



**Registration of a Charge**

Company name: **SACKVILLE TIPP PROPERTY (GP) LIMITED**

Company number: **04768985**



X8A8GSYZ

Received for Electronic Filing: **22/07/2019**

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**Details of Charge**

Date of creation: **15/07/2019**

Charge code: **0476 8985 0008**

Persons entitled: **WELLS FARGO BANK, N.A. LONDON BRANCH**

Brief description:

**Contains fixed charge(s).**

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by: **STEPHENSON HARWOOD LLP**



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

Company number: 4768985

Charge code: 0476 8985 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th July 2019 and created by SACKVILLE TIPP PROPERTY (GP) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 22nd July 2019 .

Given at Companies House, Cardiff on 23rd July 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

DATED 15 July 2019

**Wells Fargo Bank, N.A. London Branch**  
**(as the Security Agent)**

**and**

**The entities listed in Schedule 1**  
**(as Grantors)**

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**SECURITY AGREEMENT**  
**(relating to limited partnership interests)**

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THIS SECURITY AGREEMENT is made the 15 day of July 2019

**BETWEEN:**

- (1) Wells Fargo Bank, N.A. London Branch acting as security trustee for and on behalf of the Secured Parties (as defined below) (the "Security Agent"); and
- (2) The entities listed in Schedule 1 hereto as grantors (the "Grantors" and each a "Grantor").

**RECITALS:**

- A) The Finance Parties have agreed to make credit facilities available on the terms of the Facility Agreement.
- B) The Grantor and the Security Agent have entered into the Existing Security Interest Agreement pursuant to the terms of the Facility Agreement. The Existing Security Interest Agreement creates a first priority security interest under the Security Law over, amongst other things, the Collateral (as defined within the Existing Security Interest Agreement).
- C) The Finance Parties intend to amend the Facility Agreement pursuant to a sixth amendment agreement on or about the date hereof.
- D) This Agreement includes the terms of and constitutes a security agreement in accordance with the provisions of the Security Interests (Jersey) Law 2012 (the "Security Law").

**IT IS AGREED AS FOLLOWS:**

**1. DEFINITIONS AND INTERPRETATION**

**(1) Definitions**

In this Agreement (including, without limitation, the recitals), the following words and expressions shall, except where the context otherwise requires, have the following meanings:

- (a) "bankrupt" shall have the meaning given to it in Article 8 of the Interpretation Law and shall also include any proceedings of a similar nature in any place outside Jersey and "bankruptcy" shall be construed accordingly;
- (b) "Borrower" means the General Partner acting as general partner of the Limited Partnership;
- (c) "Business Day" shall have the meaning given to it in the Facility Agreement;
- (d) "Collateral" means:
  - (i) the Limited Partnership Interests; and
  - (ii) the Related Assets;
- (e) "Default" shall have the meaning given to it in the Facility Agreement;
- (f) "Default Rate" means the rate determined from time to time in accordance with clause 8.5.1 (*Default Interest*) of the Facility Agreement;
- (g) "Event of Default" shall have the meaning given to it in the Facility Agreement;

- (h) **"Existing Security Agreement"** means the security interest agreement governed by the Security Law dated 16 July 2015 between the Grantor and the Security Agent in respect of all or any part of the Collateral secured under this agreement.
- (i) **"Facility Agreement"** means the facility agreement dated 15 July 2015 as amended and restated on 25 November 2016 (and as further amendment by amendment agreements made from time to time) and made between the Borrower (as borrower), Sackville Property St James (Jersey GP) Limited (as general partner), Sackville UKPEC9 St James Nominee 1 Limited and Sackville UKPEC9 St James Nominee 2 Limited (as nominees), Sackville 20 St James (Jersey) Limited, Wells Fargo Bank, N.A. London Branch (as arranger, agent and security agent) and the Financial Institutions listed in Part I and Part II of Schedule 1 thereto (as original lenders);
- (j) **"Finance Document"** shall have the meaning given to it in the Facility Agreement;
- (k) **"Finance Party"** shall have the meaning given to it in the Facility Agreement;
- (l) **"financing change statement"** shall have the meaning given to it in Article 1 of the Security Law;
- (m) **"financing statement"** shall have the meaning given to it in Article 1 of the Security Law;
- (n) **"further advance"** shall have the meaning given to it in Article 33(4) of the Security Law;
- (o) **"General Partner"** means Sackville Property St James (Jersey GP) Limited, a company registered under the laws of Jersey with registered number 118467;
- (p) **"intangible movable property"** shall have the meaning given to it in Article 1 of the Security Law;
- (q) **"Interpretation Law"** means the Interpretation (Jersey) Law 1954;
- (r) **"Legal Reservations"** shall have the meaning given to it in the Facility Agreement;
- (s) **"Limited Partnership"** means Threadneedle UKPEC9 St James Jersey LP, a limited partnership registered under the laws of Jersey with registered number LP1987 and having its registered office at IFC 1 The Esplanade St Helier Jersey JE1 4BP;
- (t) **"Limited Partnership Agreement"** means the amended and restated limited partnership agreement made between the General Partner (as general partner), and Threadneedle Investors Property Partnership LP as adhered to or amended or supplemented or varied from time to time;
- (u) **"Limited Partnership Interests"** means:
- (i) all present and future rights, title and interest of the Grantors under or pursuant to the Limited Partnership Agreement;

- (ii) all present and future rights, title and interest of the Grantors as limited partners in the Limited Partnership under or pursuant to the Limited Partnership Law and the customary law of Jersey;
- (iii) all present and future rights, title and interest of the Grantors as limited partners in the Limited Partnership by way of repayment of any loan or capital contribution to the General Partner (and/or the Limited Partnership); and
- (iv) all other present and future rights, title and interest (if any) of the Grantors as limited partners in the Limited Partnership,

but excluding all Related Assets;

- (v) "**Limited Partnership Law**" means the Limited Partnerships (Jersey) Law 1994;
- (w) "**Manager**" means Threadneedle Investments (Channel Islands) Limited, a company registered under the laws of Jersey with registered number 82489;
- (x) "**Material Adverse Effect**" shall have the meaning given to it in the Facility Agreement but with reference to "Obligor" as set out therein to be construed as being a reference to a Grantor for the purposes of this Agreement.
- (y) "**Obligors**" shall have the meaning given to it in the Facility Agreement;
- (z) "**Party**" means a party to this Agreement;
- (aa) "**Permitted Security**" means any Security (as defined in the Facility Agreement) falling into one of the categories in clause 22.3 (*Negative pledge*) of the Facility Agreement;
- (bb) "**Powers of Attorney Law**" means the Powers of Attorney (Jersey) Law 1995;
- (cc) "**Proceeds**" means identifiable or traceable property, being intangible movable property in which a Grantor acquires an interest at any time on or after the date of this Agreement and that is derived directly or indirectly from a dealing with the Collateral (such identifiable or traceable property being hereinafter referred to as the "**Primary Proceeds**") or from a dealing with the Primary Proceeds but does not include interest or other income derived from the Collateral or the Primary Proceeds;
- (dd) "**Refurbishment Deposit Account**" shall have the meaning given to it in the Facility Agreement;
- (ee) "**Related Assets**" means, in relation to Limited Partnership Interests, all present and future payments or distributions of whatever nature paid or payable to a Grantor at any time under or pursuant to the Limited Partnership Agreement (irrespective of how the same are characterised and including, without limitation, payments and distributions of income and capital under or pursuant to the Limited Partnership Agreement and further including, without limitation, any returns of contribution under or pursuant to the Limited Partnership Agreement) and any present or future rights thereto;
- (ff) "**Secured Liabilities**" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any

other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document;

- (gg) "Secured Party" shall have the meaning given to it in the Facility Agreement;
- (hh) "security interest" shall have the meaning given to it in Article 1A of the Security Law;
- (ii) "Security Period" means the period starting on the date of the Facility Agreement and ending on the date on which all of the liabilities of the Obligors under each Finance Document are irrevocably discharged in full and no Finance Party has any commitment or liability, whether present or future, actual or contingent, in relation to the Facility;
- (jj) "Transaction Obligors" shall have the meaning given to it in the Facility Agreement; and
- (kk) "verification statement" shall have the meaning given to it in Article 1 of the Security Law.

