Sirs

We, the undersigned, hereby give you notice that by a security interest agreement dated on or about the date hereof (the "**Security Agreement**") between Stanhope PLC (the "**Grantor**") and Situs Asset Management Limited as security agent and trustee (the "**Security Agent**") the Grantor has granted to the Security Agent security interests in all its right, title and interest and powers, present and future, to or in or pursuant to the loan agreements specified below (the "**Loan Agreements**") (the "**Contract Rights**"), including all such Contract Rights as consist in the right, title and interest to and in any amount payable to the Grantor under the Loan Agreements (the "**Loan Receivables**") and any proceeds of all such Contract Rights and including any after-acquired property falling within any of the foregoing (together, the "**Collateral**").

The Grantor is authorised to exercise the Contract Rights, other than the right to receive or retain the Loan Receivables (unless permitted to do so under the terms of the Finance Documents (as defined by reference in the Security Agreement)), until the Security Agent notifies you that such authority has been withdrawn. In any event you shall pay all Loan Receivables to the Grantor's bank account, details of which will be confirmed upon entry into the relevant Loan Agreement.

Please note that we have agreed that we will not amend or waive any provision of or terminate the Loan Agreements except in accordance with the terms of the subordination agreement dated on or about the date of the Security Agreement between, among others, the Grantor and the Security Agent.

This Notice may not be amended in any respect without the Security Agent's prior written consent.

Words and expressions not otherwise defined in this Notice shall be construed in accordance with the Security Agreement.

Please sign, date and forward the enclosed form of acknowledgement to the Security Agent.

This Notice shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....  
for and on behalf of  
**Situs Asset  
Management Limited**

.....  
for and on behalf of  
**Stanhope PLC**

#### **THE LOAN AGREEMENT**

Each intercompany loan agreement between the Grantor (as lender) and the relevant Borrower (as detailed below) (as borrower) as any such agreement may be amended, supplemented, varied and/or restated from time to time; together with any additional or substituted loan agreement(s) in any principal amount or currency that may from time to time be made between the Grantor (as lender) and the relevant Borrower (as borrower) on such terms as the Grantor and the relevant Borrower may from time to time agree (and as such further loan agreement(s) may thereafter be amended, supplemented or varied from time to time); and includes any such loan agreement whether documented or not.

#### **THE BORROWER**

**(each of the following entities a "Borrower")**

- (i) Estera Trust (Jersey) Limited in its capacity as trustee of the Chiswick Park Seven Unit Trust
- (ii) CHIS 7 Limited
- (iii) CHIS 7A Limited

## ACKNOWLEDGEMENT

To: Situs Asset Management Limited

For the attention of Compliance Manager

Dear Sirs

We acknowledge receipt of the Notice given to us above.

We further confirm that:

1. we acknowledge that the Grantor is authorised to exercise the Contract Rights, other than the right to receive or retain the Loan Receivables, (unless permitted to do so under the terms of the Finance Documents), until you notify us that such authority has been withdrawn;
2. as at the date of this acknowledgement we have not had notice of any security interest (other than under the Security Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Collateral;
3. we shall promptly notify you if we receive notice of any such matter in the future; and
4. to the extent that it may prejudice or compete with the priority of any security granted to you by the Grantor we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Collateral.

To the extent that there is any restriction or prohibition under the Loan Agreements that would restrict or prohibit the grant of a security interest in the Collateral by assignment or otherwise, we hereby irrevocably waive such restriction or prohibition with effect from and including the date of the Security Agreement.

Further, we undertake to comply with the terms of the Loan Agreement as the same may be amended or supplemented from time to time.

Words and expressions not otherwise defined in this acknowledgement shall be construed in accordance with the Notice.

This acknowledgement is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....

for and on behalf of  
**Estera Trust (Jersey)**  
**Limited in its capacity**  
**as trustee of the**  
**Chiswick Park Seven**  
**Unit Trust**

.....

for and on behalf of  
**CHIS 7 Limited**

Date:

.....

for and on behalf of  
**CHIS 7A Limited**

Date:

The parties have duly executed this Agreement the day and year first above written

**SIGNED by**

Name *DAVID CAMP*

Title: Authorised signatory

for and on behalf of

**STANHOPE PLC**



**SIGNED**

for and on behalf of

**SITUS ASSET MANAGEMENT LIMITED**

as security agent for the Finance Parties

by:

.....

The parties have duly executed this Agreement the day and year first above written

**SIGNED by**

Name

Title: Authorised signatory

for and on behalf of

**STANHOPE PLC**

.....

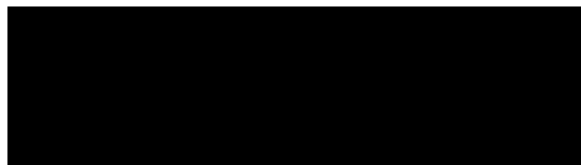
**SIGNED**

for and on behalf of

**SITUS ASSET MANAGEMENT LIMITED**

as security agent for the Finance Parties

by:



Colin Giles  
Vice President