



Registration of a Charge

Company Name: **REGENT QUARTER INVESTMENTS (4) LIMITED**

Company Number: **05367137**



Received for filing in Electronic Format on the: **13/02/2023**

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Details of Charge

Date of creation: **09/02/2023**

Charge code: **0536 7137 0002**

Persons entitled: **HANG SENG BANK LIMITED**

Brief description: **THE INSTRUMENT CONTAINS CHARGES (NOT EXPRESSED TO BE FLOATING CHARGES) OVER ALL OF THE COMPANY'S RIGHTS IN ANY LAND INCLUDING SPECIFICALLY (1) LEASEHOLD LAND KNOWN AS JOINERS YARD, BLOCK B AND REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NGL851422, (2) LEASEHOLD LAND KNOWN AS FLATS 1 AND 2, 7A CALEDONIAN ROAD, BLOCK B AND REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NGL851419, (3) LEASEHOLD LAND KNOWN AS FLATS 1-9, THE YARD, 1 CALEDONIAN ROAD, BLOCK B AND REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NGL851427, (4) LEASEHOLD LAND KNOWN AS 6 YORK WAY AND FLATS 1-3 8A YORK WAY, BLOCK B AND REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NGL851424 AND (5) LEASEHOLD LAND KNOWN AS FLATS 10-16 AND 18-23, THE YARD, 1 CALEDONIAN ROAD, BLOCK B AND REGISTERED AT HM LAND REGISTRY WITH TITLE NUMBER NGL851425. THE INSTRUMENT CONTAINS CHARGES OVER VEHICLES (WHICH WOULD INCLUDE SHIPS AND AIRCRAFT). NONE IS SPECIFIED. SEE THE INSTRUMENT FOR MORE DETAILS.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **JON SMITH**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5367137

Charge code: 0536 7137 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th February 2023 and created by REGENT QUARTER INVESTMENTS (4) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th February 2023 .

Given at Companies House, Cardiff on 15th February 2023

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 9 February 2023

- (1) **THE CHARGORS** listed in Schedule 1
- (2) **HANG SENG BANK LIMITED** as Lender
- (3) **PORTSLADE GLOBAL LIMITED**
as Borrower

SECURITY AGREEMENT

MAYER | BROWN

LONDON

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THIS SECURITY AGREEMENT is dated 9 February 2023 and made between:

- (1) **THE PERSONS** listed in Schedule 1 (The Chargors) (each a "**Chargor**" and together the "**Chargors**");
- (2) **HANG SENG BANK LIMITED** (the "**Lender**"); and
- (3) **PORTSLADE GLOBAL LIMITED**, a BVI Business Company incorporated under the laws of the British Virgin Islands with limited liability with company number 1959312 (the "**Borrower**").

BACKGROUND:

- (A) By a £186,050,000 term loan facility agreement dated 30 November 2022 and made between (1) the Borrower as borrower and (2) the Lender as lender, as supplemented and amended by a fee letter issued by the Lender to the Borrower and countersigned by the Borrower dated 6 February 2023 and as may from time to time be further supplemented and amended (the "**Facility Agreement**"), loan facilities have been made available by the Lender to the Borrower on the terms of the Facility Agreement.
- (B) The provision of this Security Agreement is a condition to the obligations of the Lender under the Facility Agreement. This is a "Security Document" as defined in the Facility Agreement.
- (C) This document is the deed of each Chargor and the Borrower, even if it has not been duly executed by the Lender or has been executed by the Lender but not as a deed.

THIS DEED WITNESSES that:

1. DEFINITIONS AND INTERPRETATION

1.1 Terms defined in the Facility Agreement

Terms defined in the Facility Agreement but not in this Security Agreement shall have the same meanings in this Security Agreement as in the Facility Agreement.

1.2 Definitions

In addition, in this Security Agreement:

"Administrator" means any administrator appointed under this Security Agreement to manage the affairs, business and assets of any Chargor or the Borrower.

"Asset Manager" means Endurance Land LLP or any other asset manager appointed by a Chargor in respect of a Property in accordance with Clause 8.14 (*Asset Managers*).

"Assigned Document" means any document rights under which are from time to time assigned under this Security Agreement.

"Debt" means any book or other debt, revenue or claim. In relation to a Chargor, "its Debts" means all Debts in which it has any rights.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Lender or a Receiver.

"Discharge Date" has the meaning given to it in Clause 20.1 (Definitions relating to release of this Security).

"Duty of Care Agreement" means a duty of care agreement entered into or to be entered into by:-

- (a) a Managing Agent, one or more Chargors and the Lender; or
- (b) an Asset Manager, one or more Chargors and the Lender,

in each case in an agreed form.

"Dynasty" means Dynasty Prime Investment Company Limited.

"Environment" means humans, animals, plants and all other living organisms including the ecological systems of which they form part and the following media:

- (a) air (including, without limitation, air within natural or man-made structures, whether above or below ground);
- (b) water (including, without limitation, territorial, coastal and inland waters, water under or within land and water in drains and sewers); and
- (c) land (including, without limitation, land under water).

"Environmental Claim" means any claim, proceeding, formal notice or investigation by any person in respect of any Environmental Law;

"Environmental Law" means any applicable law or regulation which relates to:

- (a) the pollution or protection of the Environment;
- (b) the conditions of the workplace; or
- (c) the generation, handling, storage, use, release or spillage of any substance which, alone or in combination with any other, is capable of causing harm to the Environment, including, without limitation, any waste.