(l) **Interpretation**

In this Agreement, unless the context otherwise requires:

- (a) words in the singular shall include the plural and words in the plural shall include the singular;
- (b) this "Agreement" shall mean and extend to every separate and independent stipulation contained herein including, without limitation, the parties clause and the recitals and the Schedules;
- (c) words denoting any gender shall include all genders;
- (d) words following the terms "include" and "including" or any similar term are only illustrative and shall not limit the meaning of words preceding such terms;
- (e) Clause headings are used for convenience only and shall not affect the construction or interpretation of this Agreement;
- (f) references to Clauses and the Schedules are to be construed as references to the Clauses and the Schedules of this Agreement;
- (g) references to the Security Agent or a Grantor or the Grantors or any other person shall include their respective successors, assignees and transferees;
- (h) no Clause or provision of this Agreement shall limit the operation of another Clause or provision of this Agreement;
- (i) references to any agreement or document (including, without limitation, any Finance Document) shall include references to such agreement or document as from time to time amended, varied, supplemented, restated, novated or replaced;
- (j) references to a person shall include any person, firm, company, corporation, government, state, or agency of a state or any association, trust or partnership (whether or not having separate legal personality);



- (k) references to any legislation (or to any provision of any legislation) shall include any modification or re-enactment of such legislation, any legislation enacted in substitution for such legislation and any enactment issued under such legislation;
- (l) references to the Collateral shall include any part thereof;
- (m) any covenant of the Grantors under this Agreement shall remain in force during the Security Period or such longer period as may be specified in this Agreement; and
- (n) a "Default" (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been waived or remedied to the satisfaction of the Security Agent (as confirmed by the Security Agent in writing).

Capitalised terms used herein but not otherwise defined shall bear the meaning ascribed to them in the Facility Agreement.

It is agreed that to the extent the provisions of this Agreement conflict with those of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

## 2. SECURITY INTEREST

- (1) Each Grantor hereby covenants with the Security Agent and the other Secured Parties that it will on demand pay and discharge the Secured Liabilities when due.
- (2) Notwithstanding any other provisions of this Agreement, it is agreed that the liabilities owed by each Grantor under or in connection with this Agreement (including, without limitation, any liabilities under or in connection with Clause 2(1)) shall be limited to the aggregate proceeds of the Collateral actually received by the Security Agent as a result of the exercise by the Security Agent of a power of enforcement in respect of the Collateral and the Security Agent shall not have any claim against or any recourse to any other assets of any Grantor pursuant to this Agreement.
- (3) In order to provide continuing security for the payment, performance and discharge of the Secured Liabilities, each Grantor hereby creates a security interest under the Security Law in or over all the Collateral in favour of the Security Agent.
- (4) The security interest constituted by or pursuant to this Agreement will attach, in the case of:
  - (a) any present rights, title and interest of each Grantor in and to any Collateral, on the date of this Agreement; and
  - (b) any future rights, title and interest of each Grantor in and to any Collateral, on the acquisition of such rights, title and interest by that Grantor and without the need for any specific appropriation by that Grantor.
- (5) Each Grantor acknowledges and agrees that the security interest created by it by Clause 2(2) will extend to any Proceeds in accordance with Article 24 of the Security Law to the extent that such Proceeds are capable, according to Part 2 of the Security Law, of being the subject of a security interest to which the Security Law applies.
- (6) Each Grantor acknowledges and agrees that value (as defined in the Security Law) has been given in respect of this Agreement and that it has rights in the Collateral or the power to grant rights in the Collateral to the Security Agent.

- (7) Each Grantor shall promptly pay all calls, instalments or other payments that are now due from it in respect of the Collateral and shall pay all payments that become due from it in respect of the Collateral on or before their due date for payment including, without limitation, all payments that are now due from it or that become due from it under the Limited Partnership Agreement (including, without limitation, in respect of any calls made by the Manager, the General Partner or the Security Agent (in their stead), in respect of any Undrawn Loan Commitment (as defined in the Limited Partnership Agreement), payment in respect of which shall be made to the Refurbishment Deposit Account). If a Grantor does not make any such payment, the Security Agent may do so and such Grantor shall reimburse the Security Agent for any such payment on demand. Each Grantor acknowledges and agrees that the Security Agent shall have no liabilities in relation to the Collateral and shall have no obligation to preserve or enhance the Collateral or its value. Without prejudice to the generality of the foregoing, each Grantor acknowledges and agrees that the Security Agent shall have no liabilities in relation to the Limited Partnership Agreement.
- (8) To the extent that any Collateral under or pursuant to this Agreement does not fall within the intangible movable property referred to in Article 4 of the Security Law, the Parties agree for the purposes of Article 5 of the Security Law that this Agreement shall apply to such Collateral.
- (9) For the purposes of providing consent if required under the Existing Security Interest Agreement, the Security Agent confirms that it consents to the creation and perfection of the security interests over the Collateral under this agreement.
- (10) The security interest created under this agreement shall exist concurrently (if applicable) with the security interest created under the Existing Security Interest Agreement.
- (11) The Security Agent agrees that, the entry into this agreement by the Grantor and the creation of the security interests created by the Grantor pursuant to this agreement are permitted under the Existing Security Interest Agreement.

### 3. REPRESENTATIONS AND WARRANTIES

- (1) The Grantors represent and warrant to the Security Agent on the date of this Agreement as follows:
- (a) each Grantor has received and reviewed (and hereby acknowledges the terms of) a copy of the execution form Facility Agreement;
  - (b) each Grantor is duly incorporated or established (as the case may be) and validly and duly existing under the laws of its jurisdiction of incorporation or establishment;
  - (c) each Grantor has full power and capacity (in its own corporate capacity and in any fiduciary capacity in which it is acting hereunder) to enter into and perform its obligations under this Agreement;
  - (d) the PCC has full power to act on behalf of the PC and to enter into and perform the obligations of the PC under this Agreement, on behalf of the PC;
  - (e) the Scottish GP has full power to act as a general partner of the Scottish LP to enter into and perform its obligations under this Agreement;

