



Registration of a Charge

Company name: **GROSVENOR LIVERPOOL LIMITED**

Company number: **05228438**



X4MPAJ9L

Received for Electronic Filing: **21/12/2015**

Details of Charge

Date of creation: **15/12/2015**

Charge code: **0522 8438 0017**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description: **LAND (A) FREEHOLD, LEASEHOLD OR COMMONHOLD LAND; (B) ANY ESTATE OR INTEREST IN, AND ANY RIGHTS ATTACHING OR RELATING TO, THAT LAND; AND (C) ANY BUILDINGS, FIXTURES AND FITTINGS (INCLUDING TRADE FIXTURES AND FITTINGS) AND OTHER EQUIPMENT ATTACHED TO, SITUATED ON OR FORMING PART OF THAT LAND. INCLUDING TITLE NUMBERS: MS85025 MS572202 MS608298 MS559469 MS525368 MS525369 MS525370 INTELLECTUAL PROPERTY: ALL COPYRIGHT (INCLUDING RIGHTS IN COMPUTER SOFTWARE), PATENTS, TRADE MARKS, TRADE NAMES, SERVICE MARKS, BUSINESS NAMES (INCLUDING INTERNET DOMAIN NAMES), DESIGN RIGHTS, DATABASE RIGHTS, SEMI-CONDUCTOR TOPOGRAPHY RIGHTS AND ALL OTHER INTELLECTUAL PROPERTY OR SIMILAR PROPRIETARY RIGHTS (WHETHER REGISTERED OR NOT AND INCLUDING APPLICATIONS TO REGISTER OR RIGHTS TO APPLY FOR REGISTRATION) WHICH, IN EACH CASE, ARE OF A TYPE WHICH ARE NOT DISPOSED OF IN THE ORDINARY COURSE OF TRADING**

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **NORTON ROSE FULBRIGHT LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5228438

Charge code: 0522 8438 0017

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th December 2015 and created by GROSVENOR LIVERPOOL LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st December 2015 .

Given at Companies House, Cardiff on 22nd December 2015

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Execution version

Dated 15 December 2015

GROSVENOR LIVERPOOL FUND

THE ROYAL BANK OF SCOTLAND PLC
as Security Agent

entity that, save for material
omissions pursuant to s.859G
of the Companies Act 2006,
this copy instrument is a correct copy
of the original instrument.

Norton Rose Fulbright LLP

SECURITY AGREEMENT

Sign & Dated16/12/15.....

Contents

Clause	Page
Interpretation.....	2
1 Definitions and interpretation.....	2
Security.....	8
2 Payment of Secured Liabilities.....	8
3 Charges.....	8
4 Set-off.....	9
5 Restrictions.....	9
6 Perfection.....	10
Enforcement.....	14
7 Enforcement.....	14
8 Application of proceeds.....	16
Miscellaneous.....	17
9 Duration of the security.....	17
10 Expenses, liability and indemnity.....	17
11 Payments.....	18
12 Remedies.....	18
13 Power of attorney.....	19
14 Parties.....	19
15 Notices.....	19
16 Law and jurisdiction.....	20
Schedule 1 Initial administrative details of the parties.....	22
Schedule 2 Land.....	23
Schedule 3 Key Contracts.....	24
Schedule 4 Key Accounts.....	25
Schedule 5 Notice and acknowledgment of charge.....	26
Schedule 6 Form of Legal Mortgage.....	31

Deed dated 15 December 2015

PARTIES

Chargor	Grosvenor Liverpool Fund (acting by its general partner Grosvenor Liverpool Limited)
Security Agent	The Royal Bank of Scotland plc, as security trustee for the Secured Parties

SUMMARY

Chargor	Grosvenor Liverpool Fund
Chargees	The Royal Bank of Scotland plc as security trustee for the Secured Parties from time to time
Charged Assets	all assets of the Chargor from time to time
Secured Liabilities	all Secured Liabilities (as such term is defined in the Facility Agreement)
Type of security	fixed charge
Law	English law

IT IS AGREED as follows:

Interpretation

1 Definitions and interpretation

Definitions

1.1 Unless the context otherwise requires or unless otherwise defined in this Deed, words and expressions defined in the Facility Agreement shall have the same meaning when used in this Deed. Words and expressions shall be construed in accordance with the Facility Agreement.

1.2 In this Deed:

Agent has the meaning given to it in the Facility Agreement.

Charged Assets means the Fixed Charge Assets.

Collateral Warranties means the collateral warranties (or any of them) granted now or in the future *in favour of, or assigned to, the Chargor in connection with the development of a Property* under which the Chargor continues to have enforceable rights.

Debt means a monetary claim of any kind (whether present, future or contingent and whether originally owing to the person entitled to it or acquired by that person from someone else) and all Rights (including Security) connected with it.

Default Rate means the rate specified in clause 8.5 of the Facility Agreement.

Disposal means any transfer or other disposal of an asset or of an interest in an asset, or the creation of any Right *over an asset in favour of another person, but not the creation of Security*.

Enforcement Time, in relation to the Chargor, means any time at which an Event of Default has occurred and is continuing and a notice has been served under clause 24.16.4 of the Facility Agreement.

Equipment means all plant, machinery, vehicles and other equipment used in a business, except equipment of a type which is disposed of in the ordinary course of trading, and all warranties and other Rights relating to them.

Event of Default has the meaning given to it in the Facility Agreement.

