



**Registration of a Charge**

Company Name: **ASHFORD INVESTOR (GENERAL PARTNER) LIMITED**

Company Number: **04139737**



Received for filing in Electronic Format on the: **27/05/2022**

XB4VCH6Z

**Details of Charge**

Date of creation: **23/05/2022**

Charge code: **0413 9737 0015**

Persons entitled: **BAYERISCHE LANDESBANK**

Brief description: **FREEHOLD LAND BEING LAND AT MCARTHURGLEN DESIGNER OUTLET, KIMBERLEY WAY, ASHFORD (REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER K824115). FREEHOLD LAND BEING ASDA STORES LTD, KIMBERLEY WAY, ASHFORD (TN24 0SE) (REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER K787252). LAND AT ROMNEY MARSH ROAD (REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER TT59331).**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

**Authentication of Form**

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

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT, SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006, THE ELECTRONIC**

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

Certified by:

**ALEXANDRA TOMLINSON**



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

Company number: 4139737

Charge code: 0413 9737 0015

The Registrar of Companies for England and Wales hereby certifies that a charge dated 23rd May 2022 and created by ASHFORD INVESTOR (GENERAL PARTNER) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 27th May 2022 .

Given at Companies House, Cardiff on 31st May 2022

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**

## Security Agreement

Dated 23 May 2022

- (1) **The persons listed in Schedule 1 (*The Chargors*)**  
(together the **Chargors**)  
  
and
- (2) **Bayerische Landesbank**  
(the **Security Agent**)

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**Contents**

	Page
1	Definitions and interpretation .....1
2	Confirmation and undertaking.....5
3	Covenant to pay .....7
4	Nature of Security created .....7
5	Creation of Security .....7
6	Conversion of floating charge ..... 11
7	Undertakings relating to the Security Assets ..... 12
8	Investments..... 14
9	Enforcement ..... 15
10	Appointment and powers of Receivers..... 17
11	Protection of purchasers ..... 18
12	Protection of the Secured Parties and Receivers ..... 19
13	Preservation of Security ..... 20
14	Tacking for further advances ..... 23
15	Further assurance ..... 23
16	Power of attorney ..... 25
17	Discharge of Security ..... 25
18	Contractual recognition of bail-in..... 25
19	Governing law ..... 25
20	Enforcement ..... 26
Schedule 1	The Chargors ..... 27
Schedule 2	Real Property charged by way of legal mortgage by the Chargors ..... 28
	Part 1 – Registered Land ..... 28
	Part 2 – Unregistered Land ..... 28
Schedule 3	Investments..... 29
Schedule 4	Additional powers of Receiver ..... 30
Schedule 5	Forms of letter to and from Occupational Tenants ..... 35
	Part 1 - Notice to Occupational Tenant ..... 35
	Part 2 Acknowledgement from Occupational Tenant ..... 36

Schedule 6 Forms of letter to and from Account Bank..... 37  
Part 1 - Notice to Account Bank regarding the Controlled Accounts..... 37  
Part 2 Acknowledgement from Account Bank regarding Controlled Accounts .. 39  
Part 3 Notice to Account Bank regarding the Operating Account..... 41  
Part 4 Acknowledgement from Account Bank regarding Operating Account .... 43

Schedule 7 Forms of letter for Insurances and acknowledgement..... 45

Schedule 8 Forms of letter for assigned agreements and acknowledgement..... 47

Schedule 9 Form of notice for Derivative Contracts and acknowledgement..... 49

Schedule 10 Form of Legal Mortgage ..... 51

## Security Agreement

Dated 23 May 2022

### Between

- (1) The persons listed in Schedule 1 (*The Chargors*) (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **Bayerische Landesbank**, registered with the commercial register of the Local Court of Munich under registration number HRA 76030 and having its registered office at Brienner Strasse 18, 80333 Munich, Germany as security trustee for the Secured Parties (the "**Security Agent**").

### This deed witnesses

## 1 Definitions and interpretation

### 1.1 Definitions

This Security Agreement is intended to be a deed between the parties to it and is referred to here as '**this Deed**'. Any references in this Deed to the Security Agreement is also a reference to this Deed. Words and expressions defined in the Facility Agreement have the same meanings in this Deed, unless they are expressly defined in this Deed:

"**Account Bank**" means Barclays Bank PLC;

"**Collateral Warranties**" means any collateral warranties or the benefit of any construction related agreement obtained by any of the Chargors from time to time in connection with the Secured Property;

"**Controlled Account**" means each account in the name of a Chargor held with the Account Bank over which the Security Agent has sole signing rights, and at the date of this Deed means the Debt Service Account, the Deposit Account, the Cure Account and the Tranche B Residue Account;

"**Default Rate**" means the rate of interest specified in, and calculated in accordance with, clause 8.5 (*Default interest*) of the Facility Agreement;

"**Derivative Contract**" means:

- (a) any Hedging Agreement; and
- (b) any other master agreement, schedule, confirmation, novation or other instrument entered into by any Chargor and a counterparty in connection with protection against or benefit from fluctuation in any rate, price or other amount;

"**Dividend**" means all dividends, interest and other distributions paid or payable or arising from time to time in respect of any Investment;

"**Early Termination Date**" shall have the same meaning as it has in the Derivative Contract;

**"Equipment"** means all fixed and moveable plant, machinery, tools, vehicles, computers, office and other equipment and the benefit of all related Authorisations, agreements and warranties;

**"Equivalent Financial Collateral"** shall have the same meaning as it has in the Regulations;

**"Facility Agreement"** means the facility agreement dated 22 February 2017 (as amended by an amendment letter dated 23 December 2020, as amended and restated by an amendment and restatement deed dated 22 February 2022 and as amended and restated by an amendment and restatement deed dated on or around the date of this Deed) between, amongst others, The Ashford Investor Limited Partnership as Borrower, the Arranger, the Original Lenders, the Original Hedge Counterparties, the Agent and the Security Agent;

**"Financial Collateral"** shall have the same meaning as it has in the Regulations;

**"Insurance Proceeds"** means all amounts payable to an Obligor from time to time to under each of the Insurances and all rights in connection with those amounts including any payment by way of refund but excluding any amounts payable under any third party liability policy;

**"Intellectual Property Rights"** means:

- (a) any patents, petty patents, trademarks, service marks, trade names, designs, business names, domain names, moral rights, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property and other intellectual property rights and interests;
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, topographical or similar rights, goodwill and any other rights and assets of a similar nature and other intellectual property rights and interests; and
- (c) any other right to use, or application to register or protect, any of the rights listed in paragraphs (a) or (b),

arising or subsisting in any jurisdiction and whether registered or not;

**"Intra-group Loan Agreement"** means an agreement under which a company within the Group has or will make available a facility to another company within the Group;

**"Investments"** means:

- (a) all or any shares, debentures, stocks, bonds, securities and partnership interests of any kind negotiable instruments, warrants, other investments of whatever nature and any other financial instruments as defined in the Regulations;
- (b) all Equivalent Financial Collateral; and
- (c) the shares and securities listed in Schedule 3 (*Investments*);

**"Legal Mortgage"** means a charge by way of legal mortgage in respect of any Real Property by a Chargor in favour of the Security Agent substantially in the form set out in Schedule 10 (*Form of Legal Mortgage*);

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

**"Operating Account"** means the account in the name of the Chargor held with the Account Bank, and at the date of this Deed means the Rent Account, the General Account and the Service Charge Account;

**"Permitted Security"** means any Security falling into one of the categories in clause 22.3(c) (*Negative pledge*) of the Facility Agreement;

**"Real Property"** means:

- (a) all right, title and interest in all interests in all freehold, leasehold and commonhold property of each Chargor, from time to time situated in England and Wales;
- (b) all buildings or parts of buildings on or part of any property referred to in paragraph (a); and
- (c) all fixtures, fittings and fixed plant and machinery, including trade fixtures and fittings, from time to time, situated on or forming part of any property referred to in paragraph (a);

**"Receiver"** means a receiver appointed pursuant to this Deed or to any applicable law, whether alone or jointly, and includes a receiver and manager and, if the Security Agent is permitted by law to appoint an administrative receiver, includes an administrative receiver;

**"Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, as amended by (i) the Financial Collateral Arrangements (No 2) Regulations 2003 (Amendment) Regulations 2009 (SI 2009/2462), and (ii) the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010 (SI 2010/2993), and **"Regulation"** means any of them;

**"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 Obligor to any Secured Party under each Finance Document;

**"Secured Property"** means all of the Real Property subject to (i) any Security created by or under this Deed or (ii) any supplemental Legal Mortgage dated on or after the date of this Deed;

**"Security Assets"** means all of the assets of whatever nature of each Chargor which are the subject of any Security created by or under this Deed; and

**"Security Period"** means the period starting on the date of the Facility Agreement and ending on the date on which all of the Secured Liabilities are irrevocably

discharged in full and no Finance Party has any commitment or liability, whether present or future, actual or contingent, in relation to any Facility under the Facility Agreement.

## 1.2 Construction

1.2.1 The principles of construction set out in clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Facility Agreement.

1.2.2 Unless a contrary intention appears, any reference in this Deed to:

- (a) this **Deed** is a reference to this Security Agreement as amended, varied, novated, supplemented and replaced from time to time;
- (b) each **Chargor**, the **Security Agent** or any other **Secured Party** or a **Receiver** includes any one or more of its assigns, transferees and successors in title (in the case of each Chargor, so far as any such is permitted); and
- (c) the **Security Agent** or any other **Secured Party** or a **Receiver** (except for the references in Clause 16 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.2.3 Each of the mortgages, fixed charges and assignments contained in Clauses 5 (*Real Property*) to 5.14 (*Book Debts*) over each category of assets and each asset specified in those Clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned as applicable, independently and separately of each other.