- (f) the Trustee has full power to act as a trustee of the Trust to enter into and perform its obligations under this Agreement;
- (g) each Grantor has taken all such corporate or other action as may be required to authorise it to enter into and perform its obligations under this Agreement and to create the security interest constituted by or pursuant to this Agreement;
- (h) subject to the Legal Reservations, this Agreement constitutes the legal, valid, binding and enforceable obligations of each Grantor;
- (i) the entry into of this Agreement by each Grantor and the performance by it of its obligations under this Agreement does not violate or breach:
  - (i) the constitutional documents of that Grantor;
  - (ii) the partnership agreement establishing the Scottish LP;
  - (iii) the instrument or declaration establishing the Trust;
  - (iv) any law, regulation, judicial or official order to which it or any of its assets or representative bodies is subject;
  - (v) any prospectus or offering document issued in relation to it, its representative bodies or the structure, fund or body of which it forms a part; or
  - (vi) any agreement or instrument which is binding on it or any of its (or its representative bodies') assets;
- (j) each Grantor has obtained all governmental and regulatory and other consents, permissions or authorisations necessary for it:
  - (i) to enter into this Agreement and to perform its obligations under this Agreement; and
  - (ii) to create the security interest constituted by or pursuant to this Agreement;
- (k) each Grantor is acting in the best interests of all its beneficiaries (be they shareholders, partners, unitholders or otherwise) in entering into and performing its obligations under this Agreement;
- (l) the value of each Grantor's assets is greater than the amount of the respective Grantor's liabilities (taking into account contingent and prospective liabilities);
- (m) each Grantor is able to pay its debts as they fall due, and these positions will not change following entry into this Agreement;
- (n) subject to the interests established by the Scottish LP and the Trust (as the case may be), each Grantor is the sole legal and beneficial owner of the Collateral;
- (o) other than as provided in this Agreement, there are no security interests, charges, liens or other encumbrances over or relating to the Collateral, other than those created under the Existing Security Interest Agreement;

- (p) this Agreement creates a valid security interest over the Collateral under the Security Law and such security interest is not liable to be avoided or otherwise set aside on the bankruptcy of any Grantor or otherwise howsoever;
  - (q) no Grantor is bankrupt and no proceedings or other actions for or indicative of bankruptcy or insolvency have been commenced by or against any Grantor; and
  - (r) there is no restriction applicable to the Collateral (or any part of it) which may prohibit the creation of any security interest in or over the Collateral (or any part of it) or the enforcement of any such security interest (including, without limitation, any such enforcement by the sale or appropriation of the Collateral (or any part of it)).
- (2) Each of the representations and warranties set out in Clause 3(1) shall be deemed to be repeated on the date of each Utilisation Request, on each Utilisation Date and the first day of each Interest Period by reference to the facts and circumstances then existing (as those terms are defined in the Facility Agreement).

#### 4. GENERAL COVENANTS

Each Grantor agrees and covenants to the extent that it has not already done so under the Existing Security Interest Agreement:

- (1) contemporaneously with the execution and delivery of this Agreement, to execute and deliver to the General Partner acting in its capacity as general partner of the Limited Partnership a notice in the form set out in Schedule 2 hereto and to procure that the General Partner acting in its capacity as general partner of the Limited Partnership and the Manager acting in its capacity as manager of the Limited Partnership shall together promptly execute and deliver to the Security Agent an acknowledgement in the form set out in Schedule 2 hereto;
- (2) to procure that the only register of partners of the Limited Partnership is at all times kept and maintained in Jersey;
- (3) save as where otherwise permitted by the Finance Documents, not to create or permit to subsist any security interest, charge, lien or other encumbrance over or relating to the whole or any part of the Collateral or any Proceeds (other than any Permitted Security);
- (4) it will, save in respect of the Existing Security Interest Agreement, (a) serve a demand on any person (other than the Security Agent) who has registered a financing statement against it in relation to the whole or any part of the Collateral or any Proceeds including, without limitation, any such registration made at any time on or before the date of this Agreement demanding that such registration be discharged and (b) use all reasonable endeavours to ensure that such discharge is effected;
- (5) save as where otherwise permitted by the Finance Documents, not to sell, transfer or otherwise dispose of all or any part of that Grantor's rights, title and interest in and to the whole or any part of the Collateral or any Proceeds or enter into any agreement relating to any such sale, transfer or disposal without the prior written consent of the Security Agent;
- (6) save as where otherwise permitted by the Finance Documents, not to take any action which might (and not to omit to take any action where any such omission to act might) have a Material Adverse Effect;
- (7) not to pass any Investor Special Consent (as defined in the Limited Partnership

Agreement) without the prior written consent of the Security Agent and to inform the Security Agent of any request or proposal for an Investor Special Consent to be considered and/or signed;

- (8) to provide the Security Agent with copies of any Drawdown Notice (as defined in the Limited Partnership Agreement) received by the Grantors;
- (9) to inform the Security Agent of any proposed extraordinary general meetings of the Limited Partnership and to provide copies of any notices of such meetings;
- (10) to promptly deliver to the Security Agent a copy of any report, accounts, circular, notice or offer issued by the Limited Partnership to its partners or by any other partners or by the General Partner or the Manager under the Limited Partnership Agreement;
- (11) save as where otherwise permitted by the Finance Documents, not to waive any right it may have in respect of the Collateral;
- (12) to provide such information in relation to the Collateral or any Proceeds as the Security Agent may request from time to time and at the request of the Security Agent (to the extent entitled to do so) to direct the General Partner and/or the Manager to do the same;
- (13) to notify the Security Agent of the occurrence of any Default (and the steps, if any, being taken to remedy it) immediately upon becoming aware of its occurrence;
- (14) save as where otherwise permitted by the Finance Documents, not to take any action which causes any of the Limited Partnership Interests to be cancelled, forfeited, surrendered redeemed, repurchased or reduced;
- (15) to procure that the General Partner and the Manager do not, save as where otherwise permitted by the Finance Documents, take any action which causes any Limited Partnership Interests to be cancelled, forfeited, surrendered redeemed, repurchased or reduced;
- (16) not to take any step to place the Limited Partnership or the General Partner or the Manager (or their respective assets) in a winding up or bankruptcy and not to terminate or dissolve the Limited Partnership Agreement or the Limited Partnership or the General Partner or the Manager;
- (17) not to take or permit the taking of any action whereby it becomes a general partner of the Limited Partnership but otherwise to comply with the terms and conditions of the Limited Partnership Agreement;
- (18) to procure that the General Partner shall be (and remain) the only general partner of the Limited Partnership and to procure that the Manager shall be (and remain) the only manager of the Limited Partnership and to use all endeavours to ensure that neither the General Partner nor the Manager resigns or retires as the general partner or Manager (as the case may be) of the Limited Partnership without the prior written consent of the Security Agent;
- (19) to procure that the Security Agent's security interest in the Limited Partnership Interests is noted on the register of partners of the Limited Partners;
- (20) to exercise its rights under Article 85 of the Security Law in respect of any security interest granted in favour of any person (other than the Security Agent) over the whole or any part of the Collateral in such manner as the Security Agent may request from time

to time and to promptly deliver to the Security Agent a copy of any documents given to that Grantor pursuant to Article 85 of the Security Law;

- (21) to notify the Security Agent in writing of any proposal to change its name (together with the correct spelling of its proposed new full name) promptly after becoming aware of any such proposal and to deliver to the Security Agent within three Business Days of any change of name taking effect, a certified copy of that Grantor's constitutional documents showing that Grantor's new full name.