Facility Agreement means the facility agreement dated on or about 8 December 2015 between, amongst others, the Chargor and the Finance Parties, as it may from time to time be amended, restated, novated or replaced (however fundamentally, including by an increase of any size in the amount of the facilities made available under it, the alteration of the nature, purpose or period of those facilities or the change of its parties).

Finance Party Security means the Security created by this Deed and any other existing or future Security granted by the Chargor to the Security Agent to secure the payment and discharge of Secured Liabilities.

Finance Party Security Document means a document creating or evidencing Finance Party Security.

Fixed Charge Assets means those assets which are from time to time the subject of clause 3.2 and clause 3.3.

Insolvency Event, in relation to a person, means:

- (a) the dissolution, liquidation, provisional liquidation, administration, administrative receivership or receivership of that person or the entering into by that person of a voluntary arrangement or scheme of arrangement with creditors;
- (b) any analogous or similar procedure in any jurisdiction other than England; or
- (c) any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction.

Insolvency Legislation means:

- (a) the Insolvency Act 1986 and secondary legislation made under it; and
- (b) any other primary or secondary legislation in England from time to time relating to insolvency or reorganisation.

Intellectual Property means all copyright (including rights in computer software), patents, trade marks, trade names, service marks, business names (including internet domain names), design rights, database rights, semi-conductor topography rights and all other intellectual property or similar proprietary rights (whether registered or not and including applications to register or rights to apply for registration) which, in each case, are of a type which are not disposed of in the ordinary course of trading.

Investment means:

- (a) any investment or interest in Grosvenor Liverpool Residential Fund (a limited partnership registered in England and Wales with registration number LP013067);
- (b) any shares or loan capital held in a Subsidiary;
- (c) any investment acquired after the date of this Deed which is designated as an Investment by the Chargor and the Security Agent; and

- (d) any other debt or equity security or any warrant or option to acquire or subscribe for any such security (whether it is held directly or through a custodian, clearing house or other person) unless it is of a type which is not held as an investment and is accordingly disposed of in the ordinary course of trading,

and any accretions to them and other Rights arising in connection with them.

Key Account means:

- (a) an account described in Schedule 4 (*Key Accounts*);
- (b) any account that replaces an account described in Schedule 4 (*Key Accounts*);
- (c) any account established after the date of this Deed which is designated as a Key Account by the Chargor and the Security Agent; and
- (d) any other account with a bank or financial institution which cannot be drawn on by the account holder in the ordinary course of its trading without the consent of the Security Agent.

Key Contract means:

- (a) a contract described in Schedule 3 (*Key Contracts*);
- (b) any contract that amends or replaces a contract described in Schedule 3 (*Key Contracts*); and
- (c) any contract entered into after the date of this Deed which is designated as a Key Contract by the Chargor and the Security Agent.

Land means:

- (a) freehold, leasehold or commonhold land;
- (b) any estate or interest in, and any Rights attaching or relating to, that land; and
- (c) any buildings, fixtures and fittings (including trade fixtures and fittings) and other equipment attached to, situated on or forming part of that land.

Obligations, in relation to a person, means all obligations or liabilities of any kind of that person from time to time, whether they are:

- (a) to pay money or to perform (or not to perform) any other act;
- (b) express or implied;

- (c) present, future or contingent;
- (d) joint or several;
- (e) incurred as a principal or surety or in any other manner; or
- (f) originally owing to the person claiming performance or acquired by that person from someone else.

Officer, in relation to a person, means any officer, employee or agent of that person.

Right means any right, privilege, power or immunity, or any interest or remedy, of any kind, whether it is personal or proprietary.

Secured Liabilities has the meaning given to such term in the Facility Agreement.

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Security Agent means The Royal Bank of Scotland Plc, or any other person appointed as security trustee for the Secured Parties under the Finance Documents.

Specific Receiver means one or more receivers or managers appointed, or to be appointed, under this Deed.

Third Parties Act means the Contracts (Rights of Third Parties) Act 1999.

VAT means value added tax.

Interpretation

1.3 In this Deed:

- (a) *the table of contents, the summary and the headings are inserted for convenience only and do not affect the interpretation of this Deed;*
- (b) references to clauses and schedules are to clauses of, and schedules to, this Deed;
- (c) references to the Facility Agreement, any Finance Document or any other document are to that document as from time to time amended, restated, novated or replaced, however fundamentally;
- (d) references to a person include an individual, firm, company, corporation, unincorporated body of persons and any government entity;

- (e) references to a person include its successors in title, permitted assignees and permitted transferees;
 - (f) words importing the plural include the singular and vice versa; and
 - (g) references to any enactment include that enactment as amended or re-enacted; and, if an enactment is amended, any provision of this Deed which refers to that enactment will be amended in such manner as the Security Agent, after consultation with the Chargor, determines to be necessary in order to preserve the intended effect of this Deed.
- 1.4 It is intended that this document takes effect as a deed even though the Security Agent may only execute it under hand.
- 1.5 This Deed may be executed in counterparts.
- 1.6 The provisions of any other Finance Document relating to:
- (a) any disposition of an interest in land; or
 - (b) any obligation of the Lenders to make further advances,
- are deemed to be incorporated in this Deed.
- 1.7 Where a definition of a type of asset in clause 1.1 contains a number of categories, each category will be construed as separate from each other category.

