



**Registration of a Charge**

Company name: **FLEXI STORE SELF STORAGE LIMITED**

Company number: **04713546**



X8KH4RN6

Received for Electronic Filing: **17/12/2019**

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**Details of Charge**

Date of creation: **10/12/2019**

Charge code: **0471 3546 0003**

Persons entitled: **LLOYDS BANK PLC**

Brief description: **UNIT 8 IONIC PARK, BIRMINGHAM, NEW ROAD, DUDLEY DY1 4SJ  
WITH TITLE NUMBER WM866739. PLEASE SEE SCHEDULE 1 TO THE  
INSTRUMENT FOR OTHER CHARGED PROPERTIES.**

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **WE 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 PART OF THE  
CHARGING INSTRUMENT SIGNED BY OR ON BEHALF OF THE**

**CHARGOR, AND A CORRECT COPY OF THE SIGNATURE PAGE TO EACH OTHER PART OF SUCH CHARGING INSTRUMENT.**

Certified by:

**DENTONS UK AND MIDDLE EAST LLP**



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

Company number: 4713546

Charge code: 0471 3546 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th December 2019 and created by FLEXI STORE SELF STORAGE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th December 2019 .

Given at Companies House, Cardiff on 18th December 2019

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

大成 DENTONS

## Legal Mortgage

**Dated 10 December 2019**

**Flexi Store Self Storage Limited**  
(Mortgagor)

**Lloyds Bank plc**  
(Security Agent)

Dentons UK and Middle East LLP  
One Fleet Place  
London EC4M 7WS  
United Kingdom  
DX 242

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## Legal Mortgage

Dated 10 December 2019

### Between:

- (1) **Flexi Store Self Storage Limited**, a company incorporated under the laws of England and Wales with registered number 04713546 having its registered office at 127A High Street, Ruislip, Middlesex, HA4 8JN, United Kingdom (the **Mortgagor**); and
- (2) **Lloyds Bank plc** (the **Security Agent**) as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

### Background:

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

### IT IS AGREED as follows:

#### 1 Definitions and Interpretation

##### 1.1 Definitions

In this Deed:

**Act** means the Law of Property Act 1925.

**Agreement for Lease** means an agreement to grant an Occupational Lease for all or part of the Mortgaged Property.

**Collateral Warranty** means any collateral warranty given by any:

- (a) trade or building contractor; or
- (b) architect, engineer, surveyor or other consultant,

in respect of the Mortgaged Property.

**Facility Agreement** means a £52,000,000 senior revolving credit facility agreement dated 18 October 2018 between, among others, (1) Betterstore Self Storage Holdings Limited, (2) Betterstore Self Storage Properties I Limited, (3) the original guarantors listed in Part 1 of Schedule 1 therein, and (4) Lloyds Bank plc, as amended and restated on 1 March 2019 and as further amended on 31 October 2019.

**Insurances** means each contract or policy of insurance to which the Mortgagor is a party or in which it has an interest.

**Lease Document** means:

- (a) an Agreement for Lease; or
- (b) an Occupational Lease.

**Mortgaged Property** means the freehold or leasehold property (whether registered or unregistered) owned by the Mortgagor and specified in Schedule 1 (*Mortgaged Property*).

**Occupational Lease** means any lease or licence or other right of occupation or right to receive rent to which the Mortgaged Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.

**Party** means a party to this Deed.

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

**Relevant Contract** means:

- (a) an appointment of any managing agent appointed by the Mortgagor in respect of the Mortgaged Property; or
- (b) an appointment of any asset manager appointed by the Mortgagor in respect of the Mortgaged Property.

**Rental Income** means the aggregate of all amounts paid or payable to or for the account of the Mortgagor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Mortgaged Property.

**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.

**Security** means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

**Security Asset** means any asset of the Mortgagor which is, or is expressed to be, subject to any Security created by this Deed.

**Security Period** means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents.

## 1.2 Construction

- 1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- 1.2.2 The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- 1.2.3 Unless a contrary indication appears, a reference in this Deed to:
- (a) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (b) any **rights** in respect of an asset includes:
    - (i) all amounts and proceeds paid or payable;
    - (ii) all rights to make any demand or claim; and
    - (iii) all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
  - (c) the term **this Security** means any Security created by this Deed.
- 1.2.4 Each of the mortgages, fixed charges and assignments contained in Clauses 2.2 (*Mortgaged Property*) to 2.6 (*Other contracts*) (inclusive) 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.
- 1.2.5 Any covenant of the Mortgagor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
- 1.2.6 The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.7 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

## 1.3 Third party rights

- 1.3.1 Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed at any time.



- 1.3.3 Any Receiver, any Secured Party or any person described in Clause 9.4 (*Protection of third parties*) 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.

## **2 Creation of Security**

### **2.1 General**

- 2.1.1 The Mortgagor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

- 2.1.2 All the Security created under this Deed:

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

- 2.1.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

### **2.2 Mortgaged Property**

The Mortgagor charges by way of a first legal mortgage all estates or interests in the Mortgaged Property.

### **2.3 Plant and machinery**

To the extent that they are not the subject of a mortgage under Clause 2.2 (*Mortgaged Property*), the Mortgagor charges by way of a first fixed charge all plant and machinery, owned by the Mortgagor and its interest in any plant or machinery in its possession, together with the benefit of all related Authorisations, agreements and warranties.

### **2.4 Insurances**

- 2.4.1 The Mortgagor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under each Insurance.

- 2.4.2 To the extent that they have not been effectively assigned under Clause 2.4.1 above, the Mortgagor charges by way of first fixed charge each Insurance.

### **2.5 Collateral Warranties**

The Mortgagor charges by way of fixed charge all its rights under any Collateral Warranty.

### **2.6 Other contracts relating to the Mortgaged Property**

- 2.6.1 The Mortgagor:

- (a) assigns by way of security absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
  - (i) under each Lease Document;
  - (ii) in respect of all Rental Income;
  - (iii) under any guarantee of Rental Income contained in or relating to any Lease Document; and
  - (iv) under each Relevant Contract.

2.6.2 To the extent that they have not been effectively assigned under paragraph (a) of Clause 2.6.1 above, the Mortgagor charges by way of a first fixed charge all of its rights listed under paragraph (a) of Clause 2.6.1 above.

## 2.7 Trust

If or to the extent that the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, the Mortgagor holds it on trust for the Security Agent.

## 3 Notices of Security

### 3.1 Insurance

The Mortgagor shall:

- (a) promptly after the execution of this Deed or (as the case may be) promptly after the execution of any Insurances entered into after the date of this Deed (to the extent the relevant counterparty has not already been notified of the assignment created under Clause 2.4 (*Insurances*)), give notice to the counterparties to the Insurances of the assignment created under Clause 2.4 (*Insurances*), each such notice to be in the form set out in Part 1 of Schedule 2 (*Forms of Letter for Insurances*) (or other form approved by the Security Agent) and deliver to the Security Agent a certified copy of each notice; and
- (b) use reasonable endeavours to procure that each party served with a notice under paragraph (a) of this Clause countersigns and returns it to the Security Agent as set out in Part 2 of Schedule 2 (*Forms of Letter for Insurances*) as applicable (or in any other form approved by the Security Agent).

### 3.2 Other contracts

The Mortgagor must, at any time at the request of the Security Agent:

- (a) as soon as reasonably practicable serve a notice of assignment or charge (as applicable) (in a form satisfactory to the Security Agent, including as to the request for acknowledgment) on each counterparty to a contract listed in Clause 2.6 (*Other contracts*) and deliver to the Security Agent a certified copy of each notice; and
- (b) use reasonable endeavours to ensure that each such party provides an acknowledgment of that notice to the Security Agent within 14 days of the date of the notice.