"Environmental Permits" means any permit and other Authorisation and the filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any Chargor conducted on or from the properties owned or used by such Chargor.

"Facility Agreement" has the meaning given to it in Recital (A).

"Finance Documents" has the meaning given to it in the Facility Agreement and includes the Facility Agreement and this Security Agreement.

"Headlease" means a Lease under which a Chargor holds title to any Mortgaged Property.

"IA" means the Insolvency Act 1986.

"Insolvency Event" in relation to a person includes the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the formal seeking of protection or relief from creditors and any equivalent or analogous proceeding, whatever it is called, in any jurisdiction.

"Other Bank Accounts" means the bank accounts listed or referred to in Schedule 3, Part 2 (Other Bank Accounts) or any account, whether current, deposit or other account of whatever nature opened or maintained by the Borrower or the Chargors with any bank or financial institution (or branch thereof), other than a Specified Account.

"Insurance" means any policy or contract of insurance. In relation to a Chargor, "its Insurances" means all Insurances in which it has any rights (including as loss payee or additional insured).

"Lease" means any lease, tenancy, licence, sub-lease, sub-licence or other occupational right.

"Lease Document" means:

- (a) an Occupational Lease or an agreement to grant an Occupational Lease; or
- (b) any other document designated as such by the Lender and the Chargors.

"Losses" means losses (including loss of profit), claims, demands, actions, proceedings, damages and other payments, costs, expenses and other liabilities of any kind.

"LPA" means the Law of Property Act 1925.

"Managing Agent" means Helix Property Advisors Limited or any other managing agent appointed by a Chargor in respect of a Property in accordance with Clause 8.13 (*Managing Agents*).

"Managing Trustee" means LLOF Managing Trustee Limited.

"Mortgaged Properties" means the Properties and any other land in which a Chargor has any rights from time to time, **"Mortgaged Property"** means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of each relevant Mortgaged Property.

"Notice of Assignment" means a notice of assignment substantially in the form set out in Schedule 4, Part 1 (Notice of assignment of Occupational Lease), Part 2 (Notice of assignment of Assigned Document) or Part 3 (Notice of assignment of Insurance), as

appropriate, or in such other form as may be specified by the Lender (acting reasonably).

"Notice of Charge" means a notice of charge substantially in the form set out in Schedule 4, Part 4 (Notice of charge) or in such other form as may be specified by the Lender (acting reasonably).

"Notice of Security" means a Notice of Assignment or a Notice of Charge, as applicable.

"Obligor" has the meaning given to it in the Facility Agreement.

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

"Party" means a party to this Security Agreement.

"Properties" means the properties brief details of which are set out in Schedule 2, Part 1 and Part 2 (Properties), "Property" means any of them and any reference to one or more of the Properties includes all or any part of each relevant Property.

"Receiver" means any receiver, receiver and manager or administrative receiver appointed under this Security Agreement by the Lender over all or any of the Security Assets whether solely, jointly, severally or jointly and severally with any other person and includes any substitute for any of them appointed from time to time.

"Rental Income" means the aggregate of all amounts paid or payable to or for the account of any Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of a Mortgaged Property, including each of the following amounts:

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received from any deposit held as security for performance of a tenant's obligations;
- (c) a sum equal to any apportionment of rent allowed in favour of any Obligor;
- (d) any other moneys paid or payable in respect of occupation and/or usage of that Mortgaged Property and any fixture and fitting on that Mortgaged Property including any fixture or fitting on that Mortgaged Property for display or advertisement, on licence or otherwise;
- (e) any sum paid or payable under any policy of insurance in respect of loss of rent or interest on rent;
- (f) any sum paid or payable, or the value of any consideration given, for the grant, surrender, amendment, supplement, waiver, extension or release of any Lease Document;

- (g) any sum paid or payable in respect of a breach of covenant or dilapidations under any Lease Document;
- (h) any sum paid or payable by or distribution received or receivable from any guarantor of any occupational tenant under any Lease Document;
- (i) any Tenant Contributions; and
- (j) any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to above less any related fees and expenses incurred (which have not been reimbursed by another person) by any Obligor;

"Sale Agreement" means any contract in respect of the sale or disposal of a Mortgaged Property (or any part thereof) by a Chargor.

"Sale Income" means the aggregate of all amounts paid or payable to or for the account of a Chargor in connection with the sale or other disposal of any part of any Mortgaged Property.

"Secured Indebtedness" means all moneys and sums whatsoever (including, without limitation, all principal, interest, fees, charges, expenses and any other sums) from time to time owing, due or payable or to become owing, due or payable by the Borrower to the Lender under or pursuant to the Facility Agreement and all the other Finance Documents to which it is a party, but excluding any money, obligation or liability which would cause the covenant set out in Clause 2.1 (*Covenant to pay*) or the security which would otherwise be constituted by this Security Agreement to be unlawful or prohibited by any applicable law or regulation.

"Secured Party" means the Lender, a Receiver or any Delegate.

"Security Assets" means the assets from time to time the subject of this Security, "Security Asset" means any of them and any reference to one or more of the Security Assets includes all or any part of it or each of them.

"Security Interest" 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.