Parties and third parties

- 1.8 The rights expressly conferred on each of the Secured Parties, each Specific Receiver and each Officer of the Security Agent or a Specific Receiver under this Deed are enforceable by each of them under the Third Parties Act.
- 1.9 No other term of this Deed is enforceable under the Third Parties Act by anyone who is not a party to this Deed.
- 1.10 The parties to this Deed may terminate this Deed or vary any of its terms without the consent of any third party. However, they may not terminate this Deed or vary any of its terms if this would have the effect of terminating or adversely affecting the Rights of a Specific Receiver or of an Officer of the Security Agent or a Specific Receiver under this Deed without its consent, but only to the extent that it has notified the Security Agent that it intends to enforce that clause at the time of the termination or variation.

Limited Recourse to the General Partner

- 1.11 The parties to this Deed agree that the liability of the General Partner under this Deed in its capacity as general partner of the Borrower under this Deed is limited to the aggregate amount received from the realisation of, or enforcements against, the Charged Assets. This shall not affect the liability of the Borrower.

Security

2 Payment of Secured Liabilities

The Chargor will pay or otherwise discharge all Secured Liabilities when they become due for payment or discharge.

3 Charges

3.1 The charges contained in this clause 3:

- (a) are given to the Security Agent as trustee for the Secured Parties;
- (b) secure the payment and discharge of the Secured Liabilities; and
- (c) are given with full title guarantee.

3.2 The Chargor charges, to the extent of any legal interest that it owns, by way of first legal mortgage:

- (a) all the Land of which a brief description is contained in Schedule 2 (*Land*); and
- (b) all other Land now owned by it,

and any Rights accruing to, derived from or otherwise connected with it (including insurances and proceeds of Disposal and of insurances).

3.3 The Chargor charges, by way of first fixed charge, all of the Rights which it now has and all of the Rights which it obtains at any time in the future in:

- (a) Land;
- (b) Equipment;
- (c) Investments;
- (d) Key Contracts;
- (e) subject to clause 3.4, Collateral Warranties;
- (f) Key Accounts;
- (g) Intellectual Property;
- (h) Debts; and

- (i) goodwill and uncalled capital,

and in any Rights accruing to, derived from or otherwise connected with them (including insurances and proceeds of Disposal and of insurances).

3.4 The charge given by the Chargor pursuant to clause 3.3(e) above shall be effective:

- (a) only to the extent that the relevant Collateral Warranty is capable of being charged without breaching any provision of such Collateral Warranty;
- (b) where the terms of any Collateral Warranty requires third party consent to the charge in favour of the Security Agent and such consent has not been obtained at the date of this Deed, immediately on such consent being obtained; or
- (c) to the extent that any of the Collateral Warranty contains an absolute prohibition against charging, only in respect of the proceeds of any Rights in respect of such Collateral Warranty).

Nothing in this clause 3.4 shall be construed as creating or purporting to create an assignment of any of the Collateral Warranties.

4 Set-off

- 4.1 A Secured Party may set off any matured Secured Liability due from the Chargor (to the extent beneficially owned by that Secured Party) against any matured obligation owed by that Secured Party to the Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- 4.2 If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of trading for the purpose of the set-off.
- 4.3 These Rights are in addition to the security conferred on the Security Agent under this Deed.

5 Restrictions

- 5.1 The Chargor will ensure that the restrictions contained in this clause 5 are complied with unless the Security Agent agrees to the contrary.
- 5.2 Unless expressly permitted by the Facility Agreement:
 - (a) no Security will exist over, or in relation to, any Charged Asset; and
 - (b) there will be no Disposal of any Charged Asset.

6 Perfection

General action

- 6.1 The Chargor will, at its own expense, create all such Security, execute all such documents, give all such notices, effect all such registrations (whether at the Companies Registry, an asset registry or otherwise), deposit all such documents and do all such other things as the Security Agent may:
- (a) (acting reasonably) require from time to time in order to ensure that it has an effective first-ranking fixed charge (or, in the case of Land then owned by the Chargor, a charge by way of legal mortgage) over the Fixed Charge Assets, subject only to such Security as the Security Agent has agreed should rank in priority;
 - (b) require from time to time in order to facilitate the enforcement of the Finance Party Security, the realisation of the Charged Assets or the exercise of any Rights held by the Security Agent or any Specific Receiver under or in connection with the Finance Party Security.
- 6.2 The scope of clause 6.1 is not limited by the specific provisions of the rest of this clause 6 or by any other provision of the Finance Party Security Documents.

Notification

- 6.3 If, after the date of this Deed, the Chargor acquires:
- (a) Rights in Land;
 - (b) a new Subsidiary; or
 - (c) Rights in any other material asset,
- it will notify the Security Agent as soon as reasonably practicable and will provide it with such information about the acquisition as the Security Agent may reasonably require.

Land

- 6.4 If required to do so by the Security Agent, the Chargor will execute a first charge by way of legal mortgage over any Land in England and Wales owned by it at that time which is not already the subject of such a charge in favour of the Security Agent, substantially in the form set out in Schedule 6 (*Form of Legal Mortgage*).
- 6.5 The Chargor agrees to the entry of the following restriction in the proprietorship register of the title to any Land in England and Wales which now or in the future is the subject of a charge by

way of legal mortgage in favour of the Security Agent and which is, or is required to be, 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 [*date of this Deed*] in favour of [*beneficiaries*] of [*address for service*] referred to in the Charges Register."