#### 4 Representations and warranties

The Mortgagor makes the representations and warranties set out in this Clause 4 to the Security Agent on the date of this Deed and on each day during the Security Period.

##### 4.1 No Security created

The execution by it of this Deed and the exercise of its rights and the performance of its obligations under it will not result in the creation of, or any obligation to create, any Security over or in respect of the Security Assets other than in favour of the Finance Parties.

##### 4.2 Title to Mortgaged Property

###### 4.2.1 The Mortgagor will, from the date of this Deed:

- (a) be the legal and beneficial owner of the Mortgaged Property; and
- (b) have good and marketable title to the Mortgaged Property,

in each case free from Security (other than that created by or pursuant to this Deed) and restrictions and onerous covenants (other than as disclosed in any report on the Mortgaged Property delivered to the Security Agent prior to the date of this Deed).

###### 4.2.2 From the date of this Deed (other than as disclosed in any report on the Mortgaged Property delivered to the Security Agent prior to the date of this Deed):

- (a) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of the Mortgaged Property;
- (b) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting the Mortgaged Property;
- (c) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over the Mortgaged Property;
- (d) all facilities necessary for the enjoyment and use of the Mortgaged Property (including those necessary for the carrying on of its business at the Mortgaged Property) are enjoyed by the Mortgaged Property;
- (e) none of the facilities referred to in paragraph (d) above are enjoyed on terms:
  - (i) entitling any person to terminate or curtail its use of the Mortgaged Property; or
  - (ii) which conflict with or restrict its use of the Mortgaged Property;
- (f) the Mortgagor has not received any notice of any adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of the Mortgaged Property; and

- (g) the Mortgaged Property is held by the Mortgagor free from any lease or licence (other than those entered into in accordance with this Deed).

## **5 General undertakings**

### **5.1 Negative pledge**

Except as expressly allowed under the Facility Agreement or this Deed, the Mortgagor must not create or permit to subsist any Security over any Security Asset.

### **5.2 Disposals**

Except as expressly allowed under the Facility Agreement or this Deed, the Mortgagor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer, loan, or otherwise dispose of all or any part of any Security Asset, or enter into an agreement to make any such disposal.

### **5.3 Preservation of Security Assets**

The Mortgagor shall not:

- (a) enter into any onerous obligation or restriction affecting any Security Asset; or
- (b) do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security created by this Deed or materially diminish the value of any Security Asset or the effectiveness of the Security created by this Deed.

### **5.4 Covenants and payments**

The Mortgagor must:

- (a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment;
- (b) promptly inform the Security Agent if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Security Assets;
- (c) not permit any breach of any bye-laws, other laws and regulations affecting any of the Security Assets; and
- (d) pay or procure the payment of all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

## **6 Insurance undertakings**

### **6.1 The Mortgagor must ensure that at all times during the Security Period Insurances are maintained in full force and effect, which:**

- (a) insure the Mortgagor in respect of its interests in the Mortgaged Property and the plant and machinery on the Mortgaged Property (including fixtures and

improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs);

- (b) provide cover against loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage for a property of the type of the Mortgaged Property;
- (c) provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;
- (d) provide cover against acts of terrorism, including any third party liability arising from such acts;
- (e) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance;
- (f) include property owners' public liability and third party liability insurance;
- (g) include insurance over the Mortgagor's customers' assets;
- (h) insure such other risks as a prudent company or other person in the same business as the Mortgagor would insure; and
- (i) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Security Agent.

6.2 The Mortgagor must procure that the Insurance contains an endorsement noting the interest of the Security Agent (as security trustee for the Secured Parties) as composite insured in respect of its own interest but without:

- (a) any liability on the part of the Security Agent or any other Finance Party or any Delegate for any premium in relation to those Insurances (unless the Security Agent has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any of those Insurances); or
- (b) any obligation on the part of the Security Agent or any other Finance Party to make any disclosure to any insurer or any insurance broker in relation to those Insurances unless and until the Security Agent becomes a mortgagee in possession of the Mortgaged Property, in which circumstance an obligation shall apply on the part of the Security Agent or any other Finance Party to make disclosure to any insurer or any insurance broker in relation to the Insurance or the Insurances in respect of the Mortgaged Property pursuant to the terms of that Insurance or those Insurances.

6.3 The Mortgagor must procure that the Insurances comply with the following requirements:

- (a) each of the Insurances must contain:
  - (i) a non-invalidity and non-vitiation clause under which the Insurances will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any

misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party; and

- (ii) a waiver of the rights of subrogation of the insurer as against the Mortgagor, each Secured Party and the tenants of the Mortgaged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Mortgaged Property or any Insurance.

- (b) each insurer must in the notice give at least 30 days' notice to the Security Agent if it proposes to:

- (i) repudiate, rescind or cancel any Insurance;
- (ii) treat any Insurance as avoided in whole or in part;
- (iii) treat any Insurance as expired due to non-payment of premium; or
- (iv) otherwise decline any claim under any Insurance by or on behalf of any insured party,

and, in respect of paragraph (b)(iii) above, must give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period; and

- (c) the Mortgagor must be free to assign or otherwise grant Security over all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Security Agent.

6.4 The Mortgagor must use all reasonable endeavours to ensure that the Security Agent receives copies of the Insurances, receipts for the payment of premiums for insurance and any information in connection with the Insurances and claims under them which the Security Agent may reasonably require.

6.5 The Mortgagor must promptly notify the Security Agent of:

- (a) the proposed terms of any future renewal of any of the Insurances;
- (b) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;
- (c) any claim, and any actual or threatened refusal of any claim, under any of the Insurances; and
- (d) any event or circumstance which has led or may lead to a breach by the Mortgagor of any term of this Clause.

6.6 The Mortgagor must:

- (a) comply with the material terms of the Insurances;
- (b) not do or permit anything to be done which may make void or voidable any of the Insurances; and

- (c) comply with all reasonable risk improvement requirements of its insurers.

6.7 The Mortgagor must ensure that:

- (a) each premium for the Insurances is paid within the period permitted for payment of that premium; and
- (b) all other things necessary are done so as to keep each of the Insurances in force.

## 7 Property Undertakings

### 7.1 Title

- 7.1.1 The Mortgagor may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 7.1.2 The Mortgagor must promptly take all such steps as may be necessary to enable the Security over the Mortgaged Property created by this Deed to be registered against any relevant title registered at the Land Registry.

### 7.2 Maintenance

- 7.2.1 The Mortgagor must ensure that all buildings, plant, machinery, fixtures and fittings on the Mortgaged Property necessary for the conduct of its business are in, and maintained in good and substantial repair and condition (fair wear and tear excepted) and, as appropriate, in good working order.
- 7.2.2 The Mortgagor must carry out any energy efficiency improvements necessary, or take any other steps necessary, to ensure that at all times each part of the Mortgaged Property which is designed to be let can be let or can continue to be let without breaching any applicable laws or regulations in respect of minimum levels of energy efficiency for properties.

### 7.3 Occupational Leases

- 7.3.1 The Mortgagor may not without the consent of the Security Agent:
  - (a) enter into any Lease Document;
  - (b) enter into any Agreement for Lease;
  - (c) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease;
  - (d) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document;
  - (e) exercise any right to break, determine or extend any Lease Document;
  - (f) commence any forfeiture proceedings in respect of any Lease Document;
  - (g) grant any licence or right to use or occupy any part of the Mortgaged Property;

- (h) consent to any sublease or assignment of any tenant's interest under any Lease Document;
- (i) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease Document; or
- (j) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

7.3.2 The Mortgagor must:

- (a) diligently collect or procure to be collected all Rental Income;
- (b) exercise its rights and comply with its material obligations under each Lease Document; and
- (c) use its reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document,

in a proper and timely manner.