#### **5. LIMITED PARTNERSHIP INTERESTS**

- (1) No Grantor shall terminate or amend or vary any provision of the Limited Partnership Agreement nor shall any Grantor allow or assist the Manager or the General Partner in doing so, without the prior written consent of the Security Agent.
- (2) No Grantor shall assign or novate any of its rights or obligations under the Limited Partnership Agreement without the prior written consent of the Security Agent.
- (3) At the request of the Security Agent, each Grantor shall diligently institute, continue or defend, or join with the Security Agent in, all such legal or other proceedings as, in the opinion of the Security Agent, may be desirable to protect the interests of each Grantor or the Security Agent in the Limited Partnership Agreement. Any such legal or other proceedings shall be conducted in such manner as the Security Agent (acting reasonably) may direct from time to time.
- (4) Unless a Default has occurred which is continuing, each Grantor shall (subject always to the terms of the Subordination Agreement or any other subordination arrangements agreed between the Security Agent and the Grantors) be entitled to exercise all the rights, powers and remedies of that Grantor under or in connection with the Limited Partnership Agreement provided that the exercise of any such right, power or remedy does not affect the value of the Limited Partnership Agreement or prejudice the security interest constituted by or pursuant to this Agreement or the rights or interests of the Security Agent under this Agreement or the Security Law.
- (5) If a Default has occurred which is continuing, no Grantor shall exercise any right, power or remedy under or in connection with the Limited Partnership Agreement without the prior written consent of the Security Agent or unless directed to do so in accordance with this Clause 5.
- (6) If a Default has occurred which is continuing, the Security Agent shall be entitled (but not obliged), without notice or further demand and at the cost of the Grantors, to exercise all the rights, powers and remedies of the Grantors under or in connection with the Limited Partnership Agreement and, in any event, shall have the right to apply any moneys received by the Security Agent in respect of the Limited Partnership Agreement in or towards the payment or discharge of the Secured Liabilities in such order as the Security Agent may in its absolute discretion deem appropriate.
- (7) Without prejudice to any other provision of this Agreement, if a Default has occurred which is continuing, the Grantors shall exercise all of their rights, powers and remedies under or in connection with the Limited Partnership Agreement as directed by the Security Agent from time to time.

#### **6. ENFORCEMENT**

- (1) The power of enforcement in respect of the security interest constituted by or pursuant to this Agreement shall become exercisable when an Event of Default has occurred

which is continuing and the Security Agent has served on the Grantors written notice specifying the same.

- (2) The Security Agent may exercise the power of enforcement in respect of the security interest constituted by or pursuant to this Agreement by doing any of the matters set out in Article 43(2) of the Security Law.
- (3) The Security Agent shall not appropriate the whole or any part of the Collateral or any Proceeds unless the Security Agent has given notice in accordance with Article 44(1) of the Security Law to the persons entitled to receive such notice under Article 44(1) of the Security Law. The Grantors unconditionally and irrevocably waive any right to receive any such notice. Accordingly, each Grantor acknowledges and agrees that it does not have any right to receive any notice pursuant to Article 44(1) of the Security Law.
- (4) The Security Agent shall not sell the whole or any part of the Collateral or any Proceeds unless the Security Agent has given notice in accordance with Article 44(2) of the Security Law to the persons entitled to receive such notice under Article 44(2) of the Security Law. Each Grantor unconditionally and irrevocably waives any right to receive any such notice. Accordingly, each Grantor acknowledges and agrees that it does not have any right to receive any notice pursuant to Article 44(2) of the Security Law. It is further acknowledged and agreed that the Security Agent does not have to give any notice under Article 44(2) of the Security Law to any person in circumstances where Article 44(3) of the Security Law applies.
- (5) The power of enforcement in respect of the security interest constituted by or pursuant to this Agreement shall once it has become exercisable, be exercisable by the Security Agent in such manner, at such time, at such intervals and for such cash or other consideration (whether payable immediately, by instalments or otherwise deferred) as the Security Agent may in its absolute discretion deem appropriate and with all the powers of a beneficial owner. Without prejudice to the generality of the foregoing, the Security Agent may sell the whole or any part of the Collateral or any Proceeds without giving any representation or warranty of any nature whatsoever in favour of the purchaser thereof and the Security Agent may sell the whole or any part of the Collateral or any Proceeds to itself or any subsidiary of the Security Agent or any subsidiary of any holding body of the Security Agent.
- (6) Subject to the Security Law, the power of enforcement in respect of the security interest constituted by or pursuant to this Agreement may be exercised in respect of the whole or any part of the Collateral and any Proceeds and may be exercised any number of times.
- (7) Subject to the payment of any claim having priority over the security interest constituted by or pursuant to this Agreement, any amount or value received or recovered by the Security Agent as a result of exercising the power of enforcement in respect of the security interest constituted by or pursuant to this Agreement shall be applied by the Security Agent in or towards payment or discharge of the Secured Liabilities in such order as the Security Agent may in its absolute discretion deem appropriate. If any surplus arises as described in Article 51 of the Security Law, then the Security Agent shall either apply such surplus in accordance with Article 49 of the Security Law or pay such surplus into court pursuant to Article 50 of the Security Law. If the Security Agent elects to apply any surplus in accordance with Article 49 of the Security Law, the Security Agent shall not be liable for any failure to apply the surplus in accordance with Article 49 of the Security Law provided that the Security Agent sought to comply with Article 49 of the Security Law in good faith and after having made reasonable enquiries.
- (8) No purchaser or other person shall be bound or concerned to see or enquire whether the Security Agent may exercise the power of enforcement in respect of the security interest

constituted by or pursuant to this Agreement or with the propriety of the exercise or purported exercise of such power of enforcement.

- (9) Any amount received or recovered by the Security Agent as a result of exercising the power of enforcement in respect of the security interest constituted by or pursuant to this Agreement may be placed in a suspense account for so long as the Security Agent thinks fit without any obligation on the part of the Security Agent to apply the same in or towards payment of the discharge of the Secured Liabilities unless such application would result in the discharge of the whole of the Secured Liabilities. When the Security Agent withdraws any moneys from any such suspense account, such moneys shall be applied in accordance with Clause 6(7).
- (10) No Grantor shall have any right or claim against the Security Agent in respect of any loss arising out of the exercise of, or a failure to exercise, the power of enforcement in respect of the security interest constituted by or pursuant to this Agreement howsoever such loss may have been caused and in the case of the appropriation or sale of the Collateral or any Proceeds whether or not a better value or price might have been obtained and whether or not a Grantor or any other person may have benefited from a delay or advancement of the exercise of the power of enforcement.
- (11) The Security Agent shall be under no liability or obligation to any Grantor arising out of any failure to preserve, maintain or enhance the value of the Collateral or any rights relating to the Collateral.
- (12) Each Grantor irrevocably and unconditionally waives any right which it may have under Article 54 of the Security Law to reinstate this Agreement. Accordingly, each Grantor does not have (and shall not seek to exercise) any right of reinstatement under the Security Law.
- (13) The Security Agent will only be accountable, and the Grantors will only be entitled to be credited, for the actual moneys or value received by the Security Agent arising from the sale, appropriation or other realisation of the Collateral and any Proceeds.
- (14) If the value of the Collateral and any Proceeds appropriated or the proceeds of sale or other realisation of the Collateral and any Proceeds is insufficient to pay or discharge the Secured Liabilities in full, the Grantors shall remain liable for any such deficiency or shortfall.
- (15) Without prejudice to any other right or power which the Security Agent may have under the Security Law or this Agreement, the Security Agent may redeem any prior security interest in the whole or any part of the Collateral. If the Security Agent is not subrogated to the rights of any secured party whose security interest is so redeemed, then the Grantors shall indemnify (and keep indemnified) the Security Agent on demand against all amounts paid or payable by the Security Agent in connection with any such redemption. Any such redemption by the Security Agent may be effected at any time including, without limitation, before the power of enforcement becomes exercisable in accordance with Clause 6(1).
- (16) Any rights of the Security Agent contained in this Clause 6 when exercised, shall constitute actions or remedies for the purposes of Article 43(2)(c) or Article 43(2)(d) of the Security Law.