1.2.4 Where this Deed creates Security over any Security Asset which constitutes Financial Collateral, this Deed is intended to be a **security financial collateral arrangement** as defined in the Regulations.

## 1.3 Third party rights

1.3.1 Each Secured Party and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, principally in relation to rights and indemnities in Clause 12 (*Protection of the Secured Parties and Receivers*) of this Deed and clause 14.1 (*Currency indemnity*) of the Facility Agreement incorporated into this Deed by Clause 1.6 (*Incorporation of terms from the Facility Agreement*), but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

1.3.2 Notwithstanding any term of any Finance Document, the Parties to this Deed and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party to this Deed.

1.3.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 1.3.2 above and the provisions of the Third Parties Act.

#### **1.4 Effect as a deed**

This Deed shall take effect as a deed even if it is signed under hand on behalf of the Security Agent.

#### **1.5 Law of Property (Miscellaneous Provisions) Act 1989**

The terms of the Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed, to the extent required to ensure that any purported disposition of an interest in Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

#### **1.6 Incorporation of terms from the Facility Agreement**

The following clauses from the Facility Agreement are incorporated into this Deed as if set out in full, but so that references to the Facility Agreement shall be construed as references to this Deed: clause 8.5 (*Default Interest*), clause 14.1 (*Currency indemnity*), clause 16 (*Costs and expenses*), clause 29.4 (*Currency conversion*), clause 32.8 (*Currency of account*), clause 32.9 (*Change of currency*), clause 34 (*Notices*), clause 35 (*Calculations and certificates*), clause 36 (*Partial invalidity*), clause 37 (*Remedies and waivers*), and clause 41 (*Counterparts*).

#### **1.7 Conflict**

It is agreed that each Legal Mortgage is supplemental to this Deed, and to the extent the provisions of this Deed conflict with those of any Legal Mortgage, the provisions of that Legal Mortgage shall prevail.

### **2 Confirmation and undertaking**

#### **2.1 Confirmation**

Each Chargor confirms to the Security Agent that:

2.1.1 each Trustee and each Ashford 1 Trustee has been irrevocably and unconditionally authorised and directed to enter into the Facility Agreement and grant this Deed in favour of the Security Agent and to mortgage and charge the legal interest and estate in the Property vested in the Trustees and Ashford 1 Trustees (as applicable);

2.1.2 the Trustees and Ashford 1 Trustees are authorised to give good receipt for any monies paid in accordance with Clause 9.4 (*Application of moneys*);

2.1.3 it has been authorised:

- (a) in the case of the General Partner, to execute each Finance Document on behalf of the Borrower to which the Borrower is a party; and

- (b) in the case of the Ashford 1 General Partner, to execute each Finance Document on behalf of Ashford 1 to which Ashford 1 is a party; and
- 2.1.4 the Vendor has been irrevocably and unconditionally authorised and directed to enter into the Facility Agreement and grant this Deed in favour of the Security Agent and to mortgage and charge the legal interest and estate in the Property vested in the Vendor.

## **2.2 Undertaking**

Each Chargor undertakes to the Security Agent:

- 2.2.1 that if the Security Agent or any Receiver or other officer appointed by the Security Agent or Receiver on its behalf, sells the Property in accordance with the rights of the Security Agent under this Deed, the Trustees or Ashford 1 Trustees (as applicable) shall, at the request and on the direction of the Security Agent, deliver a valid receipt for the proceeds of sale of the Property to any person to whom the Security Agent or any such Receiver or other officer shall so require;
- 2.2.2 to do or effect all acts, matters and things to give effect to Clause 2.2.1 above and this Clause 2.2.2 and the transactions contemplated thereby and give all consents and waivers in relation thereto and to execute under hand or under seal or become parties to any documents referred to above or arising in the course of any transaction contemplated thereby or in connection therewith in each case as the Security Agent may in its absolute discretion think fit;
- 2.2.3 that to the extent that any legal rights or powers in relation to a Property remain vested in the Trustees or Ashford 1 Trustees, the Chargors shall take all necessary steps to ensure that each Trustee or each Ashford 1 Trustee (as applicable) complies with its undertakings in relation to such rights and powers, as contained in the Finance Documents;
- 2.2.4 that it will not, whilst any Secured Liabilities are outstanding, require the exercise by a Trustee or a Ashford 1 Trustee of the trust for sale, under the terms of which that Trustee or Ashford 1 Trustee may hold the legal title to the Property, save in circumstances that would result in the satisfaction in full of the Secured Liabilities in accordance with the Facility Agreement;
- 2.2.5 that it will not exercise its statutory power of appointing new or additional trustees in relation to the trust for sale referred to in Clause 2.2.4 above except with the prior consent of the Security Agent;
- 2.2.6 that it will not agree to any amendment, novation or waiver to any of:
  - (a) the terms of any appointment of any Trustee or Ashford 1 Trustee; or
  - (b) the terms of any Sale and Purchase Agreement,except with the prior written consent of the Security Agent.

### **3 Covenant to pay**

- 3.1 Each Chargor shall pay and discharge the Secured Liabilities when they fall due in accordance with the terms of the Finance Documents.
- 3.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Deed from the date on which the liability became due to the date of actual payment, both before and after judgment.

### **4 Nature of Security created**

#### **4.1 General**

All of the Security created under this Deed is created:

- 4.1.1 in favour of the Security Agent as trustee for the Secured Parties;
- 4.1.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;
- 4.1.3 except in the case of assets which are the subject of a legal mortgage under this Deed, over all present and future assets of the kind described which are owned by each Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and
- 4.1.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

#### **4.2 Security over Derivative Contracts**

The Security created under this Deed over any Derivative Contract shall apply net of set-off or combination of accounts owed under, and in accordance with the terms of, that Derivative Contract.

### **5 Creation of Security**

#### **5.1 Real Property**

Each Chargor:

- 5.1.1 charges by way of first legal mortgage all Real Property including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
- 5.1.2 charges to the extent not subject to the charge by way of legal mortgage in Clause 5.1.1, by way of first fixed charge all of its Real Property which it has now or which it may subsequently acquire;
- 5.1.3 charges to the extent not subject to the assignments in Clauses 5.12.2 and 5.12.3 by first fixed charge the Rental Income and any guarantee or indemnity of the Rental Income contained in or relating to any Lease Document; and

5.1.4 assigns absolutely, insofar as they are not charged by way of legal mortgage under Clause 5.1.1 (*Real Property*), all its rights and interests under or in respect of:

- (a) in each agreement, licence, contract, easement, option, guarantee, Security, warranty, covenant for title or other right or document relating to the use, disposal or acquisition of the property referred in the definition of Real Property or other asset or right relating to all Real Property, including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
- (b) any Occupational Lease relating to the Real Property; and
- (c) any net proceeds of sale of any Real Property.

## **5.2 Equipment**

Each Chargor charges by way of first fixed charge all Equipment insofar as it is not charged by way of legal mortgage under Clause 5 (*Real Property*).

## **5.3 Controlled Accounts**

5.3.1 Each Chargor charges by way of first fixed charge all amounts standing to the credit of each Controlled Account and all of its right, title and interest in and relating to each Controlled Account.

5.3.2 Subject to Clause 5.3.1 and regardless of the terms on which moneys are credited to any Controlled Account, during the Security Period, no Chargor shall request, demand or claim to be entitled to withdraw any amount from any Controlled Account and shall not withdraw any amount from any Controlled Account except (without prejudice to the rights of each Secured Party under this Deed) as the Security Agent may from time to time permit.

5.3.3 Clause 5.3.2 shall not apply to the extent it would prejudice any rights of any Secured Party under the Finance Documents to any amount standing to the credit of a Controlled Account, including any right of a Secured Party under the Finance Documents to make a withdrawal from a Controlled Account.

## **5.4 Investments**

Each Chargor charges by way of first fixed charge:

5.4.1 all Investments owned by it from time to time including those held for it by any nominee;

5.4.2 all allotments, accretions, offers, options, rights, moneys, property, bonuses, benefits and advantages, whether by way of conversion, exchange, bonus, redemption, preference, option rights, substitution or otherwise which at any time accrue to or are offered or arising from any Investment;

5.4.3 all Dividends; and

5.4.4 any proceeds of sale of each Investment or any right relating to it.

## **5.5 Intellectual Property Rights**

Each Chargor charges by way of first fixed charge:

5.5.1 all Intellectual Property Rights;

5.5.2 any proceeds of sale or realisation of each Intellectual Property Right or any right relating to it;

5.5.3 any proceeds of any licence or right to use each Intellectual Property Right; and

5.5.4 all Security, guarantees, indemnities, options, agreements, rights, licences, warranties, agreement for use or other undertakings or covenants of title in respect of any Intellectual Property Right.

## **5.6 Goodwill**

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

## **5.7 Uncalled capital**

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

## **5.8 Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all Authorisations held in relation to any Security Asset.

## **5.9 Collateral Warranties**

Each Chargor charges by way of first fixed charge all its rights under any Collateral Warranties.

## **5.10 Derivative Contracts**

Each Chargor charges by way of first fixed charge its right to receive all moneys payable under any Derivative Contract, including any and all sums due and payable to that Chargor under the Derivative Contract following an Early Termination Date (subject always to all rights of netting and set-off contained in the Derivative Contract) and all rights to require and enforce the payment of those sums.

## **5.11 Insurances**

Each Chargor assigns to the Security Agent absolutely all its rights and interests under the Insurances subject to reassignment on redemption.