- 6.6 If any Land in which the Chargor has Rights now or in the future is required to be registered at the Land Registry, the Chargor will, within the relevant priority period under the Land Charges Act 1972:
- (a) apply to the Land Registry for first registration of the title to that Land and registration of the Chargor as proprietor of that Land and notify the Security Agent of its title number; and
 - (b) if so required by the Security Agent, create a first charge by way of legal mortgage over that Land in favour of the Security Agent or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.7 If any Land in which the Chargor has Rights is already registered when those Rights are acquired, the Chargor will within the priority period of the relevant Land Registry Official Search:
- (a) apply to the Land Registry for its title to that Land to be registered and give notice of the title number to the Security Agent; and
 - (b) if so required by the Security Agent, create a first charge by way of legal mortgage over that Land in favour of the Security Agent or, if not so required, procure that this Deed is noted in the charges register of that Land.
- 6.8 If any Land in which the Chargor has Rights now or in the future is not required to be registered at the Land Registry, the Chargor will, within the relevant priority period under the Land Charges Act 1972, apply to register a Class C Land Charge in respect of this Deed at the Land Charges Registry if the title deeds and documents to that Land are not deposited with the Security Agent under clause 6.10 (*Land*).
- 6.9 The Chargor will procure the entry of a note of the obligation to make further advances under the terms of the Facility Agreement on the charges register of any registered land forming part of the Land over which it has created a charge by way of legal mortgage in favour of the Security Agent.
- 6.10 The Chargor will deposit with the Security Agent all deeds and documents of title and all leases, licences and other ancillary documents received by it or on its behalf in relation to its Land or

ensure that the same are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

Shares

- 6.11 If, at any time, the Chargor owns shares in a Subsidiary, it will:
- (a) on the date of this Deed (or, if it acquires the shares later, as soon as practicable after it does so), deposit with the Security Agent all certificates or other documents of title to those shares and stock transfer forms for them, executed in blank by the Chargor;
 - (b) if required to do so by the Security Agent (and to the extent that the Chargor is able to do so) amend the articles of association of the Subsidiary concerned in the manner reasonably required by the Security Agent (and procure that the Subsidiary takes, or omits to take, all such other steps as the Security Agent may reasonably require) in order to enable it to enforce its security without restriction; and
 - (c) if reasonably required to do so by the Security Agent, procure that the Security Agent or its nominee becomes registered as the legal owner of the shares concerned.

Key Accounts and Key Contracts

- 6.12 If, at any time, the Chargor has a Right in respect of a Key Account or a Key Contract, it will, on the date of this Deed (or, if it acquires the Right later, as soon as practicable after it does so):
- (a) deliver a notice of this Deed to the other parties to the relevant Key Account or Key Contract substantially in the form set out in the applicable part of Schedule 5 (*Notice and Acknowledgement of charge*); and
 - (b) use its reasonable endeavours to procure that those parties deliver an acknowledgement of the notice to the Security Agent substantially in the form set out in that part of that Schedule as soon as reasonably practicable.

For the avoidance of doubt, notices shall only be served in respect of Leases and Collateral Warranties in accordance with clauses 6.13 and 6.14 respectively.

- 6.13 In respect of each Lease Document, at any time when an Event of Default is continuing, the Chargor shall, at the request of the Security Agent, deliver a signed but undated notice, in respect of such Lease Documents as are specified in such request, to the Security Agent and the Security Agent is hereby authorised to date and deliver such notice to the respective tenant under such Lease Document at any time an Event of Default has occurred and is continuing.
- 6.14 In respect of each Collateral Warranty, at any time when an Event of Default is continuing, the Chargor shall, at the request of the Security Agent, deliver a signed but undated notice, in

respect of each Collateral Warranty to the Security Agent and the Security Agent is hereby authorised to date and deliver such notice to the relevant contractor and/or consultant under such Collateral Warranty at any time an Event of Default has occurred and is continuing.

Subsequent security

- 6.15 If a Secured Party receives notice that any Security has been created over Charged Assets which the Finance Documents do not permit to rank in priority to the Finance Party Security, that Secured Party will be treated as if it had immediately opened a new account for the Chargor, and all payments received by that Secured Party from the Chargor will be treated as if they had been credited to the new account and will not reduce the amount then due from the Chargor to that Secured Party.

Enforcement

7 Enforcement

Time for enforcement

- 7.1 The Security Agent may enforce the Finance Party Security created by the Chargor at any time which is an Enforcement Time or if the Chargor concerned requests it to do so.

Methods of enforcement

- 7.2 The Security Agent may enforce the Finance Party Security by:
- (a) appointing a Specific Receiver of assets of the Chargor;
 - (b) going into possession of, receiving the benefit of, or selling assets of the Chargor, giving notice to the Chargor or any other person in relation to any assets of the Chargor, exercising a right of set-off or in any other way it may decide; or
 - (c) taking any other action it may decide in any jurisdiction other than England.
- 7.3 To the extent that the Finance Party Security arises under a security financial collateral arrangement, the Security Agent may also enforce it by giving written notice to the Chargor concerned that it is appropriating those Charged Assets which consist of financial collateral. On receipt of that notice by the Chargor, the Security Agent will automatically become the absolute owner of that financial collateral, and the Chargor will have no further interest in it. The value of the financial collateral will, as soon as practicable after it has been established, be applied in discharge of the equivalent amount of the Secured Liabilities in accordance with clause 8 (*Application for proceeds*). For this purpose, the Security Agent will value the financial collateral as follows:
- (a) in the case of cash, by reference to its face value received by the Security Agent;
 - (b) in the case of credit claims, by reference to the amount actually recovered by the Security Agent; and
 - (c) in the case of financial instruments, by reference to such public indices, valuations or other matters as the Security Agent may reasonably decide.

Expressions defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 will have the same meanings in this clause.

- 7.4 A Specific Receiver must be appointed by an instrument in writing, and otherwise in accordance with the Insolvency Legislation.