7.3.3 The Mortgagor must supply to the Security Agent a copy of each Lease Document, a copy of each amendment, supplement or extension to a Lease Document and a copy of each document recording any rent review in respect of a Lease Document promptly upon entering into the same.

7.3.4 The Mortgagor may not grant or agree to grant any Lease Document without including in the alienation covenant a provision for the proposed assignor on any assignment to guarantee the obligations of the proposed assignee until that assignee is released as tenant under the terms of the Landlord and Tenant (Covenants) Act 1995.

**7.4 Development**

7.4.1 The Mortgagor may not:

- (a) make or allow to be made any application for planning permission in respect of any part of the Mortgaged Property; or
- (b) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of the Mortgaged Property.

7.4.2 Clause 7.4.1 shall not apply to:

- (a) the making of any application for planning permission or the carrying out of any development (as defined in the Town and Country Planning Act 1990 and the Planning Act 2008) or any change of use of the Mortgaged Property in relation to which the Security Agent has provided its prior written consent;
- (b) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Finance Documents;





- (c) any alterations or improvements which a tenant is entitled to undertake in accordance with the terms of the relevant Lease Document and in respect of which the Mortgagor in its capacity as landlord is required to give its consent pursuant to the terms of that Lease Document; or
- (d) the carrying out of non-structural improvements or alterations which affect only the interior of any building on the Mortgaged Property.

7.4.3 The Mortgagor must comply in all respects with all planning laws, permissions, agreements and conditions to which the Mortgaged Property may be subject.

## 7.5 Notices

The Mortgagor must, within 14 days after the receipt by the Mortgagor of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to the Mortgaged Property (or any part of it):

- (a) deliver a copy to the Security Agent; and
- (b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice; and
- (c) make or join in making any representations which the Security Agent requests in respect of the notice, order or proposal.

## 7.6 Power to remedy

7.6.1 Following the occurrence of an Event of Default which is continuing, the Mortgagor must allow the Security Agent or its agents and contractors:

- (a) to enter any part of the Mortgaged Property;
- (b) to comply with or object to any notice served on the Mortgagor in respect of the Mortgaged Property; and
- (c) to take any action that the Security Agent may reasonably consider necessary to prevent or remedy any breach of any such term or to comply with or object to any such notice.

7.6.2 The Mortgagor must as soon as reasonably practicable on request by the Security Agent pay the costs and expenses of the Security Agent or its agents and contractors incurred in connection with any action taken by it under this Clause.

7.6.3 The Security Agent will not be obliged to account as mortgagee in possession as a result of any action taken under this Clause.

## 7.7 Land Registry

7.7.1 The Mortgagor consents to a restriction in the following terms being entered into on the Register of Title relating to the Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge



dated \*\* in favour of Lloyds Bank plc referred to in the charges register or their conveyancer. (Standard Form P)".

- 7.7.2 The Mortgagor consents to the registration of a notice against the Register of Title relating to the Mortgaged Property registered at the Land Registry that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

## **7.8 Deposit of title deeds**

The Mortgagor must immediately:

- (a) deposit with the Security Agent any deeds and documents necessary to show good and marketable title to the Mortgaged Property which are in the possession of the Mortgagor or the Mortgagor's solicitors (the **Title Documents**);
- (b) procure that the Title Documents are held to the order of the Security Agent; or
- (c) procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

## **7.9 VAT**

The Mortgagor shall not alter the VAT status of the Mortgaged Property.

# **8 When Security Becomes Enforceable**

## **8.1 Event of Default**

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

## **8.2 Discretion**

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

## **8.3 Statutory powers**

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

# **9 Enforcement of Security**

## **9.1 General**

- 9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

- 9.1.2 Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

- 9.1.3 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

## 9.2 No liability as mortgagee in possession

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

## 9.3 Privileges

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

## 9.4 Protection of third parties

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

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

## 9.5 Redemption of prior mortgages

- 9.5.1 At any time after this Security has become enforceable, the Security Agent may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Mortgagor.

- 9.5.2 The Mortgagor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

## 10 Preservation of Security

### 10.1 Reinstatement

If any payment by the Mortgagor 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:



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

## 10.2 Waiver of defences

Neither the Security created by this Deed nor the obligations of the Mortgagor 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:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- (c) 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;
- (d) 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;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- (f) 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
- (g) any insolvency, liquidation, administration or similar procedure.

## 10.3 Mortgagor intent

Without prejudice to the generality of Clause 10.2 (*Waiver of defences*), the Mortgagor 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:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;

- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

any fees, costs and/or expenses associated with any of the foregoing.

#### 10.4 Immediate recourse

The Mortgagor 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 the Mortgagor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

#### 10.5 Appropriations

Following the occurrence of an Event of Default which is continuing, each Secured Party may:

- (a) 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 13 (*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 the Mortgagor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Mortgagor or on account of the Secured Liabilities.

#### 10.6 Deferral of Mortgagor's rights

During the Security Period and unless the Security Agent otherwise directs, the Mortgagor shall not 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:

- (a) to receive or claim payment from, or be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured 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;
- (d) to exercise any right of set-off against any Obligor; and/or
- (e) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

**10.7 Additional Security**

This Legal Mortgage 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 Finance Party.

**11 Receiver****11.1 Appointment of Receiver**

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

- (a) this Security has become enforceable; or
- (b) the Mortgagor so requests to the Security Agent at any time.

11.1.2 Any appointment under Clause 11.1.1 above may be by deed, under seal or in writing under its hand.

11.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

11.1.4 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

11.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

**11.2 Removal**

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

**11.3 Remuneration**

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

**11.4 Agent of the Mortgagor**

11.4.1 A Receiver will be deemed to be the agent of the Mortgagor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Mortgagor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

11.4.2 No Secured Party will incur any liability (either to the Mortgagor or to any other person) by reason of the appointment of a Receiver or for any other reason.



**11.5 Relationship with Security Agent**

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

**12 Powers of Receiver****12.1 General**

12.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred on it by any law. This includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

12.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

**12.2 Possession**

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

**12.3 Carry on business**

A Receiver may carry on any business of the Mortgagor carried out at, or relating to, the Mortgaged Property in any manner he/she thinks fit.

**12.4 Employees**

12.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

12.4.2 A Receiver may discharge any person appointed by the Mortgagor from any duties relating to the Security Assets.

**12.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

**12.6 Sale of assets**

12.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

12.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

- 12.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Mortgagor.

## **12.7 Leases**

A Receiver may let the Mortgaged Property for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of the Mortgaged Property on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

## **12.8 Compromise**

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

## **12.9 Legal actions**

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

## **12.10 Receipts**

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

## **12.11 Subsidiaries**

A Receiver may form a Subsidiary of the Mortgagor and transfer to that Subsidiary any Security Asset.

## **12.12 Delegation**

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

## **12.13 Lending**

A Receiver may lend money or advance credit to any person.

## **12.14 Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Mortgagor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.



**12.15 Other powers**

A Receiver may:

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

**13 Application of Proceeds**

All amounts from time to time received or recovered by the Security Agent or any Receiver following the enforcement of the Security created by this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Intercreditor Agreement. This Clause 13:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from the Mortgagor.

**14 Delegation****14.1 Power of Attorney**

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

**14.2 Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

**14.3 Liability**

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

**15 Further Assurances**

15.1.1 The Mortgagor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require (acting reasonably) for:

- (a) creating, perfecting or protecting any security over any Security Asset; or

- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

15.1.2 The action that may be required under Clause 15.1.1 above includes:

- (a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees;
- (b) the giving of any notice, order or direction and the making of any filing or registration; or
- (c) while any Event of Default is continuing, assigning any Collateral Warranty capable of assignment to any person nominated by the Security Agent or any Receiver,

which, in any such case, the Security Agent may consider necessary or desirable.