## **5.12 Contractual Rights**

Each Chargor assigns to the Security Agent absolutely all its rights and interests under or in respect of:

5.12.1 each Lease Document;

- 5.12.2 all Rental Income;
- 5.12.3 any guarantee or indemnity of Rental Income contained in or relating to any Lease Document;
- 5.12.4 each document appointing an Asset Manager;
- 5.12.5 each document appointing a Development Manager;
- 5.12.6 each Intra-group Loan Agreement;
- 5.12.7 each Sale and Purchase Agreement;
- 5.12.8 each Development Document;
- 5.12.9 each Escrow Agreement; and
- 5.12.10 any other agreement to which it is a party which is not otherwise effectively assigned or charged by way of fixed charge pursuant to this Clause 5, except any Derivative Contract,

in each case, subject to reassignment on redemption.

### **5.13 Other Contractual Rights**

Each Chargor charges by first fixed charge, to the extent not effectively assigned under Clause 5.12 (*Contractual Rights*) all its rights and interest under and in respect of any other agreement to which it is a party or in which it has an interest.

### **5.14 Book Debts**

Each Chargor charges by way of first fixed charge its book and other debts and monetary claims from time to time owing to it and the proceeds of payment or realisation of each of them.

### **5.15 Floating charge over other assets**

- 5.15.1 Each Chargor charges by way of first floating charge all its present and future business, undertaking, assets, rights and revenues which are not effectively charged by way of legal mortgage, charged by way of fixed charge or assigned under this Clause 5.
- 5.15.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed to the extent that each floating charge shall be a 'qualifying floating charge' within the meaning of that paragraph.

### **5.16 Trust**

- 5.16.1 If or to the extent that any assignment or charging of whatever nature, of any Security Asset is prohibited, each Chargor holds it on trust for the Security Agent.
- 5.16.2 If:
  - (a) a consent or waiver must be obtained; or

(b) a condition must be satisfied,

for a Chargor to be permitted to assign or grant a charge of whatever nature over any of its assets, then:

- (i) subject to Clause 5.16.3, the relevant Chargor shall apply for the consent or waiver; and
- (ii) each Chargor shall use its reasonable endeavours to satisfy the condition,

in each case within 14 days of the date of this Deed or, if the Security Asset is acquired after the date of this Deed, within 14 days of the date of such acquisition.

5.16.3 Where the consent or waiver is not to be unreasonably withheld, the relevant Chargor shall:

- (a) use its reasonable endeavours to obtain it as soon as possible; and
- (b) keep the Security Agent informed of the progress of the negotiations to obtain it.

5.16.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be charged by way of legal mortgage, charged by way of fixed charge, assigned, or charged by floating charge under this Clause 5 and, in relation to such Security Asset, the trust referred to in Clause 5.16.1 shall terminate.

## **6 Conversion of floating charge**

### **6.1 Automatic conversion**

Each floating charge created by this Deed will convert automatically into a fixed charge:

- 6.1.1 if the Security Agent receives notice of an intention to appoint an administrator to any Chargor;
- 6.1.2 if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor over all or any part of its assets, or if such person is appointed;
- 6.1.3 if any Chargor creates or attempts to create Security over all or any of the Security Assets, other than any Permitted Security;
- 6.1.4 on the crystallisation of any other floating charge over any of the Security Assets;
- 6.1.5 if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and

6.1.6 in any other circumstances prescribed by law.

## **6.2 Conversion on notice**

Subject to Clause 6.3 (*Limitation*), the Security Agent may, by notice to each Chargor at any time during the Security Period, convert the floating charges created by this Deed into fixed charges in respect of any Security Asset of such Chargor specified in that notice if:

6.2.1 an Event of Default is continuing; or

6.2.2 the Security Agent considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

## **6.3 Limitation**

6.3.1 Subject to Clause 6.3.2, the floating charges created by this Deed may not be converted into a fixed charge by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under Part 1A of the Insolvency Act 1986.

6.3.2 Clause 6.3.1 above does not apply in respect of any floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

## **7 Undertakings relating to the Security Assets**

The undertakings in this Clause 7 remain in force from the date of this Deed until the expiry of the Security Period.

### **7.1 Disposals**

No Chargor shall enter into a single transaction or a series of transactions (whether related or not, and whether voluntary or involuntary), dispose of any Security Asset or part of any Security Asset, or enter into an agreement to make any disposal, except as permitted under the terms of the Facility Agreement.

### **7.2 Negative pledge**

No Chargor shall create or permit to subsist any Security over any Security Asset except the Permitted Security.

### **7.3 Preservation of Assets**

Each Chargor, subject to the terms of the Facility Agreement:

7.3.1 shall notify the Security Agent of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened and at its own cost, defend such proceedings;

- 7.3.2 shall preserve, maintain, exploit and renew as and when necessary (if required for the ongoing operation of its business) all Intellectual Property Rights which form part of the Security Assets;
- 7.3.3 shall not enter into any onerous obligation or restriction affecting any of its Security Assets, without the prior written consent of the Security Agent; or
- 7.3.4 shall not take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

#### **7.4 Notices of assignment and charge**

Each Chargor shall promptly after the execution of this Deed:

- 7.4.1 serve the following notices substantially in the forms set out in the relevant Schedule referred to in this Clause,
- 7.4.2 deliver to the Security Agent a certified copy of each notice; and
- 7.4.3 use its reasonable endeavours to procure that the recipient of such notice acknowledges that notice in writing substantially in the form set out in the relevant Schedule referred to in this Clause:
  - (a) following a written request from the Security Agent at any time when an Event of Default is continuing, in respect of Occupational Leases, notice of assignment, set out in Part 1 of Schedule 5 (*Forms of letter to and from Occupational Tenants*) on each tenant of each Secured Property, and acknowledgement set out in Part 2 of Schedule 5 (*Forms of letter to and from Occupational Tenants*);
  - (b) in respect of each Controlled Account notice to the Account Bank of the fixed charge set out in Part 1 of Schedule 6 (*Forms of letter to and from Account Bank*) and acknowledgment set out in Part 2 of Schedule 6 (*Forms of letter to and from Account Bank*);
  - (c) in respect of each Operating Account, notice to the Account Bank of the floating charge set out in Part 3 of Schedule 6 (*Forms of letter to and from Account Bank*) and acknowledgment set out in Part 4 of Schedule 6 (*Forms of letter to and from Account Bank*);
  - (d) in respect of assigned contracts, notice of assignment to the counterparties and acknowledgements each set out in Schedule 8 (*Forms of letter for assigned agreements and acknowledgement*) as applicable; and
  - (e) in respect of Derivative Contracts, notice of fixed charge to the counterparties to the Derivative Contracts and acknowledgement each set out in Schedule 9 (*Form of notice for Derivative Contracts and acknowledgement*).

## **7.5 Exercise of rights**

Subject to the terms of the Facility Agreement, and to the terms of any such notice or acknowledgement given or received under Clause 7.4 (*Notices of assignment and charge*), while no Event of Default is continuing each Chargor may:

- 7.5.1 exercise its rights in respect of the agreements assigned pursuant to Clauses 5.11 (*Insurances*) and 5.12 (*Contractual Rights*); and
- 7.5.2 deal with the relevant counterparties in respect of those agreements.

## **8 Investments**

### **8.1 Undertakings, Dividends and Voting rights etc.**

8.1.1 Each Chargor which has granted a charge over any Investment under this Deed, shall:

- (a) promptly pay all calls, instalments and other payments which may be made or become due in respect of the Investment (or, in respect of any Investment of which the Security Agent is the legal owner, promptly pay to the Security Agent on demand such amounts as the Security Agent may require to make those payments, together with interest at the Default Rate from the date of demand by the Security Agent to the date of payment by such Chargor under this Clause, both before and after judgment);
- (b) not acquire any additional Investments after the date of this Deed unless they are fully paid; and
- (c) comply with any notice served on it, under the Companies Act 2006 or pursuant to its articles of association or any other constitutional document, in respect of or in connection with the Investments or any of them, and will promptly provide to the Security Agent a copy of that notice.

8.1.2 Each Chargor shall promptly, on the request of the Security Agent:

- (a) provide to the Security Agent a copy of all other notices, reports, accounts and circulars in respect of or in connection with any of the Investments which have been received by that Chargor; and
- (b) at any time when an Event of Default is continuing transfer all or any of the Investments to the Security Agent.

8.1.3 Each Chargor shall, if any Investments are in, or are converted into, uncertificated form, promptly notify the Security Agent and:

- (a) act on any instructions given by the Security Agent, and give such directions as the Security Agent may require to protect and preserve the Security Agent's Security in respect of those Investments; and

- (b) transfer those Investments which are or become uncertificated to an escrow account, in respect of which it has named as escrow agent the Security Agent or any nominee or agent of the Security Agent, notified to the relevant Chargor or any other person approved in writing by the Security Agent.

## **8.2 Before an Event of Default or demand**

Until the Security Agent so demands or an Event of Default occurs, each Chargor having granted a charge over Investments under this Deed, may:

- 8.2.1 receive and retain Dividends, and exercise all voting and other rights and powers attached to the Investments; or
- 8.2.2 in respect of any Investments of which the Security Agent is the legal owner, direct the Security Agent to pay over the Dividends to it, and exercise all such voting and other rights and powers,

but, in each case, only in a manner consistent with this Deed and not to prejudice the value of or the ability of the Security Agent to enforce the Security or other rights created under this Deed.

## **8.3 After an Event of Default demand**

At any time when an Event of Default occurs and is continuing:

- 8.3.1 each Chargor shall promptly pay over to the Security Agent all Dividends which it may receive, and shall direct all Dividends to be paid into the Rent Account in the name of the Security Agent, or such other account as the Security Agent shall direct and apply such moneys according to Clause 9.4 (*Application of moneys*), and, on demand by the Security Agent, exercise all voting and other rights and powers attached to the Investments in any manner which the Security Agent may direct; or
- 8.3.2 in respect of Investments of which the Security Agent is the legal owner, the Security Agent may receive and retain all Dividends and apply them in any manner permitted by this Deed, and may, on demand, exercise all such voting and other rights and powers in such manner as it determines.