- 7.5 The appointment of a Specific Receiver may be made subject to such limitations as are specified by the Security Agent in the appointment.
- 7.6 If more than one person is appointed as a Specific Receiver, each person will have power to act independently of any other, except to the extent that the Security Agent may specify to the contrary in the appointment.
- 7.7 Subject to the Insolvency Legislation, the Security Agent may remove or replace any Specific Receiver.
- 7.8 If required by the Insolvency Legislation, a Specific Receiver must be a person qualified to act as such under it.

Powers on enforcement

- 7.9 A Specific Receiver of the Chargor will have:
- (a) the powers given to him by the Insolvency Legislation;
 - (b) the powers given to a mortgagee or a receiver by the Law of Property Act 1925, but without the restrictions contained in section 103 of that Act; and
 - (c) the power to do, or omit to do, on behalf of the Chargor, anything which the Chargor itself could have done, or omitted to do, if its assets were not the subject of Security and the Chargor were not in insolvency proceedings,
- in respect of the assets over which he is appointed.
- 7.10 The Security Agent will, if it enforces the Finance Party Security itself, have the same powers as an Specific Receiver in respect of the assets which are the subject of the enforcement.
- 7.11 Except to the extent provided by law, none of the powers described in this clause 7 will be affected by an Insolvency Event in relation to the Chargor.

Status and remuneration of a Specific Receiver

- 7.12 A Specific Receiver of the Chargor will be its agent until the Chargor goes into liquidation. He will have no authority to act as agent for the Security Agent, even in the liquidation of the Chargor.
- 7.13 The Security Agent may from time to time determine the remuneration of any Specific Receiver.

Third parties

7.14 A person dealing with the Security Agent or with a Specific Receiver is entitled to assume, unless it has actual knowledge to the contrary, that:

- (a) those persons have the power to do those things which they are purporting to do; and
- (b) they are exercising their powers properly.

8 Application of proceeds

All money received by the Security Agent or a Specific Receiver under or in connection with the Finance Documents (whether during, or before, enforcement of the Finance Party Security) will, subject to the rights of any persons having priority, be applied in the following order of priority:

- (a) first, in or towards payment of all amounts payable to the Security Agent, any Specific Receiver or their Officers under clause 10 (*Expenses, liability and indemnity*) and all remuneration due to any Specific Receiver under or in connection with the Finance Party Security;
- (b) secondly, in or towards payment of the Secured Liabilities in such order as is required by the Finance Documents (and, if any of the Secured Liabilities are not then payable, by payment into a suspense account until they become payable); and
- (c) thirdly, in payment of any surplus to the Chargor or other person entitled to it.

Miscellaneous

9 Duration of the security

- 9.1 The Obligations of the Chargor under the Finance Documents and the security created by the Finance Party Security will continue until the Secured Liabilities have been irrevocably and unconditionally paid or discharged in full, regardless of any intermediate payment or discharge in whole or in part.
- 9.2 If any payment by the Chargor or any other security provider or any release given by the Security Agent (whether in respect of the Secured Liabilities or any security for them or otherwise) is avoided or reduced as a result of insolvency or any similar event:
- (a) the liability of the Chargor under this Deed will continue as if the payment, release, avoidance or reduction had not occurred; and
 - (b) the Security Agent will be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, release, avoidance or reduction had not occurred.
- 9.3 Section 93 of the Law of Property Act 1925 will not apply to the Finance Party Security.

10 Expenses, liability and indemnity

- 10.1 The Chargor will, promptly on demand, pay all legal and other costs and expenses (including any stamp duty, registration or other similar taxes) incurred by the Security Agent or by any Specific Receiver in connection with the Finance Party Security. This includes any costs and expenses relating to the enforcement or preservation of the Finance Party Security or the Charged Assets and any reasonably and properly incurred costs and expenses relating to any amendment, waiver, consent or release required in connection with the Finance Party Security.
- 10.2 Neither the Security Agent nor a Specific Receiver nor any of their Officers will be in any way liable or responsible to the Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Charged Assets or the Finance Party Security, except to the extent caused by its own gross negligence or wilful misconduct.
- 10.3 The Chargor will, promptly on demand, indemnify each of the Security Agent, a Specific Receiver and their Officers in respect of all costs, expenses, losses or liabilities of any kind which it incurs or suffers in connection with:
- (a) anything done or omitted in the exercise of the powers conferred on it under the Finance Party Security, unless it was caused by its gross negligence or wilful misconduct;

- (b) a claim of any kind (whether relating to the environment or otherwise) made against it which would not have arisen if the Finance Party Security had not been granted and which was not caused by its gross negligence or wilful misconduct; or
- (c) any breach by the Chargor of the Finance Documents.

11 Payments

- 11.1 All payments by the Chargor under the Finance Party Security Documents will be made in full, without any set-off or other deduction.
- 11.2 If any tax or other sum must be deducted from any amount payable by the Chargor under the Finance Party Security Documents, the Chargor concerned will pay such additional amounts as are necessary to ensure that the recipient receives a net amount equal to the full amount it would have received before such deductions.
- 11.3 All amounts payable by the Chargor under the Finance Party Security Documents are exclusive of VAT. Each Chargor will, in addition, pay any applicable VAT on those amounts.
- 11.4 If the Chargor fails to make a payment to a person under the Finance Party Security Documents, it will pay interest to that person on the amount concerned at the Default Rate from the date it should have made the payment until the date of payment (after, as well as before, judgment).
- 11.5 No payment by the Chargor (whether under a court order or otherwise) will discharge the Obligation under the Finance Documents of the Chargor unless and until the Secured Parties have received payment in full in the currency in which such Obligation is denominated. If, on conversion into that currency, the amount of the payment falls short of the amount of the Obligation concerned, the Secured Parties will have a separate cause of action against the Chargor for the shortfall.
- 11.6 Any certification or determination by the Security Agent of an amount payable by the Chargor under this Deed is, in the absence of manifest error, conclusive evidence of that amount.