## **16 Power of Attorney**

### **16.1 Power of Attorney**

The Mortgagor, by way of security, irrevocably appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates jointly and severally to be its attorney with the full power and authority of the Mortgagor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Mortgagor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Mortgagor ratifies and confirms whatever lawful acts any attorney does or purports to do under its appointment under this Clause 16.

### **16.2 Exercise of Power of Attorney**

Prior to the occurrence of an Event of Default which is continuing, any attorney appointed under Clause 16.1 (*Power of Attorney*) may only act as the Mortgagor's attorney to carry out any obligation of the Mortgagor under or pursuant to this Deed which the Mortgagor has failed to satisfy.

## **17 Miscellaneous**

### **17.1 Registration at Companies House**

The Mortgagor consents to the registration of this Deed at Companies House pursuant to Part 25 of the Companies Act 2006.

### **17.2 Continuing Security**

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

**17.3 Tacking**

The Security Agent confirms on behalf of the Lenders (without any personal liability) that each Lender will perform its obligations under the Facility Agreement (including any obligation to make any further advances).

**17.4 New Accounts**

17.4.1 If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Mortgagor.

17.4.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

17.4.3 As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

**17.5 Time deposits**

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Mortgagor has with any Secured Party within the Security Period when:

- (a) this Security has become enforceable; and
- (b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

**17.6 Payments without deduction**

All payments to be made by the Mortgagor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

**18 Release**

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 Finance Parties must, at the request and cost of the Mortgagor, take whatever action is necessary to release its Security Assets from this Security.

**19 Calculations and certificates****19.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Agent or any other Secured Party are *prima facie* evidence of the matters to which they relate.

**19.2 Certificates and determinations**

Any certification or determination by the Security Agent or any other Finance Party of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

**20 Partial invalidity**

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

**21 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

**22 Amendments and waivers**

Any term of this Deed may be amended or waived only with the written consent of the Mortgagor and the Security Agent.

**23 Counterparts**

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

**24 Governing law and enforcement**

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

**24.1 Jurisdiction**

24.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).

24.1.2 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.

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



## Schedule 1 – Mortgaged Property

### 1 Dudley Property

Description of the Property	Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ
Description of Lease (lease, underlease, licence, date and parties)	Lease of the Property dated 13 September 2005 between (1) Westowe Properties Limited and (2) Alan Ward Limited
Registered/unregistered	Registered
Title number (if registered)	WM866739

### 2 Shrewsbury Property

Description of the Property	Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA
Description of Lease (lease, underlease, licence, date and parties)	Underlease of the Property dated 7 October 2019 between (1) Alan Ward Limited and (2) Flexi Store Self Storage Limited
Registered/unregistered	To be registered
Title number (if registered)	To be allocated

### 3 Warrington Property

#### Existing Lease

Description of the Property	1 Colville Court, Winwick Quay, Warrington WA2 8QT
Description of Lease (lease, underlease, licence, date and parties)	Lease of the Property dated 26 February 2007 between (1) AXA Sun Life PLC (2) Flexi Store Self Storage Limited and (3) Alan Ward Limited
Registered/unregistered	Registered
Title number (if registered)	CH560305

#### Reversionary Lease

Description of the Property	1 Colville Court, Winwick Quay, Warrington WA2 8QT
Description of Lease (lease, underlease, licence, date and parties)	Reversionary lease of the Property dated 10 December 2019 between (1) Coal Pension Properties Limited, (2) Flexi Store Self Storage Limited and (3) Betterstore Self Storage Holdings Limited
Registered/unregistered	To be registered
Title number (if registered)	To be allocated

## Schedule 2 – Form of Letter for Insurers

### Part 1– Notice to Insurer

To: [Insurer]

Copy: Lloyds Bank plc (as Security Agent as defined below), 4th Floor, 25 Gresham Street, London, EC2V 7HN, FAO Steven Kerr

[Date]

Dear Sirs,

**Legal Mortgage dated \*\* between Flexi Store Self Storage Limited and Lloyds Bank plc (the Legal Mortgage)**

This letter constitutes notice to you that under the Legal Mortgage we have assigned absolutely (by way of security), to Lloyds Bank plc (as trustee for the Secured Parties as referred to in the Legal Mortgage, the **Security Agent**) all our rights in respect of in respect of Commercial Combined Insurance Policy Number Y089608QBE0119A and any other present or future contract or policy of insurance in relation to the leasehold interests held by us in the following properties:

- (a) 1 Colville Court, Winwick Quay, Warrington WA2 8QT (registered on title number CH560305 and a reversionary lease to be allocated a separate title number);
- (b) Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ (registered on title number WM866739); and
- (c) Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA (to be allocated with a title number),

to which we are a party or in which we have an interest (the **Insurance**).

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Legal Mortgage has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at Lloyds Bank plc, 4th Floor, 25 Gresham Street, London, EC2V 7HN, FAO Steven Kerr with a copy to us.

Yours faithfully,

A large black rectangular redaction box covering the signature of the sender.

**Flexi Store Self Storage Limited**



## Part 2 – Acknowledgement of Insurer

To: Lloyds Bank plc (as Security Agent), 4th Floor, 25 Gresham Street, London, EC2V 7HN,  
FAO Steven Kerr

Copy: Flexi Store Self Storage Limited

[Date]

Dear Sirs,

**Legal Mortgage dated \*\* between Flexi Store Self Storage Limited and Lloyds Bank plc (the Legal Mortgage)**

We confirm receipt from Flexi Store Self Storage Limited (the **Mortgagor**) of a notice dated \*\* (the **Notice**) of an assignment on the terms of the Legal Mortgage of all the Mortgagor's rights in respect of Commercial Combined Insurance Policy Number Y089608QBE0119A and any other present or future contract or policy of insurance in relation to the leasehold interests held by us in the following properties:

- (a) 1 Colville Court, Winwick Quay, Warrington WA2 8QT (registered on title number CH560305 and a reversionary lease to be allocated a separate title number);
- (b) Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ (registered on title number WM866739); and
- (c) Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA (to be allocated with a title number),

to which we are a party or in which we have an interest (the **Insurance**).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully,

.....  
(Authorised signatory)  
[Insurer]



## Signatories

Executed as a deed by  
**Flexi Store Self Storage Limited**  
acting by a director in the presence of:

Signature of director:

Name of director (in BLOCK CAPITALS):

Signature of witness:

Name of witness (in BLOCK CAPITALS):

Address

**Signed for and on behalf of  
Lloyds Bank plc**

) )



## Legal Mortgage

**Dated 10 December 2019**

**Flexi Store Self Storage Limited**  
(Mortgagor)

**Lloyds Bank plc**  
(Security Agent)

Dentons UK and Middle East LLP  
One Fleet Place  
London EC4M 7WS  
United Kingdom  
DX 242

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## Legal Mortgage

Dated 10 December 2019

### Between:

- (1) **Flexi Store Self Storage Limited**, a company incorporated under the laws of England and Wales with registered number 04713546 having its registered office at 127A High Street, Ruislip, Middlesex, HA4 8JN, United Kingdom (the **Mortgagor**); and
- (2) Lloyds Bank plc (the **Security Agent**) as security trustee for the Secured Parties (as defined in the Facility Agreement defined below).

### Background:

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

### IT IS AGREED as follows:

#### 1 Definitions and Interpretation

##### 1.1 Definitions

In this Deed:

**Act** means the Law of Property Act 1925.

**Agreement for Lease** means an agreement to grant an Occupational Lease for all or part of the Mortgaged Property.

**Collateral Warranty** means any collateral warranty given by any:

- (a) trade or building contractor; or
- (b) architect, engineer, surveyor or other consultant,

in respect of the Mortgaged Property.