## **9 Enforcement**

### **9.1 When Security becomes enforceable**

The Security created by this Deed shall become immediately enforceable:

- 9.1.1 at any time when an Event of Default is continuing: or
- 9.1.2 if any Chargor so requests.

### **9.2 Powers on enforcement**

At any time after the Security created by this Deed has become enforceable, the Security Agent may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- 9.2.1 exercise all the powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 (*Regulation of exercise of power of sale*) or 109(1) (*Appointment, powers, remuneration and duties of receiver*) of the LPA;
- 9.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 (*Leasing powers of mortgagor and mortgagee in possession*) and 100 (*Powers of mortgagor and mortgagee in possession to accept surrenders of leases*) of the LPA;
- 9.2.3 to the extent that any Security Asset constitutes Financial Collateral, appropriate it and transfer the title to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18 (*Duty to value collateral and account for any difference in value on appropriation*);
- 9.2.4 value any Security Asset which constitutes Financial Collateral, at the time of appropriation as referred to in the Regulations, as the market price of the relevant Security Asset, as determined by the Security Agent by reference to such method or source, (including an independent valuation), as the Security Agent may determine, and which shall constitute a 'commercially reasonable manner' for the purposes of the Regulations;
- 9.2.5 subject to Clause 10.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets;
- 9.2.6 appoint an administrator to each and any of the relevant Chargors; and
- 9.2.7 if it has not done so, serve notices substantially in the forms referred to in Clause 7.4 (*Notices of assignment and charge*).

### **9.3 Disposal of the Security Assets**

In exercising the powers referred to in Clause 9.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### **9.4 Application of moneys**

- 9.4.1 The Security Agent or any Receiver shall apply moneys received by them under this Deed after the Security created under this Deed has become enforceable in the following order:
  - (a) **first**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid costs and expenses of the Security Agent and any Receiver under this Deed or which are incidental to any Receiver's appointment, together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

- (b) **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent and any Receiver;
- (c) **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Liabilities;
- (d) **fourthly**, in or towards the discharge of the Secured Liabilities in accordance with the Facility Agreement; and
- (e) **fifthly**, in the payment of any surplus to each relevant Chargor or other person entitled to it,

and section 109(8) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

9.4.2 Clause 9.4.1 will override any appropriation made by a Chargor.

## **10 Appointment and powers of Receivers**

### **10.1 Method of appointment and removal**

10.1.1 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under Part A1 of the Insolvency Act 1986 other than in respect of a floating charge referred to in subsection (4) of section A52 of Part A1 of the Insolvency Act 1986.

10.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Agent pursuant to this Deed may be made in writing under the hand of any officer or manager of the Security Agent (subject to any requirement for a court order in the removal of an administrative receiver).

### **10.2 Powers of Receiver**

Every Receiver shall have all the powers:

10.2.1 of the Security Agent under this Deed;

10.2.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;

10.2.3 which are specified in schedule 1 (*Powers of Administrator or Administrative Receiver*) of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986) together with the additional powers set out in Schedule 4 (*Additional powers of Receiver*);

10.2.4 in relation to any Security Asset, which he would have if he were its only absolute legal and beneficial owner;

10.2.5 to use the name of each Chargor in relation to any of its powers or actions under this Deed; and

10.2.6 to do whatever, in the opinion of the Receiver it:

- (a) considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them, including bringing or defending proceedings in the name or on behalf of any Chargor or the Security Agent and entering into and executing documents and taking any action in the name of that Chargor or the Security Agent;
- (b) considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
- (c) considers necessary or desirable to undertake as agent of each Chargor.

### **10.3 Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on a Receiver by this Deed.

### **10.4 Receiver as agent**

Every Receiver shall be the agent of a Chargor which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

### **10.5 Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent and the maximum rate specified in section 109(6) (*Appointment, powers, remuneration and duties of receiver*) of the LPA shall not apply.

## **11 Protection of purchasers**

No purchaser or other person dealing with the Security Agent or any Receiver shall be bound or concerned:

- 11.1.1 to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- 11.1.2 with the propriety of the exercise or purported exercise of those powers; or
- 11.1.3 with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

## **12 Protection of the Secured Parties and Receivers**

### **12.1 Exclusion of liability**

None of the Secured Parties, or any of their respective officers or employees shall have any responsibility or liability:

- 12.1.1 for any action taken, or any failure to take any action, in relation to all or any of the Security Assets, in particular for any failure:
  - (a) to notify or send to each Chargor any notice, report or other letter received by it concerning any Security Asset;
  - (b) to accept or decline any offer relating to any Security Asset;
  - (c) to make any payment in any form relating to any Security Asset;
  - (d) to enquire about the nature and amount of any payment relating to any Security Asset;
  - (e) to take any step to enforce payment of any moneys due in respect of any Security Asset;
- 12.1.2 to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- 12.1.3 for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies as referred to in the Facility Agreement;
- 12.1.4 for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of any Chargor); or
- 12.1.5 for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence, fraud or wilful misconduct on the part of that person.

### **12.2 General indemnity**

Each Chargor shall indemnify the Secured Parties and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, loss and other liabilities incurred by them in respect of all or any of the following:

- 12.2.1 any act or omission by any of them in relation to all or any of the Security Assets, including, but not limited to, any act or omission by any of them on the directions of any Chargor in relation to any Investment which is a Security Asset;
- 12.2.2 any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;

- 12.2.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed or any Security created under it;
- 12.2.4 carrying out or purporting to carry out any of the rights, powers, authority and discretions conferred on them by, or permitted under, this Deed; and
- 12.2.5 any breach by any Chargor of any of its undertakings or other obligations to the Security Agent or any other Secured Party,

except in the case of gross negligence, fraud or wilful misconduct on the part of that person.

### **12.3 Indemnity out of the Security Assets**

Each Secured Party and their respective officers and employees shall be entitled to be indemnified out of the Security Assets or any part of them in respect of the indemnities referred to in Clause 12.2 (*General indemnity*) and may retain and use monies received by it under this Deed towards payment of any sums under those indemnities.

## **13 Preservation of Security**

### **13.1 Reinstatement**

If any payment by a Chargor or discharge given by the Security Agent (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

- 13.1.1 the liabilities of that Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- 13.1.2 the Secured Parties shall be entitled to recover the value or amount of that Security or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

### **13.2 Waiver of defences**

Neither the Security created by this Deed nor the obligations of each Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Agent or any other Secured Party) including:

- 13.2.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 13.2.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 13.2.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights

against, or Security over, assets of any 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;

- 13.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 13.2.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any 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;
- 13.2.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 13.2.7 any insolvency, liquidation, administration or similar proceedings.

### **13.3 Chargor intent**

Without prejudice to the generality of Clause 13.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- 13.3.1 acquisitions of any nature;
- 13.3.2 increasing working capital;
- 13.3.3 enabling distributions to be made;
- 13.3.4 carrying out restructurings;
- 13.3.5 refinancing existing facilities;
- 13.3.6 refinancing any other indebtedness;
- 13.3.7 making facilities available to new borrowers;
- 13.3.8 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- 13.3.9 any fees, costs and/or expenses associated with any of the foregoing.

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

### **13.5 Appropriations**

During the Security Period each Secured Party may:

- 13.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 9.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- 13.5.2 hold in an interest-bearing suspense account any moneys received from a Chargor or on account of the Secured Liabilities.

### **13.6 Deferral of a Chargor's rights**

During the Security Period 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 this Deed or the enforcement of the Security created by this Deed:

- 13.6.1 to receive or claim payment from, or be indemnified by an Obligor;
- 13.6.2 to claim any contribution from any guarantor of, or party who has granted Security in respect of, any Obligor's obligations under the Finance Documents;
- 13.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- 13.6.4 to exercise any right of set-off against any Obligor; and/or
- 13.6.5 to claim or prove as a creditor of any Obligor 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 on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent as the Security Agent may direct for application in accordance with this Deed and the Facility Agreement.

### **13.7 Additional Security**

This Deed is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Secured Party.

### **13.8 New accounts**

If any subsequent Security is granted over or affects all or any of the Security Assets, the Security Agent or any other Secured Party may open a new account or accounts in the name of the relevant Chargor from the date it receives notice of such Security or the date it is deemed to have received such notice. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security. As from that time, all payments made by or on behalf of the relevant Chargor to that Secured Party:

13.8.1 shall be credited or be treated as having been credited to the new account of that Chargor; and

13.8.2 shall not operate to reduce the Secured Liabilities.

### **14 Tacking for further advances**

For the purposes of section 94(1) (*Tacking and further advances*) of the LPA and section 49(3) (*Tacking and further advances*) of the Land Registration Act 2002, the Security Agent confirms on behalf of the Lenders that the Lenders shall perform their obligations under the Finance Documents, including any obligation to make further advances to the Borrower.

### **15 Further assurance**

#### **15.1 Application to Land Registrar**

The Chargors shall apply to HM Land Registry in Form RX1 and consent to the registration against the registered titles specified in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*) of:

15.1.1 a restriction in the following terms:

"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 [*date of this Deed*] in favour of Bayerische Landesbank referred to in the charges register or their conveyancer. (Form P)"; and

15.1.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

#### **15.2 Further action**

Each Chargor shall, at its own expense, promptly take whatever action and sign or execute any further documents which the Security Agent may require to:

15.2.1 give effect to the requirements of this Deed;

15.2.2 create, protect, preserve and perfect the Security intended to be created by or under this Deed;

- 15.2.3 protect and preserve the ranking of the Security intended to be created by or under this Deed;
- 15.2.4 facilitate the realisation of all or any of the Security Assets, or the exercise of any rights, powers and discretions by the Security Agent, any Receiver or any administrator or any delegate, agent or employee in connection with all or any of the Security Assets, including but not limited to executing and delivering all documentation necessary to transfer legal title to any Security Asset to the Security Agent, its nominee or any third party; and
- 15.2.5 while any Event of Default is continuing, assign any Collateral Warranty capable of assignment to any person nominated by the Security Agent or any Receiver,

and any such document may disapply section 93 (*Restriction on consolidation of mortgages*) of the LPA.