"Specified Account" means any bank account listed or referred to in Schedule 3, Part 1 (Specified Accounts) or any account, whether current, deposit or other account of whatever nature opened or maintained by the Borrower with any bank or financial institution (or branch thereof) in England.

"Subordinated Debt" means all sums for which the Borrower is presently indebted and may hereafter become indebted to the Chargors or any of them.

"Subordinated Debt Document" means any agreement or other document constituting or evidencing any Subordinated Debt or the terms of any Subordinated Debt.

"Talbot Gate" means Talbot Gate Holdings Limited.

"Tenant Contributions" means any amount paid or payable to a Chargor by any tenant under a Lease Document or any other occupier of a Mortgaged Property, by way of:

- (a) contribution to:
 - (i) ground rent;
 - (ii) insurance premia;
 - (iii) the cost of an insurance valuation;
 - (iv) a service or other charge in respect of an Obligor's costs in connection with any management, repair, maintenance or similar obligation or in providing services to a tenant of, or with respect to, a Mortgaged Property; or
 - (v) a reserve or sinking fund; or
- (b) VAT.

"Trustee" means Regent Quarter PTC Limited.

"Trust Instrument" means the trust instrument constituting the Unit Trust dated 14 June 2004 as amended by supplemental trust instruments dated 3 May 2005, 19 November 2007, 27 April 2009, 13 June 2011, 27 October 2011, 24 January 2012, 24 March 2012, 30 July 2012, 30 October 2012, 29 January 2013, 31 July 2013, 23 May 2013, 31 July 2013, 23 December 2013, 29 December 2014, 16 December 2015 and 8 March 2018;

"Unit Trust" means London George Unit Trust (formerly known as LaSalle London Office Fund).

1.3 Construction

- (a) Clause 1.2 (*Construction*) of the Facility Agreement shall apply as if set out in full again here, with references to "this Agreement" being construed as references to this Security Agreement and with such other changes as are appropriate to fit this context.
- (b) In addition, in this Security Agreement, unless a contrary indication appears any reference to:
 - (i) **"assets"** includes present and future properties, revenues, rights and other assets of every description. Any reference to **an asset** includes any proceeds of disposal of all or part of that asset and any other monies paid or payable in respect of that asset and any reference to a **particular type or category of assets** includes any present or future assets of that type or category;

- (ii) the **"Chargors"** includes a reference to any of them as well as a reference to all of them;
 - (iii) a **"disposal"** includes any lease, licence, transfer, sale or other disposal of any kind (with related words being construed accordingly);
 - (iv) any **Finance Document** or other **document** is to that Finance Document or other document as supplemented, otherwise amended, replaced or novated from time to time (however fundamental that amendment, novation or replacement may be, even if it involves increased, new, additional, extended and/or replacement facilities or an increase in any other amount or rate);
 - (v) the masculine, feminine or neuter **gender** respectively includes the other genders and the **singular** includes the plural (and vice versa);
 - (vi) **"including"** means "including without limitation" (with related words being construed accordingly), **"in particular"** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
 - (vii) a **"Recital"** is to a statement made under the heading "Background" above and any reference to a **"Clause"** or to a **"Schedule"** is to a clause of or a schedule to this Security Agreement (as the case may be);
 - (viii) a **"right"** includes any title, estate, interest, claim, remedy, power, authority, discretion or other right of any kind, both present and future. Any reference to **a Chargor's rights or the Borrower's rights** in any document or asset (or any type or category of documents or assets) includes any rights that it holds from time to time in, to, under, in respect of or derived from that document or asset (or any document or asset of that type or in that category);
 - (ix) **"this Security"** means the Security Interests constituted by or pursuant to this Security Agreement; and
 - (x) **this Security Agreement** includes the Recitals and Schedules, which form part of this Security Agreement for all purposes.
- (c) The index and Clause and Schedule headings are for ease of reference only.
 - (d) If there is any inconsistency between the terms of this Security Agreement and those of the Facility Agreement, the terms of the Facility Agreement shall prevail.

1.4 **Third party rights**

- (a) A person who is not a Party (other than any Receiver or Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Security Agreement.

- (b) Notwithstanding Clause 1.4(a), no consent of any person who is not a Party is required to rescind or vary this Security Agreement at any time.

1.5 Disposition of land

The terms of the other Finance Documents and any related documents are incorporated into this Security Agreement to the extent necessary for any purported disposition of land contained in the Finance Documents to be valid in accordance with s2(1) Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Covenants for title

The obligations of each Chargor and the Borrower under this Security Agreement shall be in addition to the covenants for title deemed to be included in this Security Agreement by virtue of Part 1 Law of Property (Miscellaneous Provisions) Act 1994.

1.7 Trustee limited recourse

- (a) The Trustee is entering into the Finance Documents as trustee of the Unit Trust. Any claim or liability on the part of the Trustee pursuant to the Finance Documents to which the Trustee party is limited to the assets from time to time held by the Trustee on the terms of the Unit Trust.
- (b) The Trustee has no obligation to meet any claim or liability under the Finance Documents to which the Trustee is party except out of the assets held by the Trustee from time to time on the terms of the Unit Trust.
- (c) The Lender acknowledges that references to the Trustee in the Finance Documents to which the Trustee is party, are references to the Trustee in its capacity as trustee of the Unit Trust and references to actions in such capacity only and not to any corporate or other capacity.
- (d) The Trustee acknowledges that any lien or right of indemnity it may have over or in relation to the assets of the Unit Trust ranks in priority after any mortgage, charge or security interest created by any of the Finance Documents.