**Facility Agreement** means a £52,000,000 senior revolving credit facility agreement dated 18 October 2018 between, among others, (1) Betterstore Self Storage Holdings Limited, (2) Betterstore Self Storage Properties I Limited, (3) the original guarantors listed in Part 1 of Schedule 1 therein, and (4) Lloyds Bank plc, as amended and restated on 1 March 2019 and as further amended on 31 October 2019.

**Insurances** means each contract or policy of insurance to which the Mortgagor is a party or in which it has an interest.

**Lease Document** means:

- (a) an Agreement for Lease; or
- (b) an Occupational Lease.

**Mortgaged Property** means the freehold or leasehold property (whether registered or unregistered) owned by the Mortgagor and specified in Schedule 1 (*Mortgaged Property*).

**Occupational Lease** means any lease or licence or other right of occupation or right to receive rent to which the Mortgaged Property may at any time be subject and includes any guarantee of a tenant's obligations under the same.

**Party** means a party to this Deed.

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

**Relevant Contract** means:

- (a) an appointment of any managing agent appointed by the Mortgagor in respect of the Mortgaged Property; or
- (b) an appointment of any asset manager appointed by the Mortgagor in respect of the Mortgaged Property.

**Rental Income** means the aggregate of all amounts paid or payable to or for the account of the Mortgagor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Mortgaged Property.

**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.

**Security** means a mortgage, charge, pledge, lien, assignment by way of security, retention of title provision, trust or flawed asset arrangement (for the purpose of, or which has the effect of, granting security) or other security interest securing any obligation of any person or any other agreement or arrangement in any jurisdiction having a similar effect.

**Security Asset** means any asset of the Mortgagor which is, or is expressed to be, subject to any Security created by this Deed.

**Security Period** means the period beginning on the date of this Deed and ending on the date on which:

- (a) all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and
- (b) no Secured Party is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents.

## 1.2 Construction

- 1.2.1 Capitalised terms defined in the Facility Agreement have the same meaning in this Deed unless expressly defined in this Deed.
- 1.2.2 The provisions of clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Facility Agreement will be construed as references to this Deed.
- 1.2.3 Unless a contrary indication appears, a reference in this Deed to:
- (a) a Finance Document or Transaction Document or any other agreement or instrument is a reference to that Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated;
  - (b) any **rights** in respect of an asset includes:
    - (i) all amounts and proceeds paid or payable;
    - (ii) all rights to make any demand or claim; and
    - (iii) all powers, remedies, causes of action, security, guarantees and indemnities, in each case in respect of or derived from that asset;
  - (c) the term **this Security** means any Security created by this Deed.
- 1.2.4 Each of the mortgages, fixed charges and assignments contained in Clauses 2.2 (*Mortgaged Property*) to 2.6 (*Other contracts*) (inclusive) 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.
- 1.2.5 Any covenant of the Mortgagor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period:
- 1.2.6 The terms of the other Finance Documents and of any other agreement or instrument between any Parties in relation to any Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.
- 1.2.7 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.

## 1.3 Third party rights

- 1.3.1 Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this Deed.
- 1.3.2 Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed at any time.

- 1.3.3 Any Receiver, any Secured Party or any person described in Clause 9.4 (*Protection of third parties*) 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.

## **2 Creation of Security**

### **2.1 General**

- 2.1.1 The Mortgagor must pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

- 2.1.2 All the Security created under this Deed:

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

- 2.1.3 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

### **2.2 Mortgaged Property**

The Mortgagor charges by way of a first legal mortgage all estates or interests in the Mortgaged Property.

### **2.3 Plant and machinery**

To the extent that they are not the subject of a mortgage under Clause 2.2 (*Mortgaged Property*), the Mortgagor charges by way of a first fixed charge all plant and machinery, owned by the Mortgagor and its interest in any plant or machinery in its possession, together with the benefit of all related Authorisations, agreements and warranties.

### **2.4 Insurances**

- 2.4.1 The Mortgagor assigns absolutely, subject to a proviso for re-assignment on redemption, all of its rights under each Insurance.

- 2.4.2 To the extent that they have not been effectively assigned under Clause 2.4.1 above, the Mortgagor charges by way of first fixed charge each Insurance.

### **2.5 Collateral Warranties**

The Mortgagor charges by way of fixed charge all its rights under any Collateral Warranty.

### **2.6 Other contracts relating to the Mortgaged Property**

- 2.6.1 The Mortgagor:

- (a) assigns by way of security absolutely, subject to a proviso for re-assignment on redemption, all of its rights:
  - (i) under each Lease Document;
  - (ii) in respect of all Rental Income;
  - (iii) under any guarantee of Rental Income contained in or relating to any Lease Document; and
  - (iv) under each Relevant Contract.

2.6.2 To the extent that they have not been effectively assigned under paragraph (a) of Clause 2.6.1 above, the Mortgagor charges by way of a first fixed charge all of its rights listed under paragraph (a) of Clause 2.6.1 above.

## 2.7 Trust

If or to the extent that the assignment or charging of any Security Asset is ineffective because of a prohibition on that assignment or charging, the Mortgagor holds it on trust for the Security Agent.

## 3 Notices of Security

### 3.1 Insurance

The Mortgagor shall:

- (a) promptly after the execution of this Deed or (as the case may be) promptly after the execution of any Insurances entered into after the date of this Deed (to the extent the relevant counterparty has not already been notified of the assignment created under Clause 2.4 (*Insurances*)), give notice to the counterparties to the Insurances of the assignment created under Clause 2.4 (*Insurances*), each such notice to be in the form set out in Part 1 of Schedule 2 (*Forms of Letter for Insurances*) (or other form approved by the Security Agent) and deliver to the Security Agent a certified copy of each notice; and
- (b) use reasonable endeavours to procure that each party served with a notice under paragraph (a) of this Clause countersigns and returns it to the Security Agent as set out in Part 2 of Schedule 2 (*Forms of Letter for Insurances*) as applicable (or in any other form approved by the Security Agent).

### 3.2 Other contracts

The Mortgagor must, at any time at the request of the Security Agent:

- (a) as soon as reasonably practicable serve a notice of assignment or charge (as applicable) (in a form satisfactory to the Security Agent, including as to the request for acknowledgment) on each counterparty to a contract listed in Clause 2.6 (*Other contracts*) and deliver to the Security Agent a certified copy of each notice; and
- (b) use reasonable endeavours to ensure that each such party provides an acknowledgment of that notice to the Security Agent within 14 days of the date of the notice.



#### **4 Representations and warranties**

The Mortgagor makes the representations and warranties set out in this Clause 4 to the Security Agent on the date of this Deed and on each day during the Security Period.

##### **4.1 No Security created**

The execution by it of this Deed and the exercise of its rights and the performance of its obligations under it will not result in the creation of, or any obligation to create, any Security over or in respect of the Security Assets other than in favour of the Finance Parties.

##### **4.2 Title to Mortgaged Property**

###### **4.2.1 The Mortgagor will, from the date of this Deed:**

- (a) be the legal and beneficial owner of the Mortgaged Property; and
- (b) have good and marketable title to the Mortgaged Property,

in each case free from Security (other than that created by or pursuant to this Deed) and restrictions and onerous covenants (other than as disclosed in any report on the Mortgaged Property delivered to the Security Agent prior to the date of this Deed).