### **15.3 Future Property**

- 15.3.1 If a Chargor acquires any Real Property after the date of this Deed, it must:
  - (a) notify the Security Agent immediately in writing;
  - (b) as soon as reasonably practicable on request by the Security Agent and at its own expense, execute and deliver to the Security Agent a legal mortgage substantially in the form set out in Schedule 10 (*Form of Legal Mortgage*) over the relevant Real Property;
  - (c) if the title to that Real Property is registered at HM Land Registry, or required to be so registered, make an application to HM Land Registry for a restriction against the registered titles in the terms set out in Clause 15.1 (*Application to Land Registrar*); and
  - (d) if applicable, ensure that this Deed is correctly noted in the Register of Title against that title at HM Land Registry.
- 15.3.2 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation until it has obtained the landlord's consent. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent.

### **15.4 Deposit of documents**

Each Chargor shall promptly, on the date of this Deed and at all times during the Security Period, and if the Security Agent so requests, deposit with the Security Agent:

- 15.4.1 all deeds, certificates and other documents of or evidencing title for the Security Assets;
- 15.4.2 signed undated transfers of the Investments charged under Clause 5.4 (*Investments*), completed in blank and, if the Security Agent so requires, pre-stamped; and

15.4.3 any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser.

## **15.5 Law of Property (Miscellaneous Provisions) Act 1994**

The covenant set out in section 2(1)(b) (*Right to dispose and further assurance*) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 15.

## **16 Power of attorney**

16.1 Each Chargor by way of security, irrevocably and severally, appoints each of the Security Agent, any Receiver, and any of its delegates or sub-delegates, or other person nominated in writing by, an officer of the Security Agent or Receiver jointly and severally as its attorney, in the name of that Chargor, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit to take any action, sign or execute any documents (or give any consent required in connection with the foregoing) which that Chargor is obliged to take, sign or execute under with this Deed but which that Chargor has failed to take, sign or execute in accordance with this Deed.

16.2 Each Chargor ratifies and confirms, and agrees to ratify and confirm, all such actions taken and documents signed or executed or purported to be done by any attorney under and in accordance with its appointment under this Deed other than in the case of the fraud, gross negligence or wilful default by such attorney.

## **17 Discharge of Security**

At the end of the Security Period, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the relevant Chargor:

17.1 release the Security Assets or any part of them from the Security created by or under this Deed; and

17.2 re-assign to the relevant Chargor those Security Assets that have been assigned to the Security Agent by or under this Deed.

Section 93 (*Restriction on consolidation of mortgages*) of the LPA shall not apply to this Deed.

## **18 Contractual recognition of bail-in**

The Parties agree that Clause 1.7 (*Contractual recognition of bail-in*) of the Facility Agreement shall be deemed to be set out in full in this Deed with all references to "any Finance Document" or "the Finance Documents" being replaced with a reference to "this Deed".

## **19 Governing law**

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

## **20 Enforcement**

### **20.1 Jurisdiction**

- 20.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity and termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 20.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 20.1.3 Notwithstanding paragraph (a) and (b) above, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in a number of jurisdictions.

**Executed** as a deed and delivered on the date appearing at the beginning of this Deed.

**Schedule 1**  
**The Chargors**

<b>Name of Chargor</b>	<b>Registration Number</b>	<b>Registered Office</b>
The Ashford Investor Limited Partnership acting by its general partner Ashford Investor (General Partner) Limited	LP7517	3rd Floor Nations House, 103 Wigmore Street, London, W1U 1WH
Ashford Investor (General Partner) Limited	4139737	Nations House, 103 Wigmore Street, London, W1U 1WH
Ashford Investor (Partnership Trustco) Limited	4139729	Nations House, 103 Wigmore Street, London, W1U 1WH
BMG (Ashford) Limited Partnership acting by its general partner BMG (Ashford) General Partner Limited	LP5916	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW
BMG (Ashford) General Partner Limited	3604066	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW
BMG (Ashford) Partnership Trustco Limited	04044429	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW
BMG (Ashford) Limited	3162432	The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW

## Schedule 2

### Real Property charged by way of legal mortgage by the Chargors

#### Part 1 – Registered Land

Name of Chargor	Description/Address	Title number
BMG (Ashford) Limited	Freehold land being McarthurGlen Designer Outlet, Kimberley Way, Ashford	K831017
Ashford Investor (General Partner) Limited on behalf of The Ashford Investor Limited Partnership	Freehold land being land at McarthurGlen Designer Outlet, Kimberley Way, Ashford	K824115
Ashford Investor (General Partner) Limited on behalf of The Ashford Investor Limited Partnership	Freehold land being Asda Stores Ltd, Kimberley Way, Ashford (TN24 0SE)	K787252
Ashford Investor (General Partner) Limited on behalf of The Ashford Investor Limited Partnership	Land at Romney Marsh Road registered with title number TT59331	TT59331
Ashford Investor (General Partner) Limited	The freehold land at Romney Marsh Road, Ashford	TT109741

#### Part 2 – Unregistered Land

Name of Chargor	Description/Address	Title number
None		

**Schedule 3  
Investments**

<b>Name of Chargor</b>	<b>Shares</b>	<b>Securities</b>	<b>Other Investments</b>
Ashford Investor (General Partner) Limited	1 ordinary share in Ashford Investor (Partnership Trustco) Limited	n/a	n/a
BMG (Ashford) General Partner Limited	1 ordinary share in BMG (Ashford) Limited	n/a	n/a
BMG (Ashford) General Partner Limited	1 ordinary share in BMG (Ashford) Partnership Trustco Limited	n/a	n/a

## **Schedule 4**

### **Additional powers of Receiver**

Each Receiver appointed to a Chargor ("**Relevant Chargor**") or in relation to all or any of the Security Assets of a Relevant Chargor, shall have:

- (i) the powers conferred by the LPA on receivers and mortgagees in possession;
- (ii) the powers conferred by Clause 10.2 (*Powers of Receiver*); and
- (iii) the powers set out in this Schedule.

#### **1 Security Assets**

- 1.1 To enter into, take immediate possession of, collect and get in the Security Assets.
- 1.2 To take all such action and execute all such documentation as the Receiver may consider necessary or desirable for the management, operation or realisation of all or any part of the Security Assets.

#### **2 Sale and disposal of Security Assets**

To sell, exchange, surrender, renounce, deal with, convert into money, dispose of and realise the Security Assets or any of them or part of the Security Assets:

- 2.1 in any manner;
- 2.2 subject to any exceptions, reservations, covenants and obligations; and
- 2.3 with or without consideration, such consideration taking the form of cash, debentures, shares, securities, other assets or obligations or other valuable consideration, payable in a lump sum or instalments over a period of time;

in each case as the Receiver may consider necessary or desirable.

#### **3 Manage the business**

To continue, commence, manage, develop, amalgamate, diversify or undertake any business of the relevant Chargor.

#### **4 Collect moneys**

To collect and get in all moneys or proceeds in any way arising from the Security Assets or any document or right affecting the Security Assets whether directly or indirectly.

#### **5 Apportion payments**

To apportion any Rental Income and any financial liabilities.

#### **6 Real property rights**

- 6.1 To acquire, renew, extend, grant, vary or otherwise deal with such easements, servitudes, rights, privileges and/or licences as the Receiver considers necessary or desirable.

- 6.2 To construct or complete:
  - 6.2.1 any building, development and repair to the Secured Property whether or not it is in accordance with the development planned or being carried on at any Secured Property; and
  - 6.2.2 any roads, access ways and services.
- 6.3 To carry out any work involving furnishing or fitting out or the installation or provision of any Equipment on any part of any of the Secured Property.
- 6.4 To dedicate any part or parts of the Secured Property as a highway where to do so is desirable in order that any Secured Property may more conveniently be developed.
- 6.5 To make any change or arrangement as to boundaries of any Secured Property with adjoining owners and neighbours so as to resolve any dispute or to facilitate development.
- 6.6 To make any application for, and maintain any planning consent, building regulations approval or similar consent or licence relating to any of the Secured Property.
- 6.7 To effect and maintain Insurances, against including but not limited to:
  - 6.7.1 fire and other physical risks;
  - 6.7.2 loss of rent;
  - 6.7.3 third party or public liability;
  - 6.7.4 structural or latent defect;
  - 6.7.5 indemnities of any kind; or
  - 6.7.6 other matters as the Receiver considers necessary or desirable,and to make, prove, negotiate, adjust or enforce any claim on any Insurances whether effected by the Relevant Chargor or the Receiver.

## **7 Leases**

- 7.1 To grant any lease or tenancy for any term, at any or no rent, with or without any premium on such terms as the Receiver considers necessary or desirable.
- 7.2 To accept the surrender or renunciation of any lease or tenancy, whether or not for the purpose of enabling a new lease to be granted on such terms as the Receiver considers necessary or desirable, including any payment to the tenant on such surrender or renunciation.
- 7.3 To give an effectual receipt for any premium payable on any grant, surrender or renunciation of any lease or tenancy.

7.4 To exercise, observe and perform any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of any Secured Property, whether as landlord and/or tenant, at common law or by statute.

7.5 To initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy.

## **8 Equipment**

8.1 To sever and sell, or dispose of separately from any Secured Property containing it, any Equipment without the consent of the relevant Chargor.