12 Remedies

- 12.1 The Rights created by this Deed are in addition to any other Rights of the Secured Parties against the Chargor or any other security provider under any other documentation, the general law or otherwise. They will not merge with or limit those other Rights, and are not limited by them.

12.2 No failure by a Secured Party to exercise any Right under this Deed will operate as a waiver of that Right. Nor will a single or partial exercise of a Right by a Secured Party preclude its further exercise.

12.3 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 that provision in any other respect or under the law of any other jurisdiction will be affected or impaired in any way.

13 Power of attorney

The Chargor, by way of security, irrevocably appoints each of the Security Agent and any Specific Receiver severally to be its attorney to do anything:

- (a) which the Chargor is obliged to do under the Finance Party Security Documents but has failed to do; and
- (b) which the attorney may require to exercise any of the Rights conferred on it by the Finance Party Security Documents or by law.

14 Parties

14.1 Each Chargor which executes this Deed will be bound by it even if other intended Chargors do not do so or are not effectively bound by it.

Resignation of the Security Agent

14.2 The Security Agent may be replaced by a successor in accordance with the Facility Agreement.

14.3 On the date of its appointment, the successor Security Agent will assume all the Rights and Obligations of the retiring Security Agent. However, this does not apply to any Obligations of the retiring Security Agent which arise out of its acts or omissions as Security Agent before the appointment of the successor, in respect of which the retiring Security Agent will continue to have the Obligations imposed by, and the Rights contained in, this Deed and the Facility Agreement.

14.4 The retiring Security Agent will provide its successor with copies of those of its records as Security Agent as its successor properly requires to perform its functions as Security Agent.

15 Notices

15.1 Any notice or other communication to a party to this Deed must be in writing. It must be addressed for the attention of such person, and sent to such address or fax number as that party may from time to time notify to the other parties.

- 15.2 It will be deemed to have been received by the relevant party on receipt at that address or fax number.
- 15.3 The initial administrative details of the parties are contained in Schedule 1 (*Initial administrative details of the parties*) but a party may amend its own details at any time by notice to the other parties.
- 15.4 Any notice to the Chargor may alternatively be sent to its registered office or to any of its places of business or to any of its directors or its company secretary; and it will be deemed to have been received when delivered to any such places or persons.

16 Law and jurisdiction

- 16.1 This Deed and any non-contractual obligations connected with it are governed by English law.
- 16.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed or any non-contractual obligations connected with it (including a dispute regarding the existence, validity or termination of this Deed) (a **Dispute**).
- 16.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and, accordingly, that they will not argue to the contrary.
- 16.4 Clause 16.2 (*Law and jurisdiction*) is for the benefit of the Security Agent only. As a result, the Security Agent will not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This Deed has been executed as a deed, and it has been delivered on the date stated at the beginning of this Deed.

Schedule 1

Initial administrative details of the parties

Party	Address	Fax number	Attention
Grosvenor Liverpool Fund	70 Grosvenor Street, London W1K 3JP	[REDACTED]	Cecile Imbault
Security Agent	The Royal Bank of Scotland plc Level 8 250 Bishopsgate London, EC2M 4AA	[REDACTED]	Nicholas W M Watkins Director, Syndicated Loans Agency Commercial & Private Banking

Schedule 2

Land

Part A

Registered Land

Address / Description	Title Number
52 to 78 (even) Lord Street, Liverpool	MS85025
Liverpool One (Paradise Street Development Area), Liverpool L1 3EU	MS572202
One Park West, 39 Strand Street, Liverpool	MS608298
Land on the south west of Seel Street, Liverpool	MS559469
The site of a wall at Friends Meeting House, 18B School Lane, Liverpool	MS525368
Land adjoining Friends Meeting House, 18B School Lane, Liverpool	MS525369
Car Parking spaces adjoining Friends Meeting House, 18B School Lane, Liverpool	MS525370

Schedule 3

Key Contracts

1. Hedging Agreements
2. Fund and Asset Management Agreement
3. Lease Documents
4. Insurances
5. Collateral Warranties.

Schedule 4
Key Accounts

Bank	Sort Code	Account Holder	Account Name	Account Number
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Cure Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Cure Treasury Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Disposals Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Disposal Treasury Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Rent Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	Rent Account Treasury Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	General Account	[REDACTED]
National Westminster Bank Plc	[REDACTED]	Grosvenor Liverpool Fund	General Treasury Account	[REDACTED]

Schedule 5
Notice and acknowledgment of charge

Part A - Key Contracts

To: [Counterparty]

Date: •

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a security agreement dated • entered into by us (and others) in favour of • (the **Security Agent**), we have charged to the Security Agent by way of first fixed charge all of our rights in *[insert details of agreement concerned]* (the **Agreement**).
- 2 We will remain liable for our obligations under the Agreement. The Security Agent has no obligations under it. Except as expressly permitted under the facility agreement dated [] 2015 between [] and [], we have agreed with the Security Agent not to terminate or amend the Agreement or to waive any of its terms without the consent of the Security Agent.
- 3 Following a written instruction from the Security Agent we instruct you to:
 - (a) make all payments due to us under the Agreement to the Security Agent *[insert an account number if required]* (whose receipt will be a good discharge to you for such payment); and
 - (b) disclose to the Security Agent, without further approval from us, such information regarding the Agreement as the Security Agent may from time to time request and to send it copies of all notices issued by you under the Agreement.
- 4 These instructions cannot be varied or terminated without the consent of the Security Agent.
- 5 Please sign the enclosed acknowledgement and return it to the Security Agent at *[address]* marked for the attention of •.