2. PAYMENT OF THE SECURED INDEBTEDNESS

2.1 Covenant to pay

Each Chargor and the Borrower covenants with the Lender on a joint and several basis to pay and discharge, or procure the payment or discharge of, each of the Secured Indebtedness at the time and in the manner provided in the relevant Finance Document for their payment or discharge by the relevant Obligor.

2.2 Interest

If any amount payable under Clause 2.1 (Covenant to pay) is not paid on its due date, interest shall accrue on a daily basis on the overdue amount from the due date up to the date of actual payment (both before and after judgment). This interest shall accrue at the rate and on the terms from time to time applicable under the relevant document (or,

in the absence of an applicable rate and applicable terms, shall be calculated and accrue under the terms of the Facility Agreement as if it were an Unpaid Sum) and shall be payable on demand.

2.3 Further advances

This Security Agreement is made to secure any further advances or other facilities made available by the Lender under the Finance Documents. It does not create any obligation on the Lender to make any further advances or other facilities available.

3. CREATION OF SECURITY INTERESTS

3.1 General provisions regarding Security Interests

- (a) Each of the charges and assignments created under this Security Agreement:
 - (i) is granted to the Lender as trustee for the Secured Parties;
 - (ii) secures the payment and discharge of the Secured Indebtedness; and
 - (iii) is made with full title guarantee.
- (b) Each fixed charge created under this Security Agreement over rights in any chattels takes effect as an equitable mortgage.
- (c) Each assignment under this Security Agreement is subject to a proviso for re-assignment on redemption in accordance with Clause 20.2 (*Release of this Security*).
- (d) If, to the extent and for so long as any charge or assignment under this Security Agreement fails to take effect over a Chargor's rights or the Borrower's rights in any asset because an Authorisation necessary for it to do so has not been obtained or made, the relevant Chargor or the Borrower shall:
 - (i) use its reasonable endeavours to obtain or make the Authorisation as soon as possible; and
 - (ii) until it is obtained or made, hold the relevant rights on trust for the Lender.

3.2 Land

- (a) Each Chargor charges:
 - (i) by way of first legal mortgage, all estates or interests owned by it at the date of this Security Agreement in the Properties and any other land in England and Wales; and
 - (ii) by way of first fixed charge, all of its other rights in any land.

- (b) In this Security Agreement, unless a contrary indication appears any reference to any land includes all buildings, plant, machinery and other fixtures and fittings from time to time on that land.
- (c) Each Chargor assigns absolutely all of its rights in any:
 - (i) Lease Document (including any Occupational Lease); and
 - (ii) Rental Income or other payment
 relating to any Mortgaged Property.

3.3 **Debts**

- (a) Each Chargor charges by way of first fixed charge all of its rights in its Debts.
- (b) In this Security Agreement, unless a contrary indication appears any reference to a Debt includes the benefit of any Security Interest, guarantee or other right in relation to that Debt.

3.4 **Insurances**

Each Chargor assigns absolutely all of its rights in its Insurances.

3.5 **Assignment of documents**

- (a) Each Chargor assigns absolutely all of its rights in:
 - (i) any agreement pursuant to which it acquired any Mortgaged Property and any transfer of any Mortgaged Property;
 - (ii) any appointment of an asset manager or managing agent in relation to any Mortgaged Property;
 - (iii) any environmental, building, structural or other report relating to any Mortgaged Property;
 - (iv) any Sale Agreement (including rights to Sale Income and any guarantee or other right relating to a Sale Agreement);
 - (v) any Subordinated Debt and Subordinated Debt Documents; and
 - (vi) any other document from time to time designated as an Assigned Document, either by the relevant Chargor (or the Borrower on its behalf) and the Lender.
- (b) For the avoidance of doubt, each Chargor will remain at all times liable in respect of all of its obligations under each Assigned Document and no Secured Party will be under any obligation or liability under or in respect of those Assigned Documents.

3.6 Miscellaneous fixed charges

Each Chargor charges by way of first fixed charge, in each case to the extent not otherwise validly and effectively charged or assigned in Clause 3.2 to Clause 3.5:

- (a) all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock-in-trade or work-in-progress);
- (b) any goodwill and uncalled capital from time to time and all of its rights to future calls in respect of capital;
- (c) all licences, consents and other Authorisations held in connection with its business or the use of any Security Assets and all of its rights in connection with them;
- (d) all of its rights in any agreement, collateral warranty or other document relating to the construction, demolition, structural alteration, addition, development or similar operation in respect of any Mortgaged Property; and
- (e) all of its rights in any security interests, guarantees, indemnities, covenants for title, agreements, reports and other documents including those relating to all or any part of the Security Assets.