## **7. FURTHER ASSURANCE**

Each Grantor agrees that, at any time and from time to time upon the written request of the Security Agent and at its own expense, it will promptly do any and all such acts and things and



execute and deliver any and all such instruments, agreements, documents, notices, transfers, orders and directions (including, without limitation, any additional, replacement or supplemental security agreements) as the Security Agent may deem necessary or desirable for creating, perfecting, maintaining or, following the occurrence of an Event of Default which is continuing, enforcing the security interest constituted (or intended to be constituted) by or pursuant to this Agreement or in any respect whatsoever for obtaining the full benefit (or intended benefit) of this Agreement and of the rights, powers and discretions granted (or intended to be granted) by or pursuant to this Agreement or the Security Law.

#### **8. POWER OF ATTORNEY**

- (1) In accordance with Article 5(2)(a) of the Powers of Attorney Law, for the purpose of facilitating the exercise of the powers of the Security Agent under the Security Law and of the powers given pursuant to this Agreement, each Grantor irrevocably appoints (following the occurrence of an Event of Default which is continuing or following the failure by it to comply with a request from the Security Agent, to take any action and sign or execute any further documents which it is required to take, sign or execute in accordance with this Agreement) the Security Agent as that Grantor's attorney (with full power of substitution in accordance with Article 8 of the Powers of Attorney Law) for that Grantor and in the name and on behalf of that Grantor:
  - (a) to sign, execute, seal, deliver, register and perfect any instruments, agreements, documents, notices, transfers, orders and directions whatsoever which the Security Agent may reasonably require for creating, perfecting, maintaining or enforcing the security interest constituted (or intended to be constituted) by or pursuant to this Agreement (including, without limitation, any instruments, agreements, documents, notices, transfers, orders and directions referred to in Clause 7); and
  - (b) to sign, execute, seal, deliver, register and perfect any instruments, agreements, documents, notices, transfers, orders and directions whatsoever required by the Security Agent, and to do any such other acts and things as the Security Agent may reasonably require, in order to obtain the full benefit (or intended benefit) of this Agreement and of the rights, powers and discretions granted (or intended to be granted) by or pursuant to this Agreement or the Security Law.
- (2) Each Grantor hereby covenants with the Security Agent to ratify and confirm any exercise or purported exercise of the power of attorney granted in Clause 8(1).
- (3) Each Grantor will keep the Security Agent fully indemnified on demand against any loss or liability incurred or sustained by the Security Agent as a result of, or as a consequence of, the Security Agent acting as an attorney pursuant to Clause 8(1).

#### **9. REINSTATEMENT OF SECURITY**

If any discharge or release of any of the Secured Liabilities or any security for the Secured Liabilities is made in whole or in part on the basis of any payment, security or other disposition which is subsequently avoided, reduced or otherwise set aside on the bankruptcy, liquidation or dissolution of any person or otherwise howsoever:

- (1) the liability of the Grantors under, and the security interest constituted by or pursuant to, this Agreement will continue or be reinstated as if that discharge or release had not occurred (and notwithstanding any release of the security interest constituted by or pursuant to this Agreement pursuant to Clause 12); and

- (2) the Security Agent and the Grantors will be restored to the position in which each would have been, and will be entitled to exercise all the rights which each would have had, if that discharge or release had not been made (and the security interest constituted by or pursuant to this Agreement had not been released).

#### 10. NO IMPAIRMENT

The obligations of the Grantors under this Agreement, and the security interest constituted by or pursuant to this Agreement, shall not be discharged, released, impaired, prejudiced or otherwise affected in any way by:

- (1) any amalgamation, reorganisation, reconstruction or merger of or relating to a Grantor or any other person (which for this Clause 10 shall include, without limitation, the PCC, the PC, the Scottish GP, the Scottish LP, the Trustee or the Trust);
- (2) any act or omission by the Security Agent in taking up, perfecting or enforcing any security, indemnity, guarantee or other claim from or against a Grantor or any other person;
- (3) any defect in or any termination, amendment, variation, novation, restatement or supplement of or to any Finance Document or any other document;
- (4) any time, indulgence, waiver or consent being granted to a Grantor or any other person by the Security Agent or any other person;
- (5) any insolvency, bankruptcy, liquidation, administration, receivership or winding up relating to a Grantor or any other person;
- (6) any composition or arrangement being made with a Grantor or any other person;
- (7) the death, incapacity, lack of authority, limitation or disability relating to a Grantor or any other person;
- (8) any change in the name, constitution, members, partners or status of a Grantor or any other person;
- (9) any release, termination, frustration, non-provability, illegality, invalidity or unenforceability of any obligation of a Grantor or any other person under or in connection with any Finance Document or any other document;
- (10) any variation, extension, compromise, discharge, release, dealing with, exchange or renewal of any right or remedy which the Security Agent or any other person may at any time have against a Grantor or any other person;
- (11) any non-observance of any formality or other requirement in respect of any Finance Document;
- (12) any refusal or neglect to perfect, take up or enforce any rights against, or security over, any asset of a Grantor or any other person;
- (13) any failure to realise the full value of any security; or
- (14) any other act, omission or circumstance which but for this provision might operate to exonerate or discharge a Grantor or reduce or extinguish its liability under this Agreement or release or discharge the security interest constituted by or pursuant to this Agreement.

#### 11. SUBROGATION

Until the expiry of the Security Period, the Grantors shall not after any claim has been made under this Agreement or after any step has been taken to enforce the security interest constituted by or pursuant to this Agreement or by virtue of any payment or performance by them of the Secured Liabilities:

- (1) exercise any rights which they may have to be subrogated to any rights or security of any Finance Party;
- (2) exercise any right of contribution or indemnity from any person in relation to any payment made in respect of the Secured Liabilities; or
- (3) claim, rank or prove as a creditor of any person in competition with any Finance Party.

#### 12. RELEASE OF SECURITY

- (1) Once:
  - (a) all Secured Liabilities have been irrevocably and unconditionally paid, discharged or performed in full and no Finance Party has any obligation to provide any further credit or financial accommodation to any person under or in connection with any Finance Document; and
  - (b) no payment or transaction in respect of the Secured Liabilities or any Finance Document may be set aside or avoided under any law,

the Security Agent will, on the written request of the Grantors and at the cost of the Grantors, execute a release of the security interest constituted by or pursuant to this Agreement on such terms as the Security Agent may determine and return to the Grantors such documentation in respect of the Collateral as have been delivered by the Grantors to the Security Agent pursuant to this Agreement.

- (2) The Security Agent may, on the written request of the Grantors and at the cost of the Grantors, execute a partial release of the security interest constituted by or pursuant to this Agreement on such terms as the Security Agent may determine.
- (3) The Security Agent (or any representative of the Security Agent) may at the cost of the Grantors file a financing change statement to reflect any release or partial release of the security interest constituted by or pursuant to this Agreement.

#### 13. TACKING AND CURRENT ADVANCES

- (1) For the purposes of Article 33 of the Security Law, the Parties acknowledge and agree that this Agreement secures further advances.
- (2) The security interest constituted by or pursuant to this Agreement shall have the same priority in relation to all Secured Liabilities.
- (3) The security interest constituted by or pursuant to this Agreement shall not be extinguished by the repayment of any current advance from time to time. Accordingly, the security interest constituted by or pursuant to this Agreement shall constitute a continuing security and will extend to the ultimate balance of the Secured Liabilities from time to time notwithstanding any intermediate payment or discharge in whole or in part.