.....

for and on behalf of

[Chargor]

Acknowledgement of Charge

To: [Security Agent]

- 1 We acknowledge receipt of the notice [described above]:
- 2 We have not received notice that any other person has an interest in the Agreement.
- 3 We will comply with the instructions in the notice.
- 4 We agree that no amendment or termination of the Agreement, nor any waiver of its terms, will be effective unless it is approved by the Security Agent.
- 5 We will not exercise any right of set-off against payments owing by us under the Agreement unless they arise out of the Agreement itself.

Executed as a)
deed by)
[Counterparty]) Director
acting by:)
Director/Secretary

Date: •

Part B - Key Accounts

To: [Account Bank]

Date: ●

Dear Sirs

Notice of Charge

- 1 We give you notice that, under a security agreement dated ● entered into by us (and others) in favour of ● (the **Security Agent**), we have charged to the Security Agent by way of first fixed charge all of our rights in our ● account with you:

No.	Bank	Account Holder	Account Name	Sort Code	Account Number
1	National Westminster Bank Plc	Grosvenor Liverpool Fund	Cure Account	■■■■■	■■■■■■■■■■
2	National Westminster Bank Plc	Grosvenor Liverpool Fund	Cure Treasury Account	■■■■■	■■■■■■■■■■
3	National Westminster Bank Plc	Grosvenor Liverpool Fund	Disposals Account	■■■■■	■■■■■■■■■■
4	National Westminster Bank Plc	Grosvenor Liverpool Fund	Disposals Treasury Account	■■■■■	■■■■■■■■■■
5	National Westminster Bank Plc	Grosvenor Liverpool Fund	Rent Account	■■■■■	■■■■■■■■■■
6	National Westminster Bank Plc	Grosvenor Liverpool Fund	Rent Treasury Account	■■■■■	■■■■■■■■■■
7	National Westminster Bank Plc	Grosvenor Liverpool Fund	General Account	■■■■■	■■■■■■■■■■
8	National Westminster Bank Plc	Grosvenor Liverpool Fund	General Treasury Account	■■■■■	■■■■■■■■■■

(the **Accounts**): with accounts listed No. 1, 2, 3 and 4 being blocked accounts (the **Blocked Accounts**), and accounts listed No. 5, 6, 7, and 8 being borrower controlled accounts (the **Borrower Controlled Accounts**).

- 2 We have agreed with the Security Agent not to close the Account or to amend or waive any of its terms without the consent of the Security Agent.
- 3 We instruct you:
 - (a) to honour withdrawals from the Account if requested by the Security Agent;
 - (b) not to honour any withdrawals from the Account if requested by us, unless our instructions are countersigned by the Security Agent; and
 - (c) disclose to the Security Agent, without further approval from us, such information regarding the Account as the Security Agent may from time to time request and to send it copies of all statements and other notices issued by you in connection with the Account.
- 4 These instructions cannot be varied or terminated without the consent of the Security Agent.
- 5 Please sign the enclosed acknowledgement and return it to the Security Agent at [address] marked for the attention of ●.

.....
for and on behalf of

[Chargor]

Acknowledgement of Charge

To: [Security Agent]

- 1 We acknowledge receipt of the notice described above.
- 2 We have not received notice that any other person has an interest in the Accounts.
- 3 We will comply with the instructions in the notice.
- 4 We will not, without the Security Agent's consent, permit any amount to be withdrawn from the Blocked Accounts.
- 5 Upon receiving notice from the Security Agent that an Event of Default has occurred and is continuing, we will not, without the Security Agent's consent, permit any amount to be withdrawn from the Borrower Controlled Accounts.
- 6 We will not, without the Security Agent's consent, exercise any right of combination, consolidation or set-off which we may have in respect of the Accounts.

Executed as a)

deed by)

[Account Bank]) Authorised signatory

acting by:)

Authorised signatory

Date: ●

Schedule 6
Form of Legal Mortgage

Dated

GROSVENOR LIVERPOOL FUND

THE ROYAL BANK OF SCOTLAND PLC
as Security Agent

LEGAL MORTGAGE

CONTENTS

Clause	Subject matter	Page
1	Definitions and Interpretation	27
2	Payment of Secured Liabilities	28
3	Fixed Security	28
4	Land Registry Application	28
5	Representations and Warranties	28
6	Undertakings	28
7	incorporation of relevant provisions from the security agreement	28
8	Power of attorney	29
9	Law and Jurisdiction	29
	Schedule 1 Land	30

LEGAL MORTGAGE

DATE

PARTIES

- (1) GROSVENOR LIVERPOOL FUND a limited partnership registered under the Limited Partnership Act 1907 in England and Wales with registered number LP009843 (acting by its general partner Grosvenor Liverpool Limited a company incorporated and registered in England and Wales under company registration number 05228438), both having registered offices at 70 Grosvenor Street London W1K 3JP (the "**Chargor**"); and
- (2) THE ROYAL BANK OF SCOTLAND PLC as security trustee for the Secured Parties (the "**Security Agent**").