###### **4.2.2 From the date of this Deed (other than as disclosed in any report on the Mortgaged Property delivered to the Security Agent prior to the date of this Deed):**

- (a) no breach of any law, regulation or covenant is outstanding which adversely affects or might reasonably be expected to adversely affect the value, saleability or use of the Mortgaged Property;
- (b) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever adversely affecting the Mortgaged Property;
- (c) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over the Mortgaged Property;
- (d) all facilities necessary for the enjoyment and use of the Mortgaged Property (including those necessary for the carrying on of its business at the Mortgaged Property) are enjoyed by the Mortgaged Property;
- (e) none of the facilities referred to in paragraph (d) above are enjoyed on terms:
  - (i) entitling any person to terminate or curtail its use of the Mortgaged Property; or
  - (ii) which conflict with or restrict its use of the Mortgaged Property;
- (f) the Mortgagor has not received any notice of any adverse claim by any person in respect of the ownership of the Mortgaged Property or any interest in it which might reasonably be expected to be determined in favour of that person, nor has any acknowledgement been given to any such person in respect of the Mortgaged Property; and

- (g) the Mortgaged Property is held by the Mortgagor free from any lease or licence (other than those entered into in accordance with this Deed).

## **5 General undertakings**

### **5.1 Negative pledge**

Except as expressly allowed under the Facility Agreement or this Deed, the Mortgagor must not create or permit to subsist any Security over any Security Asset.

### **5.2 Disposals**

Except as expressly allowed under the Facility Agreement or this Deed, the Mortgagor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer, loan, or otherwise dispose of all or any part of any Security Asset, or enter into an agreement to make any such disposal.

### **5.3 Preservation of Security Assets**

The Mortgagor shall not:

- (a) enter into any onerous obligation or restriction affecting any Security Asset; or
- (b) do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the Security created by this Deed or materially diminish the value of any Security Asset or the effectiveness of the Security created by this Deed.

### **5.4 Covenants and payments**

The Mortgagor must:

- (a) observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment;
- (b) promptly inform the Security Agent if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Security Assets;
- (c) not permit any breach of any bye-laws, other laws and regulations affecting any of the Security Assets; and
- (d) pay or procure the payment of all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

## **6 Insurance undertakings**

- 6.1 The Mortgagor must ensure that at all times during the Security Period Insurances are maintained in full force and effect, which:

- (a) insure the Mortgagor in respect of its interests in the Mortgaged Property and the plant and machinery on the Mortgaged Property (including fixtures and

improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs);

- (b) provide cover against loss or damage by fire, storm, tempest, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage for a property of the type of the Mortgaged Property;
- (c) provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;
- (d) provide cover against acts of terrorism, including any third party liability arising from such acts;
- (e) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance;
- (f) include property owners' public liability and third party liability insurance;
- (g) include insurance over the Mortgagor's customers' assets;
- (h) insure such other risks as a prudent company or other person in the same business as the Mortgagor would insure; and
- (i) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Security Agent.

6.2 The Mortgagor must procure that the Insurance contains an endorsement noting the interest of the Security Agent (as security trustee for the Secured Parties) as composite insured in respect of its own interest but without:

- (a) any liability on the part of the Security Agent or any other Finance Party or any Delegate for any premium in relation to those Insurances (unless the Security Agent has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any of those Insurances); or
- (b) any obligation on the part of the Security Agent or any other Finance Party to make any disclosure to any insurer or any insurance broker in relation to those Insurances unless and until the Security Agent becomes a mortgagee in possession of the Mortgaged Property, in which circumstance an obligation shall apply on the part of the Security Agent or any other Finance Party to make disclosure to any insurer or any insurance broker in relation to the Insurance or the Insurances in respect of the Mortgaged Property pursuant to the terms of that Insurance or those Insurances.

6.3 The Mortgagor must procure that the Insurances comply with the following requirements:

- (a) each of the Insurances must contain:
  - (i) a non-invalidating and non-vitiating clause under which the Insurances will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any

misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party; and

- (ii) a waiver of the rights of subrogation of the insurer as against the Mortgagor, each Secured Party and the tenants of the Mortgaged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Mortgaged Property or any Insurance.

- (b) each insurer must in the notice give at least 30 days' notice to the Security Agent if it proposes to:

- (i) repudiate, rescind or cancel any Insurance;
- (ii) treat any Insurance as avoided in whole or in part;
- (iii) treat any Insurance as expired due to non-payment of premium; or
- (iv) otherwise decline any claim under any Insurance by or on behalf of any insured party,

and, in respect of paragraph (b)(iii) above, must give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period; and

- (c) the Mortgagor must be free to assign or otherwise grant Security over all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Security Agent.

6.4 The Mortgagor must use all reasonable endeavours to ensure that the Security Agent receives copies of the Insurances, receipts for the payment of premiums for insurance and any information in connection with the Insurances and claims under them which the Security Agent may reasonably require.

6.5 The Mortgagor must promptly notify the Security Agent of:

- (a) the proposed terms of any future renewal of any of the Insurances;
- (b) any amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;
- (c) any claim, and any actual or threatened refusal of any claim, under any of the Insurances; and
- (d) any event or circumstance which has led or may lead to a breach by the Mortgagor of any term of this Clause.

6.6 The Mortgagor must:

- (a) comply with the material terms of the Insurances;
- (b) not do or permit anything to be done which may make void or voidable any of the Insurances; and

(c) comply with all reasonable risk improvement requirements of its insurers.

6.7 The Mortgagor must ensure that:

- (a) each premium for the Insurances is paid within the period permitted for payment of that premium; and
- (b) all other things necessary are done so as to keep each of the Insurances in force.

## **7 Property Undertakings**

### **7.1 Title**

- 7.1.1 The Mortgagor may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Property.
- 7.1.2 The Mortgagor must promptly take all such steps as may be necessary to enable the Security over the Mortgaged Property created by this Deed to be registered against any relevant title registered at the Land Registry.

### **7.2 Maintenance**

- 7.2.1 The Mortgagor must ensure that all buildings, plant, machinery, fixtures and fittings on the Mortgaged Property necessary for the conduct of its business are in, and maintained in good and substantial repair and condition (fair wear and tear excepted) and, as appropriate, in good working order.
- 7.2.2 The Mortgagor must carry out any energy efficiency improvements necessary, or take any other steps necessary, to ensure that at all times each part of the Mortgaged Property which is designed to be let can be let or can continue to be let without breaching any applicable laws or regulations in respect of minimum levels of energy efficiency for properties.

### **7.3 Occupational Leases**

7.3.1 The Mortgagor may not without the consent of the Security Agent:

- (a) enter into any Lease Document;
- (b) enter into any Agreement for Lease;
- (c) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease;
- (d) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document;
- (e) exercise any right to break, determine or extend any Lease Document;
- (f) commence any forfeiture proceedings in respect of any Lease Document;
- (g) grant any licence or right to use or occupy any part of the Mortgaged Property;

- (h) consent to any sublease or assignment of any tenant's interest under any Lease Document;
- (i) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease Document; or
- (j) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

7.3.2 The Mortgagor must:

- (a) diligently collect or procure to be collected all Rental Income;
- (b) exercise its rights and comply with its material obligations under each Lease Document; and
- (c) use its reasonable endeavours to ensure that each tenant complies with its obligations under each Lease Document,

in a proper and timely manner.

7.3.3 The Mortgagor must supply to the Security Agent a copy of each Lease Document, a copy of each amendment, supplement or extension to a Lease Document and a copy of each document recording any rent review in respect of a Lease Document promptly upon entering into the same.

7.3.4 The Mortgagor may not grant or agree to grant any Lease Document without including in the alienation covenant a provision for the proposed assignor on any assignment to guarantee the obligations of the proposed assignee until that assignee is released as tenant under the terms of the Landlord and Tenant (Covenants) Act 1995.

**7.4 Development**

7.4.1 The Mortgagor may not:

- (a) make or allow to be made any application for planning permission in respect of any part of the Mortgaged Property; or
- (b) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of the Mortgaged Property.