#### 14. CUSTOMARY LAW WAIVERS

Each Grantor irrevocably and unconditionally waives any and all rights under the laws of Jersey:

- (1) whether by virtue of the droit de division or otherwise, to require that any liability under the Finance Documents be divided or apportioned with any other person or reduced in any manner whatsoever; and
- (2) whether by virtue of the droit de discussion or otherwise, to require that the Security Agent claims payment from, or proceed against, any other person or its assets before any claim is enforced against any Grantor under the Finance Documents.

#### 15. REMEDIES AND WAIVER

- (1) No failure or delay by the Security Agent in exercising any right or remedy under this Agreement, the Security Law or otherwise howsoever shall operate as a waiver or release of such right or remedy nor shall any single or partial exercise of any such right or remedy preclude its further exercise or the exercise of any other right or remedy.
- (2) The rights provided to the Security Agent in this Agreement are cumulative, may be exercised as often as the Security Agent considers appropriate, are in addition to its rights provided by law and may be waived only in writing.
- (3) To the extent permitted by law, the Security Agent shall not be liable for any losses arising in connection with the exercise or purported exercise of any of its rights, powers and discretions under this Agreement or conferred by the Security Law.

#### 16. RECONSTRUCTION OR REORGANISATION

The rights of the Security Agent shall not be affected or prejudiced in any way by any change in its constitution or by its reconstruction or reorganisation or its absorption in or amalgamation or merger or consolidation with any other person or the acquisition of all or part of its undertaking by any other person.

#### 17. REGISTRATION

- (1) Each Grantor (except for the Trustee acting as trustee of the Trust) hereby consents to the Security Agent (or any representative of the Security Agent) registering such financing statements and financing change statements as the Security Agent may consider appropriate to perfect the security interest constituted by or pursuant to this Agreement continuously during the Security Period.
- (2) Each Grantor hereby waives any right that it has under Article 65 of the Security Law to receive a copy of any verification statement.

#### 18. MISCELLANEOUS

- (1) All payments to be made by the Grantors under this Agreement will be made without any withholding (whether in respect of tax or otherwise howsoever), set off or counterclaim.
- (2) The security interest constituted by or pursuant to this Agreement shall be independent of and in addition to and shall not merge with or be prejudiced or affected by or otherwise prejudice or affect any contractual or other right or remedy or any guarantee, indemnity, lien, right of set off, right of combination or consolidation of accounts,

security interest, mortgage, charge or other security or other right now or hereafter held by or available to the Security Agent.

- (3) No provision of this Agreement may be amended or varied without the express written agreement of the Security Agent.
- (4) If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that will not affect the legality, validity or enforceability:
  - (a) in that jurisdiction of any other provision of this Agreement; or
  - (b) in other jurisdictions of that or any other provision of this Agreement.
- (5) A certificate of the Security Agent setting out the amount due in respect of the Secured Liabilities shall, in the absence of manifest error, be conclusive evidence of such amount.
- (6) This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
- (7) The Security Agent is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held at any time by it, or any amounts or other property that it holds or is entitled to receive, or have recourse to any other remedy, before enforcing the security interest constituted by or pursuant to this Agreement.
- (8) The Security Agent shall have full power to delegate (either generally or specifically) to any person whatsoever any of the powers, authorities and discretions conferred on it by this Agreement on such terms and conditions as it shall see fit. Any such delegation shall not prevent any further delegation to any person whatsoever or any revocation of any delegated power, authority or discretion.
- (9) The Security Agent may at any time (without exercising the power of enforcement):
  - (a) transfer possession of any certificates of title or other documentary evidence of ownership relating to any Collateral to any nominee; and
  - (b) become (or cause its nominee to become) the registered owner or holder of any investment security which constitutes Collateral.
- (10) The parties hereto acknowledge and agreed that the Security Agent holds the Security Property on trust for the Secured Parties on the terms contained in the Facility Agreement

## 19. NOTICES

- (1) Any notice or other document relating to this Agreement or the Security Law may be served on the Parties at the following addresses for service, facsimile numbers, email addresses and for the attention of the persons specified:
  - (a) for the Security Agent:

Address for service: 4th Floor, 90 Long Acre, London WC2E 9RA

Facsimile number: 44-20-7149-8393

Email address: Tim.Gibb@wellsfargo.com

Attention: Relationship Management

(b) for the First Grantor:

Address for service: Liberte House, 19-23 La Motte Street, St. Helier, Jersey,  
JE2 4SY

Facsimile number: 44-1534 709190

Email address: jeremy.hamon@je.bnpparibas.com

Attention: Jeremy Hamon

(c) for the Second Grantor:

Address for service: 60 St. Mary Axe, London, England, EC3A 8JQ

Facsimile number:

Email address: John.Willcock@threadneedle.com

Attention: John Willcock

(d) for the Third Grantor:

Address for service: Liberte House, 19-23 La Motte Street, St. Helier, Jersey,  
JE2 4SY

Facsimile number: 44-1534 709190

Email address: jeremy.hamon@je.bnpparibas.com

Attention: Jeremy Hamon

(2) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

(a) if by way of fax, when received in legible form; or

(b) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 19(1) above, if addressed to that department or officer.

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

- (4) Any communication or document made or delivered to a Grantor in accordance with this Clause 19 will be deemed to have been made or delivered to each of the Grantors.
- (5) Any communication or document which becomes effective, in accordance with Clauses 19(2) to 19(4) above, after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

## 20. CHANGE DEMANDS

If a Grantor makes or lodges any demand pursuant to Article 75 of the Security Law, that Grantor shall in addition send a notice in writing to the Security Agent in accordance with Clause 19 (other than by email) notifying the Security Agent that such a demand has been made and giving full details as to the nature of the demand.

## 21. ASSIGNMENT

- (1) The Security Agent shall be entitled to assign all or any of its rights, title and interest in and to this Agreement or transfer by novation any of its rights and obligations to any person whatsoever and for such purpose shall be entitled and authorised to disclose any information concerning the Grantors to any proposed assignee provided such assignment and/or novation takes place in accordance with clause 25 (*Changes to the Lenders and Hedge Counterparties*) of the Facility Agreement.
- (2) The Grantors may not, without the prior written consent of the Security Agent, assign transfer, novate or dispose of all or any of its rights and/or obligations under this Agreement.
- (3) If the security interest constituted by or pursuant to this Agreement is assigned, the Security Agent may register a financing change statement recording such assignment.

## 22. GOVERNING LAW AND JURISDICTION

- (1) This Agreement shall be governed by and construed in accordance with the laws of Jersey.
- (2) The Parties submit to the non-exclusive jurisdiction of the courts of Jersey.
- (3) Nothing contained in this Clause 22 shall limit the right of the Security Agent to institute proceedings against a Grantor in any other court of competent jurisdiction nor shall the institution of proceedings in one or more jurisdictions preclude the institution of proceedings in any other jurisdiction, whether concurrently or not.
- (4) Each Grantor irrevocably and unconditionally waives (and irrevocably and unconditionally agrees not to raise) any objection which it may at any time have to the venue of any proceedings in any such court as is referred to in this Clause 22 and any claims that any such proceedings have been instituted in an inconvenient forum.
- (5) Each Grantor unconditionally agrees that a judgment in any proceedings brought in any court as is referred to in this Clause 22 will be conclusive and binding upon that Grantor and may be enforced in the courts of any other jurisdiction.
- (6) Each Grantor irrevocably and unconditionally:
  - (a) confirms that its obligations and liabilities under this Agreement are commercial rather than public or governmental acts; and

(b) agrees not to claim any immunity from proceedings brought by the Security Agent against it in connection with any Finance Document.