3.7 Floating charge

- (a) Each Chargor charges by way of first floating charge the whole of its undertaking and other assets.
- (b) The Borrower charges by way of first floating charge all of its rights in any credit balances in any Specified Account and the indebtedness represented by them.
- (c) Schedule B1, Paragraph 14 IA shall apply to the floating charge created by each Chargor and the Borrower in this Security Agreement.
- (d) The Lender may at any time by notice to a Chargor or the Borrower convert the floating charge created by that Chargor or the Borrower in this Security Agreement into a fixed charge with immediate effect as regards any Security Asset specified in the notice if:
 - (i) the Lender considers that it may be in danger of being seized or sold pursuant to any form of legal process or otherwise in jeopardy; or
 - (ii) the Lender considers that it is necessary to protect the priority of this Security.
- (e) The floating charge created by a Chargor or the Borrower in this Security Agreement shall automatically be converted into a fixed charge with immediate effect as regards all assets subject to it:

- (i) on the convening of any meeting of the members of that Chargor or the Borrower to consider a resolution to wind up that Chargor or the Borrower;
 - (ii) immediately prior to the presentation of a petition to wind up a Chargor or the Borrower;
 - (iii) if that Chargor or the Borrower breaches Clause 6 (*Negative pledge and disposals*) or attempts to do so;
 - (iv) if any person levies or attempts to levy any distress, execution, sequestration or other process against any of those assets;
 - (v) if any steps are taken to appoint (or have appointed) an administrator of that Chargor or the Borrower or wind it up or if an administrator is appointed; or
 - (vi) upon the occurrence of an Event of Default.
- (f) Nothing in this Clause 3.7:
- (i) shall affect the crystallisation of the floating charge created by any Chargor and the Borrower under applicable law and regulation; or
 - (ii) shall permit the floating charge created by a Chargor or the Borrower to be crystallised solely as a result of the obtaining of, or of anything done with a view to obtaining, a moratorium under Part A1 IA.
- (g) Any floating charge which was crystallised under Clause 3.7(d) or 3.7(e) above may by notice in writing given by the Lender to a Chargor or the Borrower (as applicable) be reconverted into a floating charge under Clause 3.7(a) in relation to the assets specified in such notice.

4. REPRESENTATIONS AND WARRANTIES

4.1 General

Each Chargor makes the representations and warranties set out in this Clause 4 to the Lender.

4.2 Status

- (a) It is (other than the Unit Trust) a company duly incorporated and validly existing and in good standing under the laws of its jurisdiction of incorporation.
- (b) The Unit Trust is a duly established, constituted and validly existing unit trust under the laws of Jersey and the Unit Trust has not been terminated and no steps have been taken to terminate the Unit Trust.
- (c) It has the power to own its assets and carry on its business as it is being conducted.

- (d) It is not a FATCA FFI or a US Tax Obligor.
- (e) Save for the Trustee, it is acting as principal for its own account and not as agent or trustee in any capacity on behalf of any other party in relation to this Security Agreement or any transaction contemplated thereunder.

4.3 **Binding obligations**

- (a) The obligations expressed to be assumed by it in this Security Agreement are legal, valid, binding and enforceable obligations, each as subject to the Legal Reservations.
- (b) Subject to the Security Perfection Requirements and the Legal Reservations, without limiting the generality of paragraph (a) above, this Security Agreement creates the Security Interest which this Security Agreement purports to create and such Security Interest is valid and effective.

4.4 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this Security Agreement and the granting of the Security Interest under this Security Agreement do not and will not conflict with:

- (a) subject to the Security Perfection Requirements, any law or regulation applicable to it;
- (b) its constitutional documents or (where applicable) the Trust Instrument; or
- (c) any agreement or instrument binding upon it or any of its assets (to the extent any such conflict has or is reasonably likely to have a Material Adverse Effect),

nor (except as provided in any Finance Document) result in the existence of, or oblige it to create, any Security Interest over the Security Assets save as permitted under the Finance Documents.

4.5 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Security Agreement and the transactions contemplated by this Security Agreement.

4.6 **Validity and admissibility in evidence**

All Authorisations required:

- (a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Security Agreement or to enable it to create the Security Interest to be created by and to ensure that such Security Interest has the priority and ranking it is expressed to have; and
- (b) to make this Security Agreement admissible in evidence in England and its jurisdiction of incorporation,

have been obtained or effected and are in full force and effect, subject to the relevant Security Perfection Requirements.

4.7 Deduction of Tax

It is not required under the law of England or the law applicable where it is incorporated or resident or at its address specified in this Security Agreement to make any Tax Deduction from any payment it may make under any Finance Document.

4.8 No filing or stamp taxes

Under the law of England and the law of its jurisdiction of incorporation, it is not necessary that this Security Agreement be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Security Agreement or the transactions contemplated by this Security Agreement (except for any relevant Security Perfection Requirements and the associated filing/registration fees).

4.9 No default

No other event or circumstance is outstanding which constitutes (or with the expiry of any grace period, giving of notice or making of any determination would constitute) a default under any other agreement or instrument which is binding on it or to which its assets are subject which might reasonably be expected to have a Material Adverse Effect.

4.10 Pari passu ranking

- (a) Subject to the Security Perfection Requirements, the Security Interest created under this Security Agreement creates the Security Interest which it is expressed to create with the ranking and priority it is expressed to have (i.e. first ranking).
- (b) Its payment obligations under this Security Agreement (if any) rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally and not by contract.

4.11 No proceedings pending or threatened

- (a) No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which, if adversely determined, would reasonably be expected to have a Material Adverse Effect have been started or (to the best of its knowledge and belief) threatened against it.
- (b) No judgment or order of a court, arbitral body or agency which would reasonably be expected to have a Material Adverse Effect has (to the best of its knowledge and belief) been made against it.