7.4.2 Clause 7.4.1 shall not apply to:

- (a) the making of any application for planning permission or the carrying out of any development (as defined in the Town and Country Planning Act 1990 and the Planning Act 2008) or any change of use of the Mortgaged Property in relation to which the Security Agent has provided its prior written consent;
- (b) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with the Finance Documents;

- (c) any alterations or improvements which a tenant is entitled to undertake in accordance with the terms of the relevant Lease Document and in respect of which the Mortgagor in its capacity as landlord is required to give its consent pursuant to the terms of that Lease Document; or
- (d) the carrying out of non-structural improvements or alterations which affect only the interior of any building on the Mortgaged Property.

7.4.3 The Mortgagor must comply in all respects with all planning laws, permissions, agreements and conditions to which the Mortgaged Property may be subject.

## **7.5 Notices**

The Mortgagor must, within 14 days after the receipt by the Mortgagor of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to the Mortgaged Property (or any part of it):

- (a) deliver a copy to the Security Agent; and
- (b) inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice; and
- (c) make or join in making any representations which the Security Agent requests in respect of the notice, order or proposal.

## **7.6 Power to remedy**

7.6.1 Following the occurrence of an Event of Default which is continuing, the Mortgagor must allow the Security Agent or its agents and contractors:

- (a) to enter any part of the Mortgaged Property;
- (b) to comply with or object to any notice served on the Mortgagor in respect of the Mortgaged Property; and
- (c) to take any action that the Security Agent may reasonably consider necessary to prevent or remedy any breach of any such term or to comply with or object to any such notice.

7.6.2 The Mortgagor must as soon as reasonably practicable on request by the Security Agent pay the costs and expenses of the Security Agent or its agents and contractors incurred in connection with any action taken by it under this Clause.

7.6.3 The Security Agent will not be obliged to account as mortgagee in possession as a result of any action taken under this Clause.

## **7.7 Land Registry**

7.7.1 The Mortgagor consents to a restriction in the following terms being entered into on the Register of Title relating to the Mortgaged Property registered at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge

dated \*\* in favour of Lloyds Bank plc referred to in the charges register or their conveyancer. (Standard Form P)".

- 7.7.2 The Mortgagor consents to the registration of a notice against the Register of Title relating to the Mortgaged Property registered at the Land Registry that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.

**7.8 Deposit of title deeds**

The Mortgagor must immediately:

- (a) deposit with the Security Agent any deeds and documents necessary to show good and marketable title to the Mortgaged Property which are in the possession of the Mortgagor or the Mortgagor's solicitors (the **Title Documents**);
- (b) procure that the Title Documents are held to the order of the Security Agent; or
- (c) procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

**7.9 VAT**

The Mortgagor shall not alter the VAT status of the Mortgaged Property.

**8 When Security Becomes Enforceable**

**8.1 Event of Default**

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

**8.2 Discretion**

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

**8.3 Statutory powers**

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

**9 Enforcement of Security**

**9.1 General**

- 9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

- 9.1.2 Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.



- 9.1.3 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

**9.2 No liability as mortgagee in possession**

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

**9.3 Privileges**

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

**9.4 Protection of third parties**

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

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

**9.5 Redemption of prior mortgages**

- 9.5.1 At any time after this Security has become enforceable, the Security Agent may:

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Mortgagor.

- 9.5.2 The Mortgagor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

**10 Preservation of Security**

**10.1 Reinstatement**

If any payment by the Mortgagor 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:

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

## 10.2 Waiver of defences

Neither the Security created by this Deed nor the obligations of the Mortgagor 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:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- (c) 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;
- (d) 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;
- (e) any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- (f) 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
- (g) any insolvency, liquidation, administration or similar procedure.

## 10.3 Mortgagor intent

Without prejudice to the generality of Clause 10.2 (*Waiver of defences*), the Mortgagor 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:

- (a) acquisitions of any nature;
- (b) increasing working capital;
- (c) enabling investor distributions to be made;
- (d) carrying out restructurings;

- (e) refinancing existing facilities;
- (f) refinancing any other indebtedness;
- (g) making facilities available to new borrowers;
- (h) any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

any fees, costs and/or expenses associated with any of the foregoing.

#### **10.4 Immediate recourse**

The Mortgagor 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 the Mortgagor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

#### **10.5 Appropriations**

Following the occurrence of an Event of Default which is continuing, each Secured Party may:

- (a) 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 13 (*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 the Mortgagor shall not be entitled to the benefit of the same; and
- (b) hold in an interest-bearing suspense account any moneys received from the Mortgagor or on account of the Secured Liabilities.

#### **10.6 Deferral of Mortgagor's rights**

During the Security Period and unless the Security Agent otherwise directs, the Mortgagor shall not 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:

- (a) to receive or claim payment from, or be indemnified by an Obligor;
- (b) to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured 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;
- (d) to exercise any right of set-off against any Obligor; and/or
- (e) to claim or prove as a creditor of any Obligor in competition with any Secured Party.

## **10.7 Additional Security**

This Legal Mortgage 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 Finance Party.

## **11 Receiver**

### **11.1 Appointment of Receiver**

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

- (a) this Security has become enforceable; or
- (b) the Mortgagor so requests to the Security Agent at any time.

11.1.2 Any appointment under Clause 11.1.1 above may be by deed, under seal or in writing under its hand.

11.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

11.1.4 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

11.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

### **11.2 Removal**

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

### **11.3 Remuneration**

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

### **11.4 Agent of the Mortgagor**

11.4.1 A Receiver will be deemed to be the agent of the Mortgagor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. The Mortgagor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

11.4.2 No Secured Party will incur any liability (either to the Mortgagor or to any other person) by reason of the appointment of a Receiver or for any other reason.

## **11.5 Relationship with Security Agent**

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

## **12 Powers of Receiver**

### **12.1 General**

- 12.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 12 in addition to those conferred on it by any law. This includes all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.
- 12.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

### **12.2 Possession**

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

### **12.3 Carry on business**

A Receiver may carry on any business of the Mortgagor carried out at, or relating to, the Mortgaged Property in any manner he/she thinks fit.

### **12.4 Employees**

- 12.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.
- 12.4.2 A Receiver may discharge any person appointed by the Mortgagor from any duties relating to the Security Assets.

### **12.5 Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

### **12.6 Sale of assets**

- 12.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.
- 12.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

- 12.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of the Mortgagor.

**12.7 Leases**

A Receiver may let the Mortgaged Property for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of the Mortgaged Property on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

**12.8 Compromise**

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

**12.9 Legal actions**

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

**12.10 Receipts**

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

**12.11 Subsidiaries**

A Receiver may form a Subsidiary of the Mortgagor and transfer to that Subsidiary any Security Asset.

**12.12 Delegation**

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

**12.13 Lending**

A Receiver may lend money or advance credit to any person.

**12.14 Protection of assets**

A Receiver may:

- (a) effect any repair or insurance and do any other act which the Mortgagor might do in the ordinary conduct of its business to protect or improve any Security Asset;
- (b) commence and/or complete any building operation; and
- (c) apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

#### **12.15 Other powers**

A Receiver may:

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

#### **13 Application of Proceeds**

All amounts from time to time received or recovered by the Security Agent or any Receiver following the enforcement of the Security created by this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Intercreditor Agreement. This Clause 13:

- (a) is subject to the payment of any claims having priority over this Security; and
- (b) does not prejudice the right of any Secured Party to recover any shortfall from the Mortgagor.