(7) The Second Grantor shall at all times ensure that it has appointed an agent for service of process in relation to any proceedings before the courts of Jersey in connection with this Agreement. On the date of this Agreement, such process agent is Threadneedle Investments (Channel Islands) Limited of Liberte House, 19-23 La Motte Street, St. Helier, Jersey, JE2 4SY and in the event that any new process agent is appointed, the Second Grantor shall notify the Security Agent of any such appointment forthwith. If requested by the Security Agent, the Second Grantor shall promptly provide evidence acceptable to the Security Agent of the appointment of any process agent. The Second Grantor agrees that any failure by any process agent to notify the Second Grantor of the process will not invalidate the proceedings concerned.



## SCHEDULE 1

### The Grantors

1. Threadneedle UK Property Equity Club PCC (the "**PCC**") a cell company incorporated under the laws of Jersey with registered number 106604 acting in respect of Threadneedle UK Property Equity Club 9 PC (the "**PC**") a protected cell of the PCC registered under the laws of Jersey with registered number 118488, each having their registered office at Liberte House, 19-23 La Motte Street, St. Helier, Jersey, JE2 4SY;
2. Sackville TIPP Property (GP) Limited (the "**Scottish GP**") acting for itself and as trustee for and on behalf of Threadneedle Investors Property Partnership LP (the "**Scottish LP**") a limited partnership registered under the laws of Scotland with registered number SL006686; and
3. BNP Paribas Securities Services Trust Company Limited (the "**Trustee**") acting as trustee of Threadneedle UK Property Equity Club Series Trust 9 (the "**Trust**") with the Trustee having its registered office at Liberte House, 19-23 La Motte Street, St. Helier, Jersey, JE2 4SY.

## SCHEDULE 2

### NOTICE OF SECURITY - LIMITED PARTNERSHIP INTERESTS

**TO:** Sackville Property St James (Jersey GP) Limited acting in its capacity as the general partner of Threadneedle UKPEC9 St James Jersey LP

Threadneedle Investments (Channel Islands) Limited acting in its capacity as the manager of Threadneedle UKPEC9 St James Jersey LP

**FROM:** Threadneedle UK Property Equity Club PCC acting in respect of Threadneedle UK Property Equity Club 9 PC

Sackville TIPP Property (GP) Limited acting for itself and as trustee for and on behalf of Threadneedle Investors Property Partnership LP

BNP Paribas Securities Services Trust Company Limited as trustee of Threadneedle UK Property Equity Club Series Trust 9

(together, the "Grantors")

**AND FROM:** Wells Fargo Bank. N.A. London Branch (the "Security Agent")

**DATE:**

1. We hereby give you notice that, pursuant to a security interest agreement dated \_\_\_\_\_ (the "**Security Agreement**") made between the Grantors and the Security Agent, the Grantors have created a security interest in or over all of the Collateral. In this notice, the following terms and expressions shall have the following meanings:

- a) "**Collateral**" means the Limited Partnership Interests and all Related Assets;
- b) "**Default**" shall have the meaning given to it in the Security Agreement;
- c) "**Event of Default**" shall have the meaning given to it in the Security Agreement;
- d) "**Limited Partnership**" means Threadneedle UKPEC9 St James Jersey LP established as a limited partnership pursuant to the Limited Partnership Law;
- e) "**Limited Partnership Agreement**" means the amended and restated limited partnership agreement made between Sackville Property St James (Jersey GP) Limited (as general partner), and Threadneedle Investors Property Partnership LP as adhered to or amended or supplemented or varied from time to time;
- f) "**Limited Partnership Interests**" means:
  - (i) all present and future rights, title and interest of the Grantors under or pursuant to the Limited Partnership Agreement;
  - (ii) all present and future rights, title and interest of the Grantors as limited partners in the Limited Partnership under or pursuant to the Limited Partnership Law and the customary law of Jersey; and

- (iii) all other present and future rights, title and interest (if any) of the Grantors as limited partners in the Limited Partnership,

but excluding all Related Assets;

- g) "Limited Partnership Law" means the Limited Partnerships (Jersey) Law 1994.
- h) "Related Assets" all present and future payments or distributions of whatever nature paid or payable to a Grantor at any time under or pursuant to the Limited Partnership Agreement (irrespective of how the same are characterised and including, without limitation, payments and distributions of income and capital under or pursuant to the Limited Partnership Agreement and further including, without limitation, any returns of contribution under or pursuant to the Limited Partnership Agreement) and any present or future rights thereto.
2. We irrevocably and unconditionally authorise and instruct you from and after receipt by you of written notice from the Security Agent that a Default has occurred which is continuing (notwithstanding any previous instructions of any kind which any Grantor may have given to you):
- a) to pay all monies accruing due and payable from time to time in respect of the Related Assets as directed in writing from time to time by the Security Agent;
- b) to disclose to the Security Agent such information relating to the Collateral as it may from time to time require; and
- c) to comply with the instructions from time to time of the Security Agent (to the exclusion of instructions from any other person including, without limitation, any Grantor) without any enquiry by you as to the justification or validity of such instructions.
3. We authorise and instruct you immediately after an instruction in writing being given to you by the Security Agent pursuant to this paragraph 3 (which instruction may only be given if the Security Agent has given written notice to you that an Event of Default has occurred and is continuing), to update any register of limited partners of the Limited Partnership to:
- a) remove the Grantors from any register of limited partners as limited partners in the Limited Partnership; and
- b) register such person as the Security Agent may specify (which may be the Security Agent itself) on any register of limited partners in the Limited Partnership as a new limited partner in respect of the Collateral.
4. This notice may not be varied or revoked without the Security Agent's prior written consent.
5. This notice may be executed in any number of counterparts and by each party on a separate counterpart each of which counterparts when so executed and delivered shall be an original but all such counterparts shall together constitute one and the same instrument.
6. This notice shall be governed by and construed in accordance with the laws of Jersey.

Please sign and forward to the Security Agent at 4th Floor, 90 Long Acre, London WC2E 9RA the enclosed form of acknowledgement.

.....  
For and on behalf of

Threadneedle UK Property Equity Club PCC  
acting in respect of Threadneedle UK Property Equity Club 9 PC

.....  
For and on behalf of  
Sackville TIPP Property (GP) Limited acting for itself  
and as trustee for and on behalf of  
Threadneedle Investors Property Partnership LP

.....  
For and on behalf of  
BNP Paribas Securities Services Trust Company Limited as trustee of  
Threadneedle UK Property Equity Club Series Trust 9

.....  
For and on behalf of  
Wells Fargo Bank, N.A. London Branch

**ACKNOWLEDGEMENT OF NOTICE OF SECURITY -  
LIMITED PARTNERSHIP INTERESTS**

**TO:** Threadneedle UK Property Equity Club PCC acting in respect of Threadneedle UK Property Equity Club 9 PC

Sackville TIPP Property (GP) Limited acting for itself and as trustee for and on behalf of Threadneedle Investors Property Partnership LP

BNP Paribas Securities Services Trust Company Limited as trustee of Threadneedle UK Property Equity Club Series Trust 9

(together, the "Grantors")

**AND TO:** Wells Fargo Bank, N.A. London Branch (the "Security Agent")

**FROM:** Sackville Property St James (Jersey GP) Limited acting in its capacity as the general partner of Threadneedle UKPEC9 St James Jersey LP (the "General Partner")

Threadneedle Investments (Channel Islands) Limited acting in its capacity as the manager of Threadneedle UKPEC9 St James Jersey LP (the "Manager")

**DATE:**

We hereby acknowledge receipt of a notice dated \_\_\_\_\_ (the "Notice") from the Security Agent and the Grantors relating to the creation of a security interest in respect of the Collateral. Terms defined in the Notice shall have the same meaning when used herein.