4.12 Authorised Signatories

Any person specified as an authorised signatory of a Chargor under schedule 1 to the Facility Agreement or Clause 7.5(d) (subject to the giving of notice to the Lender on any change or replacement in accordance with Clause 7.5(d)) is authorised to sign all notices on such Chargor's behalf.

4.13 Governing law and enforcement

- (a) Subject to the Security Perfection Requirements and the Legal Reservations, the choice of English law as the governing law of this Security Agreement will be recognised and enforced in England and its jurisdiction of incorporation.
- (b) Subject to the Security Perfection Requirements and the Legal Reservations, any judgment obtained in England in relation to this Security Agreement will be recognised and enforced in England and its jurisdiction of incorporation.

4.14 No immunity

Subject to the Legal Reservations, neither it nor any of its assets is entitled to immunity on the grounds of sovereignty or otherwise from any legal action or proceeding (including suit, attachment prior to judgment, execution or other enforcement).

4.15 Tax compliance

It has complied in all material respects with all Tax laws and regulations applicable to it and its business.

4.16 Financial statements

In relation to the Trustee:

- (a) the financial statements (if any) of the Unit Trust most recently supplied to the Lender were prepared in accordance with GAAP consistently applied, save to the extent expressly disclosed in such financial statements;
- (b) the financial statements (if any) of the Unit Trust most recently supplied to the Lender give a true and fair view of (if audited) or fairly represent (if unaudited) its financial condition and operations during the relevant financial year, save to the extent expressly disclosed in such financial statements; and
- (c) there has been no material adverse change in the Unit Trust's business or financial condition since the date of this Security Agreement.

4.17 Sanctions, etc

It makes the representations and warranties in terms of clauses 17.21 to 17.23 of the Facility Agreement, *mutatis mutandis*, with respect to itself.

4.18 **Title etc.**

- (a) It is the sole legal and/or beneficial owner of the Property set out next to its name in Parts 1 and 2 of Schedule 2 (*Properties*) and any other assets over which it purports to grant a Security Interest pursuant to this Security Agreement, free from any other Security Interest (other than any Security Interest under any Security Document).
- (b) It has good and marketable title to the respective assets over which it purports to grant a Security Interest pursuant to this Security Agreement.
- (c) It has good and marketable title to, or valid leases or licences of, and all appropriate Authorisations to use, the assets necessary to carry on its business as presently conducted.

4.19 **Jersey Chargors**

In relation to each Chargor incorporated or established (as applicable) in Jersey:

- (a) all returns, resolutions and documents required by any legislation to be filed with the Jersey Registrar of Companies or the Jersey Financial Services Commission in respect of that Chargor have been duly prepared, kept and filed (within all applicable time limits) and are correct;
- (b) it is not a "financial services company" or a "utility company" (as respectively defined in the Income Tax (Jersey) Law 1961 (**Income Tax Law**));
- (c) it is not in the trade of importing into Jersey or supplying in Jersey "hydrocarbon oil" (as defined in Article 123CAA(3) of the Income Tax Law);
- (d) it is not a "large corporate retailer" (as defined in Article 123I of the Income Tax Law);
- (e) it is exempt from the duty to hold a business licence under the Control of Housing and Work (Jersey) Law 2012;
- (f) it does not conduct any unauthorised "financial services business" (as defined in the Financial Services (Jersey) Law 1998);
- (g) it is not in breach of any approvals, authorisations, consents, licences, permits or registrations issued to it by any regulatory or governmental authority in Jersey and will not be in breach of the same as a result of entering into any of the Finance Documents;
- (h) it is and will remain an "international services entity" (within the meaning of the Goods and Services Tax (Jersey) Law 2007);
- (i) it has not owned and does not own land in Jersey;
- (j) it is not a company to which the City Code on Takeovers and Mergers applies;

- (k) the Unit Trust is a duly established, constituted and validly existing unit trust under the laws of Jersey and the Unit Trust has not been terminated and no steps have been taken to terminate the Unit Trust;
- (l) the Trustee is the only trustee of the Unit Trust and since the establishment of the Unit Trust there has only been one other trustee, the Managing Trustee, which retired as trustee on 8 March 2018;
- (m) the Trust Instrument is in full force and effect and has not been amended, revoked or superseded unless prior written consent of the Lender (acting reasonably) has been obtained, such consent not to be unreasonably withheld where the security position of the Lender is not prejudiced thereby;
- (n) the Managing Trustee and Dynasty hold the legal title to the Properties (as set out next to its name in Part 1 of Schedule 2) as nominees pursuant to a declaration of trust for the benefit of the Trustee and have title thereto free from security interests;
- (o) neither the Trustee nor the Unit Trust has approvals, authorisations, consents, licences, permits or registrations of any governmental or other authority or agency in Jersey which, or the conditions attaching to which, could affect, conflict with or be breached by the entry into by the Trustee of the Finance Documents; and
- (p) the Borrower, Dynasty and Talbot Gate are the only holders of units in the Unit Trust and all the issued units in the Unit Trust are fully paid and no additional units have been or are required to be issued under the terms of the Trust Instrument any contribution or subscription agreement.