8.2 To substitute, repair or improve the Equipment or any part of it.

## **9 VAT**

To exercise any option or right of election available in law to the Relevant Chargor or the Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax.

## **10 Enter into, vary and execute documents**

10.1 To sign, seal using the company seal of the Relevant Chargor, execute, deliver, complete and perfect all notices and documents, whether agreements or deeds for exercising, observing and performing any of the powers, obligations or duties conferred or imposed on the Relevant Chargor by this Deed or by any law in respect of the Security Assets, all as the Receiver considers necessary or desirable.

10.2 To agree any variation, modification or determination of any existing deeds or agreements and enter into, make or obtain any new agreement or deeds as the Receiver considers may be necessary or desirable.

## **11 Receipts**

To give valid receipts for all moneys or realisation proceeds in respect of any Security Asset.

## **12 Book debts**

To sell or assign or otherwise dispose of book debts in any manner and on the terms the Receiver considers necessary or desirable.

## **13 Dealings with a company**

To promote, incorporate, manage or wind up, either alone or with others, any company, which may or may not be a Subsidiary of the Relevant Chargor, either for the purposes of:

13.1 disposing of any Security Asset to that company;

13.2 undertaking works on or providing services to the occupiers of any Security Asset; and/or

13.3 realising any Security Asset,

as the Receiver considers necessary or desirable.

**14 Use of moneys**

To utilise any moneys received to finance any expenditure from time to time incurred in connection with, the powers set out in this Schedule in advance of any other payments.

**15 Borrow**

To borrow, raise or secure the payment of money which may be required for the exercise of any of the powers conferred by this Deed, to create Security over any of the Security Assets in whatever form, or provide collateral, which may be granted in priority to the Security created by this Deed and the Permitted Security, as the Receiver considers necessary or desirable.

**16 Lend**

To lend money and make available any facility to the Relevant Chargor, any Obligor or to such other person as the Receiver considers necessary or desirable.

**17 Uncalled capital**

To make calls of whatever nature on the members of the Relevant Chargor for uncalled capital and to request payment of such uncalled capital and enforce such payment in accordance with the constitutional documents of the Relevant Chargor.

**18 Voting rights**

To exercise all voting rights which the Relevant Chargor may exercise as a member of a company, other corporate or legal entity.

**19 Authorisations**

To obtain, renew, extend, amend or otherwise deal with Authorisations relating to (i) the Security Assets, (ii) its business, (iii) trade and (iv) ordinary activities as the Receiver considers necessary or desirable.

**20 Employees and contractors**

20.1 To employ or appoint staff, solicitors, accountants, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers, managers, officers, agents and other personnel or professional advisers on the terms and at such remuneration as the Receiver considers necessary or desirable.

20.2 To discharge any such person or persons referred to in paragraph 20.1 appointed by the relevant Chargor, officer or delegate of the relevant Chargor.

**21 Proceedings**

To take, defend, appeal, enforce, abandon or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent

expert) concerning or incidental to the Security Assets, any claims in relation to the relevant Chargor, or any of the powers set out in this Schedule.

**22      Compromise**

To make any arrangement, settlement, compromise, or enter into any contract, or refer to arbitration any claim or dispute by any person who is a creditor or the relevant Chargor or in relation to any of the Security Assets which the Receiver considers necessary or desirable.

**23      Redeem prior Security**

To redeem any prior Security and settle any liabilities outstanding for which that Security had been granted.

**24      Delegation**

To delegate all or any power or action of a Receiver under this Deed.

**25      Incidental powers**

To take any other actions which the Receiver:

- 25.1      considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them;
- 25.2      considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
- 25.3      may undertake as agent of the Relevant Chargor.

**Schedule 5**

**Forms of letter to and from Occupational Tenants**

**Part 1 - Notice to Occupational Tenant**

To: [Occupational tenant]

[date]

Dear Sirs

**Re: [Insert a description of the Real Property]**

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

We refer to the lease dated [ ] and made between [ ] and [ ] (the "**Lease**") in respect of the real property known as [ ], title number [ ] and located at [*insert the address*].

This letter constitutes notice to you that under the Security Agreement we have assigned (by way of security) to [*Security Agent*] (as trustee for itself and certain other banks and financial institutions, the "**Security Agent**") all our rights under the Lease.

You may continue to act on our instructions, until you receive notice from the Security Agent to the contrary.

The provisions of this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter is governed by English law.

Please confirm your acknowledgement of the above by signing the attached acknowledgement and returning it to the Security Agent at [*insert Security Agent's address*] with a copy to us.

Yours faithfully

.....  
**For [Insert name of relevant Chargor]**

**Part 2**

**Acknowledgement from Occupational Tenant**

To: Bayerische Landesbank

Attention: [ ]

[Date]

Dear Sirs

**Re: [Insert a description of the Real Property ]**

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

We confirm receipt from [insert name of relevant Chargor] (the "**Chargor**") of a notice dated [ ] (the "**Notice**") in relation to the Lease (as defined in the Notice) in respect of the real property known as [ ], title number [ ] and located at [insert the address].

We acknowledge receipt of the Notice.

We confirm that we have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease.

This letter is governed by English law.

Yours faithfully

.....  
**For [Insert name of occupational tenant]**

## Schedule 6

### Forms of letter to and from Account Bank

#### Part 1 - Notice to Account Bank regarding the Controlled Accounts

To: [insert name and address of Account Bank]

[Date]

Dear Sirs

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

We refer to the following accounts which we hold with you:

(a) [*insert account number and sort code of each of the Controlled Accounts*]

as they may from time to time be re-designated or re-numbered (each a "**Controlled Account**" and together the "**Controlled Accounts**").

We are writing to give you notice of certain rights in respect of the Controlled Accounts that we have granted to Bayerische Landesbank in its capacities (as applicable) as security trustee for certain banks and financial institutions (the "**Security Agent**").

Under the Security Agreement we have charged by way of first fixed charge in favour of the Security Agent all amounts standing to the credit of each Controlled Account from time to time (each a "**Deposit**" and together the "**Deposits**") and all of our right, title and interest in, and relating to, each Controlled Account.

Regardless of any previous authorisations or instructions which we may have given you and without making any enquiry as to the justification for the matter, we irrevocably authorise and instruct you:

- (a) to disclose to the Security Agent any information relating to us, each Controlled Account and each Deposit which the Security Agent may from time to time request you to disclose to it;
- (b) to hold each Deposit to the order of the Security Agent, and not permit the whole or any part of any Deposit to be withdrawn by us;
- (c) to pay or release all or any part of each Deposit, and generally to act in relation to each Deposit, only in accordance with the written instructions of the Security agent; and
- (d) to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to any Controlled Account or any Deposit which you may receive from the Security Agent.

The instructions and authorisations contained in this letter may not be revoked or varied without the written agreement of the Security Agent.

This letter is governed by English law.

Please acknowledge and confirm the above to the Security Agent in the form attached with a copy to us.

Yours faithfully

.....  
**For [*Insert name of relevant Chargor*]**

Copy: Bayerische Landesbank

## Part 2

### Acknowledgement from Account Bank regarding Controlled Accounts

To: [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-,  
(Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich,  
Germany (as security trustee for certain banks and financial institutions, the  
"Security Agent")]

Attention: [\*\* ]

[Date]

Dear Sirs

**Security Agreement dated [ ] between [insert name of relevant  
Chargor] and Bayerische Landesbank (the "Security Agreement")**

We acknowledge receipt of a notice (the "Notice") from [ ] (the "Chargor")  
dated [ ] that under the Security Agreement it has charged by way of fixed  
charge in favour of] the Security Agent all of the Chargor's right, title and interest in, and  
relating to the Controlled Accounts and the Deposits (the "Security").

Terms defined in the Notice have the same meaning in this letter.

We confirm that:

- 1 we acknowledge receipt of the Notice and accept the authorisations and instructions  
contained in the Notice and we undertake to comply with its terms;
- 2 we have not received notice of:
  - 2.1 any other assignment of, security, or encumbrance over any Deposit or  
Controlled Account; or
  - 2.2 any interest, claim or right in or to either of them by any third party,and we shall promptly give you notice of any such actual, potential or asserted  
assignment, security, encumbrance, interest, claim or right of which we become  
aware;
- 3 we do not, and will not, hold or otherwise have the benefit of any Security or other  
encumbrance over any Controlled Account or any Deposit other than in our capacity  
as Security Agent for the Secured Parties referred to in the Security Agreement; and
- 4 we will not exercise any right of combination, consolidation, merger or set-off which  
we may have in respect of any Controlled Account or any Deposit.

We are aware that you are relying on this letter in connection with your rights under the  
Security.

This letter is governed by English law.

Yours faithfully

.....  
**For and on behalf of [*Account Bank*]**

copy: [*Insert name of the relevant Chargor*]

**Part 3**  
**Notice to Account Bank regarding the Operating Account**

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

*[Date]*

Dear Sirs

**Security Agreement dated [ ] between *[insert name of relevant Chargor]* and Bayerische Landesbank (the "Security Agreement")**

- 1 We are writing to give you notice of certain rights in respect of the *[insert Account Number/Sort Code for the Operating Account]* (the "**Operating Account**") that we have granted to Bayerische Landesbank in its capacities (as applicable) as security trustee for certain banks and financial institutions (the "**Security Agent**").
- 2 Under the Security Agreement we have charged in favour of the Security Agent by way of first floating charge, all our rights in respect of any moneys standing to the credit of the Operating Account.
- 3 We notify you that:
  - 3.1 after you have received notice from the Security Agent under paragraph 5 of this letter, we may not withdraw any moneys from the Operating Account without first obtaining the prior written consent of the Security Agent;
  - 3.2 there is a prohibition in the Security Agreement on the creation of any further Security over the Operating Account; and
  - 3.3 you are authorised to disclose information relating to the Operating Account to the Security Agent on the request of the Security Agent.
- 4 After you have received notice from the Security Agent under paragraph 5 of this letter, we irrevocably authorise and instruct you to:
  - 4.1 hold all moneys from time to time standing to the credit of the Operating Account to the order of the Security Agent; and
  - 4.2 pay all or any part of those moneys to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent to that effect.
- 5 By counter-signing this notice the Bank confirms that we may make withdrawals from the Operating Account until such time as the Security Agent shall notify you (with a copy to us) in writing that its permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

The instructions in this letter may not be revoked or amended without the prior written consent of the Security Agent.