We confirm that:

1. we consent to the security interest created by the Grantors in or over the Collateral pursuant to the Security Agreement;
2. to the extent that there are any terms or conditions of the Limited Partnership Agreement which would prevent the security interest contemplated by the Security Agreement taking effect in or over the Collateral (or would otherwise prevent or hinder the Security Agent exercising its power of enforcement or sale or such other rights as may be set out in the Security Agreement, over the Collateral), we hereby waive and disapply such terms and conditions and confirm that we have full power and authority to do so in accordance with the terms of the Limited Partnership Agreement;
3. we hereby irrevocably undertake and agree not to take any of those steps (or utilise any of those powers afforded to us) as set out in clause 6.4 (*Failure to comply with Drawdown Notice*) of the Limited Partnership Agreement without obtaining the prior written consent of the Security Agent;
4. we hereby irrevocably undertake and agree to comply with the terms of the Finance Documents (as defined in the Security Agreement) and not to act in contravention of the provisions or terms of the same (nor to issue any directions to another, to do so) nor to amend, or replace the Management Agreement (as defined in the Limited Partnership Agreement) without obtaining the prior written consent of the Security Agent;
5. we hereby irrevocably undertake and agree to draw down tranches of Undrawn Loan Commitments from Investors (and to serve notice on the Investors in that regard) in both a

timely manner and in accordance with the terms of the Limited Partnership Agreement and to the extent we do not do so, hereby irrevocably authorise the Security Agent to do so in our stead and further hereby agree to use all reasonable endeavours to assist the Security Agent in it doing so,

6. we hereby irrevocably agree and undertake not to permit or allow or effect any assignment or transfer of any interest in the Limited Partnership without obtaining the prior written consent of the Security Agent;
7. we hereby irrevocably agree and undertake not to purchase the interest of any Investor whether pursuant to clause 17.2 (*Withdrawal of Investors*) of the Limited Partnership Agreement, or otherwise;
8. we hereby irrevocably agree and undertake not to terminate or amend or vary any provision of the Limited Partnership Agreement, without the prior written consent of the Security Agent;
9. we hereby irrevocably agree and undertake to notify the Security Agent of any proposed changes to the functionalities of the Limited Partnership, proposed co-investment to be undertaken or considered in accordance with the provisions of clause 21.5 (*Co-investment*) of the Limited Partnership Agreement;
10. we accept the authorisations and instructions contained in the Notice and we undertake to act at all times in accordance with, and to comply with, the terms of the Notice
11. we have neither claimed nor exercised nor will claim or exercise any security interest, lien, any rights of counter claim or any rights of set-off we may have against the Grantors;
12. we have not, at the date of this acknowledgement, received any notice that any third party has or will have any right or interest whatsoever in the Collateral or any part thereof or is taking any action whatsoever against the Collateral or any part thereof and if we become aware of any such matter, we will immediately inform the Security Agent of such in writing;
13. we agree that the Grantors alone or together shall remain liable in respect of all obligations and liabilities arising in connection with the Collateral;
14. we shall not at any time terminate, dissolve, amend or agree or permit any termination, dissolution or amendment of the Limited Partnership or the Limited Partnership Agreement (as the case may be) without the prior written consent of the Security Agent;
15. we agree that from the date of receipt by us of written notice from the Security Agent that a Default has occurred which is continuing, we shall cease to act in accordance with the instructions of the Grantors in respect of the Collateral;
16. we agree that the Security Agent may exercise the power of enforcement in respect of the security interest constituted by or pursuant to the Security Agreement by doing any of the matters set out in Article 43(2) of the Security Interests (Jersey) Law 2012 (the "2012 Law") in respect of the Collateral and, without prejudice to any other provision contained in this acknowledgment, we hereby consent to any appropriation by the Security Agent of the Collateral or any sale of the Collateral by the Security Agent to any person pursuant to the Security Agreement and/or the 2012 Law and we will immediately update any register of limited partners to reflect any such appropriation or sale;
17. in addition, we hereby irrevocably agree and consent for all purposes to the admission of one or more new limited partners following an exercise of the power of sale, enforcement (or otherwise) as set out in (or contemplated by) the Security Agreement including, without limitation, for the purposes of clause 4.1 of the Limited Partnership Agreement and we further hereby irrevocably

agree and confirm that any such transfer shall be acknowledged by each of the Manager and the General Partner to be a transfer pursuant to the provisions of clause 12.4(a)(iii) of the Limited Partnership Agreement, thereby negating the need for any further prior written consent of the Manager to any such sale, assignment, transfer, exchange, pledge, encumbrance or other disposition of all or any part of any Investor's Interest, whether direct or indirect, voluntary or involuntary which shall be proposed as part of the exercise of the power of sale, enforcement (or otherwise) as set out in (or contemplated by) the Security Agreement;

18. save as contemplated above, we shall not admit or register any person as a new limited partner of the Limited Partnership without the prior written consent of the Security Agent;
19. we shall not at any time assign or transfer the whole or any part of our interest in the Limited Partnership without the prior written consent of the Security Agent;
20. we shall not at any time resign or retire as the general partner or Manager of the Limited Partnership without the prior written consent of the Security Agent; and
21. for the purpose of the giving of notice to us, without prejudice to any other form of notice, we agree that a facsimile sent to 44-1534 709190 attention Jeremy Hamon or email [jeremy.hamon@je.bnpparibas.com](mailto:jeremy.hamon@je.bnpparibas.com) shall be sufficient notice.

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

.....  
For and on behalf of  
Sackville Property St James (Jersey GP) Limited  
acting in its capacity as the general partner of  
Threadneedle UKPEC9 St James Jersey LP

IN WITNESS WHEREOF the Parties have entered into this Agreement on the date first above written.

**The Security Agent:**

SIGNED for and on behalf of Wells Fargo Bank, )  
N.A. London Branch acting by an authorised )  
signatory

.....  
Authorised Signatory

**The First Grantor:**

SIGNED for and on behalf of Threadneedle UK )  
Property Equity Club PCC acting in respect of )  
Threadneedle UK Property Equity Club 9 PC )  
acting by two directors or a director and secretary

.....  
Director

.....  
Director/Secretary

**The Second Grantor:**

SIGNED for and on behalf of Sackville TIPP  
Property (GP) Limited acting for itself and as  
trustee for and on behalf of Threadneedle  
Investors Property Partnership LP acting by two  
directors or a director in the presence of:

  
Director

SIGNATURE  
REDACTED

  
Witness

SIGNATURE REDACTED

Witness name GRACE TINGIN

Witness Address

  
ADDRESS  
REDACTED

**The Third Grantor:**

SIGNED for and on behalf of BNP Paribas )  
Securities Services Trust Company Limited acting )  
as trustee of Threadneedle UK Property Equity )  
Club Series Trust 9 acting by two directors or a )  
director and secretary

.....  
Director

.....  
Director/Secretary