4.20 Times when representations made

- (a) All the representations and warranties in this Clause 4 (except those in Clauses 4.7, 4.8, 4.11 and 4.16(c)):
 - (i) are made by each Chargor on the date of this Security Agreement; and
 - (ii) shall be deemed to be repeated by each Chargor on the date of each Utilisation Request and the first day of each Interest Period.
- (b) Each representation or warranty made or deemed to be repeated after the date of this Security Agreement shall be made or deemed to be repeated by reference to the facts and circumstances existing at the date the representation or warranty is made or deemed to be repeated.

5. PERFECTION OF SECURITY AND FURTHER ASSURANCE

5.1 Notice of Security

- (a) Each Chargor (and the Borrower in relation to any Specified Account) shall deliver a Notice of Security (with a copy to the Lender), duly completed:

- (i) on an Event of Default, to each tenant and each other party to any Occupational Lease;
- (ii) on an Event of Default, to each purchaser and each other party to any Sale Agreement;
- (iii) forthwith, to any bank with which it opens or maintains any Specified Account or other bank account held in England or Wales;
- (iv) upon request, to any person against which it has rights in respect of any other Debt;
- (v) forthwith, to any insurer in respect of any Insurance;
- (vi) upon request, to any party to any other document,

in each case in respect of which that Chargor (or if applicable, the Borrower) has granted a Security Interest in this Security Agreement.

(b) In Clause 5.1(a):

- (i) **"forthwith"** means upon execution of this Security Agreement or, if later, upon the relevant document, account, Debt (including Subordinated Debt) or Insurance being entered into or otherwise coming into existence; and
- (ii) **"upon request"** means promptly upon request by the Lender.

(c) Each Chargor and the Borrower shall use its reasonable endeavours to procure that each addressee of a Notice of Security acknowledges that Notice of Security in the form attached to that Notice of Security (or in such other form as the Lender may approve).

5.2 Further assurance

- (a) Each Chargor and the Borrower shall promptly and at its own expense take such action as the Lender or any Receiver may reasonably require:
 - (i) to preserve or protect the security created (or intended to be created) by this Security Agreement or the priority of it; or
 - (ii) to facilitate the realisation or enforcement of any Security Asset or the exercise of any of the rights of any Secured Party in relation to the same.
- (b) The action required under Clause 5.2(a) may include the execution of any Security Interest, any assignment or transfer over or of any asset, any notice of this Security or any other document save that no such document shall be any more onerous on any Chargor or the Borrower than this Security Agreement and related notices.

5.3 Registration

The Chargors and the Borrower shall undertake to ensure that all Security Perfection Requirements in relation to this Security are complied with.

6. NEGATIVE PLEDGE AND DISPOSALS

6.1 Negative pledge

Each Chargor and the Borrower undertakes that it will not create or permit to subsist any Security Interest over any Security Asset except as expressly permitted by the Facility Agreement.

6.2 No disposals

Each Chargor and the Borrower undertakes that it will not dispose of (or agree to dispose of) any Security Asset except as expressly permitted by the Facility Agreement.

7. OTHER COVENANTS OF GENERAL APPLICATION

7.1 Information, access and remedy

- (a) Each Chargor and the Borrower shall promptly (and in any event within five Business Days) deliver to the Lender:
 - (i) any title deeds and documents relating to the Security Assets which the Lender may request;
 - (ii) any copy document or other information which the Lender may reasonably request relating to its business or any Security Asset; and
 - (iii) any evidence which the Lender may reasonably request of its compliance with the terms of this Security Agreement.
- (b) Each Chargor and the Borrower shall permit the Lender and/or its representatives, agents or contractors (each acting reasonably) free access at all reasonable times and on three Business Days' prior written notice to the Security Assets and (when an Event of Default is continuing) to books, accounts and records relating to them:
 - (i) to examine the state and condition of those assets;
 - (ii) (when an Event of Default is continuing) to inspect and take copies and extracts from those books, accounts and records; and
 - (iii) to comply with or object to any direction or notice or other matter served on it.
- (c) The Lender may take any action (including the carrying out of repairs, the provision of information or the payment of money) which it considers necessary to remedy any failure by a Chargor or the Borrower to comply with any of its obligations under the Finance Documents.

- (d) The Lender shall have no obligation to exercise any of its rights under Clause 7.1(c) or otherwise in relation to any Security Asset.

7.2 Compliance with obligations

Each Chargor and the Borrower shall:

- (a) observe, perform and otherwise comply with all covenants and other obligations and matters (whether or not contained in any Lease, agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment;
- (b) comply with all (and not permit any breach of any) bye-laws and other laws and regulations (whether relating to planning, building or any other matter) affecting any of the Security Assets (including, without limitation, any laws requiring a Chargor or the Borrower to procure energy performance certificates for the Property); and
- (c) pay (or procure the payment of) all rents, rates, taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

7.3 Enforcement of rights

Each Chargor and the Borrower shall at its own cost use its reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets which the Lender may from time to time reasonably require.

7.4 Management of Security Assets

Each Chargor and the Borrower shall manage its Security Assets in a proper and efficient manner. In particular, it shall:

- (a) keep its Security Assets in good and substantial repair and working order;
- (b) obtain, maintain and comply with the terms of any Authorisation required in connection with any Security Asset;
- (c) not without the prior written consent of the Lender (acting reasonably) make, permit or allow any structural alterations or additions of a material nature to any of its Security Assets or carry out any works of demolition on them;
- (d) not do, permit or allow to be done anything which might in any way put at risk the enforceability of or otherwise prejudice the security held by the Lender; and
- (e) promptly inform the Lender of anything which occurs which might have the effect referred to in Clause 7.4(d).