#### **14 Delegation**

##### **14.1 Power of Attorney**

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

##### **14.2 Terms**

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

##### **14.3 Liability**

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

#### **15 Further Assurances**

15.1.1 The Mortgagor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require (acting reasonably) for:

- (a) creating, perfecting or protecting any security over any Security Asset; or

- (b) facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

15.1.2 The action that may be required under Clause 15.1.1 above includes:

- (a) the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees;
- (b) the giving of any notice, order or direction and the making of any filing or registration; or
- (c) while any Event of Default is continuing, assigning any Collateral Warranty capable of assignment to any person nominated by the Security Agent or any Receiver,

which, in any such case, the Security Agent may consider necessary or desirable.

## **16 Power of Attorney**

### **16.1 Power of Attorney**

The Mortgagor, by way of security, irrevocably appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates jointly and severally to be its attorney with the full power and authority of the Mortgagor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of the Mortgagor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law. The Mortgagor ratifies and confirms whatever lawful acts any attorney does or purports to do under its appointment under this Clause 16.

### **16.2 Exercise of Power of Attorney**

Prior to the occurrence of an Event of Default which is continuing, any attorney appointed under Clause 16.1 (*Power of Attorney*) may only act as the Mortgagor's attorney to carry out any obligation of the Mortgagor under or pursuant to this Deed which the Mortgagor has failed to satisfy.

## **17 Miscellaneous**

### **17.1 Registration at Companies House**

The Mortgagor consents to the registration of this Deed at Companies House pursuant to Part 25 of the Companies Act 2006.

### **17.2 Continuing Security**

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



### **17.3 Tacking**

The Security Agent confirms on behalf of the Lenders (without any personal liability) that each Lender will perform its obligations under the Facility Agreement (including any obligation to make any further advances).

### **17.4 New Accounts**

17.4.1 If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with the Mortgagor.

17.4.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

17.4.3 As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

### **17.5 Time deposits**

Without prejudice to any right of set-off any Secured Party may have under any other Finance Document or otherwise, if any time deposit matures on any account the Mortgagor has with any Secured Party within the Security Period when:

(a) this Security has become enforceable; and

(b) no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

### **17.6 Payments without deduction**

All payments to be made by the Mortgagor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

## **18 Release**

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 Finance Parties must, at the request and cost of the Mortgagor, take whatever action is necessary to release its Security Assets from this Security.

## **19 Calculations and certificates**

### **19.1 Accounts**

In any litigation or arbitration proceedings arising out of or in connection with this Deed, the entries made in the accounts maintained by the Security Agent or any other Secured Party are *prima facie* evidence of the matters to which they relate.

**19.2 Certificates and determinations**

Any certification or determination by the Security Agent or any other Finance Party of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

**20 Partial invalidity**

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

**21 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

**22 Amendments and waivers**

Any term of this Deed may be amended or waived only with the written consent of the Mortgagor and the Security Agent.

**23 Counterparts**

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

**24 Governing law and enforcement**

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

**24.1 Jurisdiction**

24.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).

24.1.2 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.

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

## Schedule 1 – Mortgaged Property

### 1 Dudley Property

Description of the Property	Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ
Description of Lease (lease, underlease, licence, date and parties)	Lease of the Property dated 13 September 2005 between (1) Westowe Properties Limited and (2) Alan Ward Limited
Registered/unregistered	Registered
Title number (if registered)	WM866739

### 2 Shrewsbury Property

Description of the Property	Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA
Description of Lease (lease, underlease, licence, date and parties)	Underlease of the Property dated 7 October 2019 between (1) Alan Ward Limited and (2) Flexi Store Self Storage Limited
Registered/unregistered	To be registered
Title number (if registered)	To be allocated

### 3 Warrington Property

#### Existing Lease

Description of the Property	1 Colville Court, Winwick Quay, Warrington WA2 8QT
Description of Lease (lease, underlease, licence, date and parties)	Lease of the Property dated 26 February 2007 between (1) AXA Sun Life PLC (2) Flexi Store Self Storage Limited and (3) Alan Ward Limited
Registered/unregistered	Registered
Title number (if registered)	CH560305

#### Reversionary Lease

Description of the Property	1 Colville Court, Winwick Quay, Warrington WA2 8QT
Description of Lease (lease, underlease, licence, date and parties)	Reversionary lease of the Property dated 10 December 2019 between (1) Coal Pension Properties Limited, (2) Flexi Store Self Storage Limited and (3) Betterstore Self Storage Holdings Limited
Registered/unregistered	To be registered
Title number (if registered)	To be allocated

## Schedule 2 – Form of Letter for Insurers

### Part 1– Notice to Insurer

To: [Insurer]

Copy: Lloyds Bank plc (as Security Agent as defined below), 4th Floor, 25 Gresham Street, London, EC2V 7HN, FAO Steven Kerr

[Date]

Dear Sirs,

**Legal Mortgage dated \*\* between Flexi Store Self Storage Limited and Lloyds Bank plc (the Legal Mortgage)**

This letter constitutes notice to you that under the Legal Mortgage we have assigned absolutely (by way of security), to Lloyds Bank plc (as trustee for the Secured Parties as referred to in the Legal Mortgage, the **Security Agent**) all our rights in respect of in respect of Commercial Combined Insurance Policy Number Y089608QBE0119A and any other present or future contract or policy of insurance in relation to the leasehold interests held by us in the following properties:

- (a) 1 Colville Court, Winwick Quay, Warrington WA2 8QT (registered on title number CH560305 and a reversionary lease to be allocated a separate title number);
- (b) Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ (registered on title number WM866739); and
- (c) Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA (to be allocated with a title number),

to which we are a party or in which we have an interest (the **Insurance**).

We confirm that:

- (a) we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
- (b) none of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Legal Mortgage has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).

**EXECUTION VERSION**

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at Lloyds Bank plc, 4th Floor, 25 Gresham Street, London, EC2V 7HN, FAO Steven Kerr with a copy to us.

Yours faithfully,

.....  
(Authorised signatory)  
**Flexi Store Self Storage Limited**

## Part 2 – Acknowledgement of Insurer

To: Lloyds Bank plc (as Security Agent), 4th Floor, 25 Gresham Street, London, EC2V 7HN,  
FAO Steven Kerr

Copy: Flexi Store Self Storage Limited

[Date]

Dear Sirs,

**Legal Mortgage dated \*\*** **between Flexi Store Self Storage Limited and Lloyds Bank plc (the Legal Mortgage)**

We confirm receipt from Flexi Store Self Storage Limited (the **Mortgagor**) of a notice dated \*\* (the **Notice**) of an assignment on the terms of the Legal Mortgage of all the Mortgagor's rights in respect of Commercial Combined Insurance Policy Number Y089608QBE0119A and any other present or future contract or policy of insurance in relation to the leasehold interests held by us in the following properties:

- (a) 1 Colville Court, Winwick Quay, Warrington WA2 8QT (registered on title number CH560305 and a reversionary lease to be allocated a separate title number);
- (b) Unit 8 Ionic Park, Birmingham, New Road, Dudley DY1 4SJ (registered on title number WM866739); and
- (c) Unit 2, 8B Storage King Archers Way, Battlefield Enterprise Park, Shrewsbury SY1 3GA (to be allocated with a title number),

to which we are a party or in which we have an interest (the **Insurance**).

We confirm that we:

- (a) accept the instructions contained in the Notice and agree to comply with the Notice; and
- (b) will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully,

.....  
(Authorised signatory)  
[Insurer]

**Signatories**

**Executed as a deed by**  
**Flexi Store Self Storage Limited**  
acting by a director in the presence of:

Signature of director: .....

Name of director (in BLOCK CAPITALS): .....

Signature of witness: .....

Name of witness (in BLOCK CAPITALS): .....

Address .....

.....

.....

**Signed for and on behalf of**  
**Lloyds Bank plc**

)  
)



STEVEN KERR