This letter is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany] with a copy to us.

Yours faithfully

-----  
**[*relevant Chargor*]**

-----  
**Bayerische Landesbank**

#### **Part 4**

#### **Acknowledgement from Account Bank regarding Operating Account**

To: [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-,  
(Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich,  
Germany] (as security trustee for certain banks and financial institutions,  
the **Security Agent**)

Attention: [ ]

[Date]

Dear Sirs

#### **Security Agreement dated [ ] between [*insert name of relevant Chargor*] and Bayerische Landesbank (the "Security Agreement")**

We acknowledge receipt of a notice (the "**Notice**") from [ ] (the "**Chargor**") dated [ ] that under the Security Agreement it has charged by way of floating charge in favour of the Security Agent all of the Chargor's right, title and interest in, and relating to the Operating Account (the "**Security**").

Terms defined in the Notice have the same meaning in this letter.

We confirm that:

- 1 we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- 2 we have not received notice of:
  - 2.1 any other assignment of, Security or encumbrance over the Operating Account; or
  - 2.2 any interest, claim or right in or to it by any third party,and we shall promptly give you notice of any such actual, potential or asserted assignment, Security, encumbrance, interest, claim or right of which we become aware;
- 3 we do not, and will not, hold or otherwise have the benefit of any Security or other encumbrance over the Operating Account; and
- 4 we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the Operating Account.

We are aware that you are relying on this letter in connection with your rights under the Security.

This letter is governed by English law.

Yours faithfully

.....  
(Authorised signatory)  
**[Account Bank]**

## Schedule 7

### Forms of letter for Insurances and acknowledgement

To: **[insert name and address of insurance company]**

Attention: [ ]

[Date]

Dear Sirs

#### Notice of assignment

1 We refer to the *[specify the relevant insurance policy]* dated [ ] between us and you (the "**Policy**").

2 We notify you that:

under a Security Agreement dated [ ] between us and Bayerische Landesbank (the "**Security Agent**") we have assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the **Secured Parties**) all our right, title and interest in and to, and all benefits accruing under, the Policy;

2.1 we may not agree to amend or terminate the Policy without the prior written consent of the Security Agent;

2.2 until you receive written notice to the contrary from the Security Agent that an Event of Default has occurred and is continuing, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to the following account in our name: *[insert details of relevant Controlled Account]*;

2.3 after receipt of written notice in accordance with paragraph 2.2 we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Agent; and

2.4 you are authorised to disclose information relating to the Policy to the Security Agent on request of the Security Agent.

3 We request that you:

3.1 after receipt of written notice in accordance with paragraph 2.2, ensure that all moneys to which we are entitled under the Policy are credited to any account of the Security Agent specified by the Security Agent (and are not paid to us);

3.2 immediately note on the Policy the Security Agent's security under the Security Agreement; and

3.3 give the Security Agent not less than 30 days' written notice of you terminating the Policy or allowing the Policy to lapse.

4 Please sign and return the enclosed copy of this notice to the Security Agent at [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany] (with a copy to us) to confirm that you:

- 4.1 agree to the terms of this notice and to act in accordance with its provisions;
- 4.2 have not received notice that we have assigned our rights under the Policy to a third party or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party; and
- 4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Policy.

The provisions of this notice are governed by English law.

Yours faithfully

.....  
for and on behalf of [***insert name of relevant Chargor***]

Copy to: Security Agent

**[On acknowledgement copy]**

To: [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany]

Copy to: [***insert name and address of relevant Chargor***]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....  
for and on behalf of [***insert name of insurance company***]

Date: [ ]

## Schedule 8

### Forms of letter for assigned agreements and acknowledgement

To: [insert name and address of counterparty]

Attention: [ ]

[Date]

Dear Sirs

#### Notice of assignment

- 1 We refer to the [specify the relevant assigned agreement] dated [ ] between us and you (the "**Agreement**").
- 2 We notify you that:
  - 2.1 under a Security Agreement dated [ ] between, among others, us and Bayerische Landesbank (the "**Security Agent**") we have assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the "**Secured Parties**") all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Secured Parties;
  - 2.2 we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent;
  - 2.3 until you receive written notice to the contrary from the Security Agent that an Event of Default has occurred and is continuing, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: [insert details of relevant Controlled Account];
  - 2.4 after receipt of written notice in accordance with paragraph 2.3 we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Security Agent; and
  - 2.5 you are authorised to disclose information relating to the Agreement to the Security Agent on request of the Security Agent.
- 3 We request that you:
  - 3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Security Agent specified in that notice (and are not paid to us);
  - 3.2 give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and

3.3 give the Security Agent not less than 30 days' written notice of you terminating the Agreement.

4 Please sign and return the enclosed copy of this notice to the Security Agent at [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany] (with a copy to us) to confirm that you:

4.1 agree to the terms of this notice and to act in accordance with its provisions;

4.2 have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and

4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set-off, counter-claim or other right relating to the Agreement.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....  
for and on behalf of [***insert name of relevant Chargor***]

Copy to: Security Agent

[***On acknowledgement copy***]

To: [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany]

Copy to: [***insert name and address of relevant Chargor***]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....  
for and on behalf of [***insert name of counterparty***]

Date: [ ]

## Schedule 9

### Form of notice for Derivative Contracts and acknowledgment

To: [insert name and address of counterparty]

Attention: [ ]

Date: [ ]

Dear Sirs

#### Notice of charge

- 1 We refer to the [specify the relevant Derivative Contract] dated [ ] between us and you (the "**Agreement**").
- 2 We notify you that:
  - (a) under a Security Agreement dated [ ] between, among others, us and Bayerische Landesbank (the "**Security Agent**") we have granted to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the "**Secured Parties**") a fixed charge over our right to receive all moneys payable under the Agreement, including any and all sums due and payable to us under the Agreement following an Early Termination Date as defined in the Agreement and (subject always to all rights of netting and set-off contained in the Agreement) all rights to require and enforce the payment of those sums, as security for certain obligations owed to the Secured Parties;
  - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Agent; and
  - (c) you are authorised to disclose information relating to the Agreement to the Security Agent on request.
- 3 We request that you:
  - (a) ensure that all moneys payable to us under the Agreement are credited to an account nominated by the Security Agent (and are not paid to us)/[insert the Rent Account details (see clause 17.3 of Facility Agreement), unless as a result close-out or termination has occurred in which case insert Deposit Account details (see clause 17.4 of Facility Agreement)];
  - (b) give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and
  - (c) give the Security Agent not less than 30 days' written notice from the earlier of you terminating or giving notice to terminate the Agreement.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:
  - (a) agree to the terms of this notice and to act in accordance with its provisions; and

(b) have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....  
for and on behalf of [*insert name of relevant Chargor*]

Copy to: Bayerische Landesbank

**[On acknowledgement copy]**

To: [Bayerische Landesbank as Security Agent, Mid Office, Agency Desk -6011-, (Attn.: Mr Marcel Wiemann), Brienner Str. 18, 80333 Munich, Germany]

Copy to: [*insert name and address of relevant Chargor*]

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....  
for and on behalf of [*insert name of counterparty*]

Date: [ ]

**Schedule 10**  
**Form of Legal Mortgage**

**Dated [            ]**

**(1)** *[insert name of Chargor]*  
**(the Chargor)**

**and**

**(2)** **Bayerische Landesbank**  
**(the Security Agent)**

**Stephenson Harwood LLP**  
1 Finsbury Circus, London EC2M 7SH  
T: +44 20 7329 4422 | F: +44 20 7329 7100  
DX: 64 Chancery Lane | [www.shlegal.com](http://www.shlegal.com)

**STEPHENSON  
HARWOOD**

**This deed** is dated [ ] between:

- (1) [**Chargor**], a company incorporated under the laws of [England and Wales] with registered number [ ] having its registered office at [ ] (the **Chargor**); and
- (2) **Bayerische Landesbank** as security trustee for the Secured Parties (the **Security Agent**).

**This deed witnesses as follows:**

## **1 Definitions and interpretation**

### **1.1 Definitions**

Words and expressions defined in the Facility Agreement and the Security Agreement have the same meanings in this Mortgage unless they are expressly defined in it, and in addition:

**"Facility Agreement"** means the facility agreement dated [ ] [on or around the date of this Deed] [on or around that date of the Security Agreement] between, among others, the Chargor and others as Obligors, the Arranger, the Original Lenders, the Hedge Counterparty, the Agent and the Security Agent.

**"Security Agreement"** means the security agreement dated [ ] [on or about the date of this Deed] [on or about the date of the Facility Agreement] between the Chargor and others and the Security Agent.

### **1.2 Interpretation**

This Mortgage takes effect as a deed even if it is signed under hand on behalf of the Security Agent.