RECITALS

- (A) This deed is supplemental to a security agreement dated [●] 2015 between (1) the Chargor and (2) the Security Agent (the "**Security Agreement**").
- (B) The Chargor is entering into this deed pursuant to clause 6.4 (*Land*) of the Security Agreement pursuant to which it agrees to grant a legal mortgage over any Land owned by it for the purpose of providing additional security to the Security Agent in respect of the Secured Liabilities.

IT IS AGREED AS FOLLOWS:

1 Definitions and Interpretation

1.1 Definitions

Unless defined in this deed or the context otherwise requires terms defined in the Security Agreement have the same meanings when used in this deed, including, for the avoidance of doubt, when used in provision of the Security Agreement incorporated by reference to this deed.

1.2 Incorporation of interpretation and other provisions

The provisions of clauses 1.3 to 1.11 (*Interpretation*) of the Security Agreement shall apply to this deed as if set out in this deed in full except that references in the Security Agreement to "this Deed" shall be construed as references to this deed.

1.3 Contract for the disposition of Real Property

This deed incorporates the terms of the Finance Documents and any side letters between the parties to the extent required to ensure that validity of any purported disposition under this deed

of any freehold or leasehold property under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2 Payment of Secured Liabilities

The Chargor will pay or otherwise discharge all Secured Liabilities when they become due for payment or discharge.

3 Fixed Security

3.1 The charges contained in this clause 3:

- (a) are given to the Security Agent as trustee for the Secured Parties;
- (b) secure the payment and discharge of the Secured Liabilities; and
- (c) are given with full title guarantee.

3.2 The Chargor charges, by way of first legal mortgage all the Land of which a brief description is contained in Schedule 1 (*Land*) and any Rights accruing to, derived from or otherwise connected with it (including insurances and proceeds of Disposal and of insurances).

4 Land Registry Application

4.1 By executing this deed the Chargor agrees to the entry of the following restriction in the proprietorship register of the title to any Land in England and Wales which now or in the future is the subject of a charge by way of legal mortgage in favour of the Security Agent and which is, or is required to be, 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 [date of this Deed] in favour of [beneficiaries] of [address for service] referred to in the Charges Register."

4.2 The Chargor will procure the entry of a note of the obligation to make further advances under the terms of the Facility Agreement on the charges register of any registered land forming part of the Land over which it has created a charge by way of legal mortgage in favour of the Security Agent.

4.3 The Chargor will deposit with the Security Agent all deeds and documents of title and all leases, licences and other ancillary documents received by it or on its behalf in relation to its Land or ensure that the same are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

5. No Merger

The legal charge in clause 3.2 of this deed shall be separate and distinct from and shall not merge with the equitable charge created over the Land by clause 3.3 of the Security Agreement.

6 Representations and Warranties

The Chargor gives the General Partner Representations set out in clause 19 of the Facility Agreement on the date of this deed and on each Interest Payment Date. The Chargor represents and warrants that the particulars of the Land set out in Schedule 1 (Land) are accurate and complete as at the date of this deed.

7 Undertakings

The Chargor gives those undertakings attributed to it in clauses 20, 21, 22 and 23 of the Facility Agreement.

8 Incorporation of relevant provisions from the security agreement

The Chargor and the Security Agent agree that clause 4 (Set-off), clause 5 (Restrictions), clause 6.1 and 6.2 (General action), clause 7 (Enforcement), clause 8 (Application of proceeds), clause 9 (*Duration of the security*), clause 10 (*Expenses, liability and indemnity*), clause 11 (*Payments*), clause 12 (*Remedies*), clause 14 (*Parties*) and clause 15 (*Notices*) of the Security Agreement apply to this deed as if set out in full herein.

9 Power of attorney

The Chargor, by way of security, irrevocably appoints each of the Security Agent and any Specific Receiver severally to be its attorney to do anything:

- 9.1 which the Chargor is obliged to do under the Finance Party Security Documents but has failed to do; and
- 9.2 which the attorney may require to exercise any of the Rights conferred on it by the Finance Party Security Documents or by law.

10 Designation as a Security Document

The Security Agent and the Chargor designate this deed as a Security Document.

11 Counterparts

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

12 Law and Jurisdiction

12.1 This deed together with any non-contractual obligations arising out of or in connection with it shall be governed by English law.

12.2 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed or any non-contractual obligations connection with it (including a dispute regarding the existence, validity or termination of this deed) (a **Dispute**).

12.3 The Security Agent and the Chargor agree that the courts of England and Wales are the most appropriate and convenient courts to settle Disputes and accordingly neither of them will argue to the contrary.

12.4 This clause 12 is for the benefit of the Security Agent only. As a result, the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed on the date shown at the beginning of this deed.

Schedule 1

Land

SIGNATORIES

Chargor

Executed as a deed by

GROSVENOR LIVERPOOL FUND

acting by its general partner

Grosvenor Liverpool Limited

acting by:



Director

in the presence of:



Name of witness: CATHERINE JIA

Address:

NABARRO LLP
125 LONDON WALL
LONDON
EC2Y 5AS

The Security Agent

THE ROYAL BANK OF SCOTLAND PLC

by:

.....

Authorised signatory

SIGNATORIES

Chargor

Executed as a deed by

GROSVENOR LIVERPOOL FUND

acting by its general partner

Grosvenor Liverpool Limited

acting by:


.....

Director

in the presence of:


.....


Name of witness:

Address:

The Security Agent

THE ROYAL BANK OF SCOTLAND PLC

by:


.....
NICK WARD
Authorised signatory