## **2 Incorporation of provisions into each Legal Mortgage**

Clauses 1.2 (*Construction*), 1.3 (*Third party rights*), 1.6 (*Incorporation of terms from the Facility Agreement*), 7 (*Undertakings relating to the Security Assets*), 9 (*Enforcement*), 10 (*Appointment and powers of Receivers*), 11 (*Protection of purchasers*), 12 (*Protection of the Secured Parties and Receivers*), 13 (*Preservation of Security*), 14 (*Tacking for further advances*), 15 (*Further assurance*), 16 (*Power of attorney*), 17 (*Discharge of Security*), 18 (*Contractual recognition of bail-in*

The Parties agree that Clause 1.7 (*Contractual recognition of bail-in*) of the Facility Agreement shall be deemed to be set out in full in this Deed with all references to "any Finance Document" or "the Finance Documents" being replaced with a reference to "this Deed".

Governing law) and 20 (*Enforcement*) of the Security Agreement are deemed to form part of this Deed as if expressly incorporated into this Deed and as if references in those Clauses to (a) the Security Agreement were references to this Deed and (b) the Security Assets were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Security Agent by or pursuant to this Deed.

### **3 Nature of security created**

All of the Security created under this Mortgage is created:

- 3.1 in favour of the Security Agent as trustee for the Secured Parties;
- 3.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;
- 3.3 (except in the case of assets which are the subject of a legal mortgage under this Mortgage) over all present and future assets of the kind described which are owned by the Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and
- 3.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### **4 Fixed security**

The Chargor:

- 4.1 charges by way of first legal mortgage its Real Property including those listed in the Schedule, (*Real Property charged by way of legal mortgage*); and
- 4.2 charges, to the extent not subject to the charge by way of legal mortgage in clause 5, by way of first fixed charge its Real Property which it has now or which it owns and which it may subsequently acquire.

### **5 Application to Land Registrar**

The Chargor shall apply to HM Land Registry in Form RX1 and consents to the registration against the registered titles specified in the Schedule (*Real Property charged by way of legal mortgage*) of:

- 5.1 a restriction in the following terms:

"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 [*the date of this Mortgage*] in favour of [*insert name of Security Agent*] referred to in the charges register or their conveyancer. (Form P)"; and
- 5.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

### **6 Negative pledge**

The Chargor shall not create or permit to subsist any Security over any Security Asset except for Permitted Security.

## **7 Governing law**

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

**Executed** as a deed and delivered on the date appearing at the beginning of this Deed.

**Schedule****Real Property charged by way of legal mortgage**

<b>Description address</b>	<b>Title number</b>
The land known as Mcarthur Glen Designer Outlet, Kimberley Way, Ashford as shown edged red (but excluding the land edged and numbered 1 and 2 in blue and hatched blue) on the title plan as at the date of this Deed and registered at HM Land Registry with title number K831017.	K831017
The land known as Asda Stores Ltd, Kimberley Way, Ashford (TN24 0SE) as shown edged red (but excluding the land tinted pink) on the title plan as at the date of this Deed and registered at HM Land Registry with Title Number K787252.	K787252
The land known as land at Mcarthur Glen Designer Outlet, Kimberley Way, Ashford as shown edged red (but excluding the land tinted pink) on the title plan as at the date of this Deed and registered at HM Land Registry with Title Number K824115.	K824115
The land known as Romney Marsh Road, Ashford as shown edged red on the title plan as at the date of this Deed and registered at HM Land Registry with Title Number TT59331.	TT59331
The land known as Romney Marsh Road, Ashford as shown edged red on the title plan as at the date of this Deed and registered at HM Land Registry with Title Number TT109741.	TT109741

**EXECUTION PAGE TO LEGAL MORTGAGE**

**The Charger**

**Executed** as a **deed** by **[Chargor]**  
acting by a director in the presence of:

\_\_\_\_\_ Director  
signature

signature  
of witness  
.....

\_\_\_\_\_

print name

name  
.....

print name of witness

address

**Security Agent**

**Signed** by for and on behalf of  
**Bayerische Landesbank**

----- Signatory  
signature

-----

print name

----- Signatory  
signature

-----

print name

Address: Bayerische Landesbank as Security Agent  
Mid Office Agency Desk – 6011-  
Brienner Str.18, 80333 Munich, Germany

FAO: Ms. Jitka Svarc/Ms. Patricia Imrich

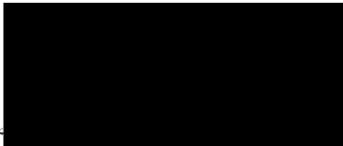
Email: Jitka.svarc@bayernlb.de; patricia.imrich@bayernlb.de

**EXECUTION PAGE TO SECURITY AGREEMENT**

**The Chargors**

**(1) The General Partner**

**Executed as a deed by Ashford Investor (General Partner) Limited** acting by a director in the presence of:

 Director  
signature

signature of witness



Simon Johnston  
print name

name

Jasmin Chiu

address



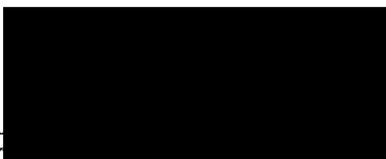
Address : Nations House,  
103 Wigmore Street,  
London W1U 1WH

FAO : Chief Financial Officer

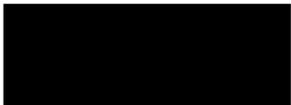
Email : Mark.Epstein@mcarthurglen.com

**(2) The Borrower**

**Executed as a deed by The Ashford Investor Limited Partnership** acting by its general partner Ashford Investor (General Partner) Limited acting by a director in the presence of:

 Director  
signature

signature of witness



Simon Johnston  
print name

name

Jasmin Chiu

address



Address : Nations House,  
103 Wigmore Street,  
London W1U 1WH

FAO : Chief Financial Officer

Email : Mark.Epstein@mcarthurglen.com

**(3) The Trustees**

**Executed as a deed by Ashford Investor (General Partner) Limited** acting by a director in the presence of:



Director

signature

signature of witness



Simon Johnston

print name

name

Jasmin Chiu

print name of witness

address



Address : Nations House,  
103 Wigmore Street,  
London W1U 1WH

FAO : Chief Financial Officer

Email : Mark.Epstein@mcarthurglen.com

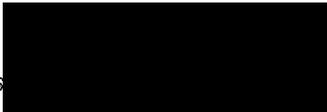
**Executed as a deed by Ashford Investor (Partnership Trustco) Limited** acting by a director in the presence of:



Director

signature

signature of witness



Simon Johnston

print name

name

Jasmin Chiu

address



Address : Nations House,  
103 Wigmore Street,  
London W1U 1WH

FAO : Chief Financial Officer

Email : Mark.Epstein@mcarthurglen.com

**(4) Ashford 1**

**Executed as a deed by BMG  
(Ashford) Limited Partnership**  
acting by its general partner BMG  
(Ashford) General Partner Limited  
acting by a director in the presence of:



Director

signature

**Ross Baker**

print name

of witness



name **Harry Newcombe**

print name of witness

address

Address : The Compass Centre,  
Nelson Road, Hounslow,  
Middlesex, TW6 2GW

FAO : Patrick Dawe-Lane

Email : Patrick\_Dawe-Lane@heathrow.com

**(5) The Ashford 1 General Partner**

**Executed as a deed by BMG  
(Ashford) General Partner Limited**  
acting by a director in the presence of:



Director

signature

**Ross Baker**

print name

signature  
of witness



name **Harry Newcombe**

print name of witness

address



Address : The Compass Centre,  
Nelson Road, Hounslow,  
Middlesex, TW6 2GW

FAO : Patrick Dawe-Lane

Email : Patrick\_Dawe-Lane@heathrow.com

**(6) The Ashford 1 Trustees**

**Executed as a deed by BMG  
(Ashford) General Partner Limited**  
acting by a director in the presence of:



Director

signature

signature



Ross Baker

name

Harry Newcombe

print name of witness

address

Address : The Compass Centre,  
Nelson Road, Hounslow,  
Middlesex, TW6 2GW

FAO : Patrick Dawe-Lane

Email : Patrick\_Dawe-Lane@heathrow.com

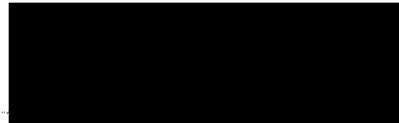
**Executed as a deed by BMG  
(Ashford) Partnership Trustco  
Limited** acting by a director in the  
presence of:



Director

signature

signature  
of witness



Ross Baker

print name

name

Harry Newcombe

print name of witness

address

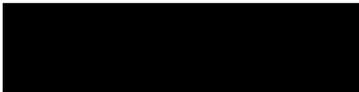
Address : The Compass Centre,  
Nelson Road, Hounslow,  
Middlesex, TW6 2GW

FAO : Patrick Dawe-Lane

Email : Patrick\_Dawe-Lane@heathrow.com

**(7) The Vendor**

**Executed as a deed by BMG  
(Ashford) Limited** acting by a director  
in the presence of:



Director

signature

signature  
of witness



Ross Baker

print name

name

Harry Newcombe

print name of witness

address

Address : The Compass Centre,  
Nelson Road, Hounslow,  
Middlesex, TW6 2GW

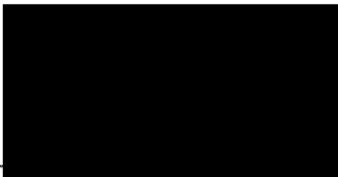
FAO : Patrick Dawe-Lane

Email : Patrick\_Dawe-Lane@heathrow.com

**(8) The Security Agent**

**Security Agent**

**Signed** by for and on behalf of  
**Bayerische Landesbank**

 Authorised  
Signatory

signature

Jens Preisker

print name

 Authorised  
Signatory

signature

Jitka Svarc

print name

Address: Bayerische Landesbank as Security Agent

Mid Office Agency Desk – 6011-

Brienner Str.18, 80333 Munich, Germany

FAO: Ms. Jitka Svarc/Ms. Patricia Imrich

Email: Jitka.svarc@bayernlb.de; patricia.imrich@bayernlb.de