7.5 Information: miscellaneous

Each of the Chargors shall supply to the Lender:

- (a) (to the extent not otherwise prohibited by any applicable laws or regulations) all documents dispatched by such Chargor to its shareholders (or any class of them), or the unitholders of the Unit Trust, or its creditors generally at the same time as they are despatched, other than any document which does not relate (directly or indirectly) to (i) the insolvency/winding up, or the potential insolvency/winding up of such Chargor (or any underlying circumstances in relation thereto), (ii) the transactions contemplated by this Security Agreement or (iii) any circumstances which might have a Material Adverse Effect. For the avoidance of doubt, no Chargor is required to supply to the Lender any document dispatched by it to its shareholders (or any class of them) or its creditors generally if such document does not relate (directly or indirectly) to the matters set out in paragraphs (a)(i) and (a)(ii) above and relates solely to any merger or corporate reconstruction which is not otherwise prohibited or restricted by the Facility Agreement or any other Finance Documents;
- (b) (to the extent not otherwise prohibited by any applicable laws or regulations) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against such Chargor, and which might, if adversely determined, have a Material Adverse Effect;
- (c) (to the extent not otherwise prohibited by any applicable laws or regulations) promptly, such further information and records regarding its financial condition, business and operations as the Lender may reasonably request;
- (d) promptly, notice of any change in its authorised signatories signed by its director or company secretary accompanied by specimen signatures of any new authorised signatories;
- (e) any information relating to the Security Assets and the terms of any Assigned Document as the Lender may from time to time reasonably request; and
- (f) within one Month from the last day of each calendar quarter, regular statement(s) of the Other Bank Accounts.

7.6 Notification of default

- (a) Each of the Chargors shall notify the Lender of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless such Chargor is aware that a notification has already been provided by another Obligor).
- (b) Promptly upon a request by the Lender, each of the Chargors shall supply to the Lender a certificate signed by a director on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

7.7 Authorisations

- (a) Each of the Chargors shall promptly:

(i) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(ii) supply certified copies to the Lender of,

any Authorisation required to enable the Chargors to perform its obligations under this Security Agreement and to ensure the legality, validity, enforceability or admissibility in evidence in England and its jurisdiction of incorporation of this Security Agreement.

(b) Each of the Chargors shall promptly cooperate with the Lender to ensure that all the Security Perfection Requirements have been or will be done or obtained (as the case may be) no later than the latest date permitted by applicable law or otherwise pursuant to the terms of the relevant Security Documents.

7.8 Compliance with laws

Each of the Chargors shall comply in all respects with all laws to which it may be subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

7.9 Merger

None of the Chargors shall enter into any amalgamation, demerger, merger or corporate reconstruction. For avoidance of doubt, this Clause 7.9 does not restrict any amalgamation, demerger, merger or corporate reconstruction of or involving any member of the Group or any member of the CGIL Group which is not an Obligor or as otherwise permitted under any other Finance Document.

7.10 Change of business

None of the Chargors shall materially or substantially change the scope or nature of the core business currently carried on by the relevant Chargor.

7.11 Sanctions, etc

Each of the Chargors agrees that clauses 19.24 to 19.26 of the Facility Agreement shall apply to this Security Agreement and such Chargor, *mutatis mutandis*.

7.12 Taxes

Each of the Chargors shall:

(a) file or cause to be filed all tax returns required to be filed in all jurisdictions in which it is situated or carries on business or otherwise is subject to Taxation; and

(b) pay all Taxes shown to be due and payable on such returns or any assessments made against it, except to the extent these are contested in good faith and by appropriate means where such payment may be lawfully withheld and for which

adequate reserves have been established by it taking into account the amount of Taxes payable,

in each case, if failure to comply would have a Material Adverse Effect.

7.13 Application of FATCA

Unless otherwise agreed by the Lender, no Chargor will become a FATCA FFI or a US Tax Obligor.

7.14 Unit Trust

- (a) The Trustee undertakes not to:
 - (i) seek to amend, or agree to any amendment of the Trust Instrument;
 - (ii) enter into any agreement or arrangement in breach of the Trust Instrument; or
 - (iii) retire as trustee of the Unit Trust,without the prior written consent of the Lender (acting reasonably), provided that, in the case of Clause 7.14(a)(i), the Lender's consent not to be unreasonably withheld where the security position of the Lender is not prejudiced thereby.
- (b) The Trustee shall not resign as a trustee of the Unit Trust without the prior approval of the Lender (acting reasonably).
- (c) The Trustee undertakes to comply with its obligations under the Trust Instrument.

8. LAND

8.1 Title

- (a) Each Chargor must exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Properties.
- (b) No Chargor may agree to any amendment (save to the extent the same is immaterial or administrative in nature), supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting the Mortgaged Properties where such supplement waiver surrender or release could have a Material Adverse Effect.

8.2 Registration at HM Land Registry

- (a) The Chargors shall:
 - (i) do all things requested by the Lender to facilitate the registration of this Security against any HM Land Registry title comprised in the

Mortgaged Properties from time to time. In particular, each Chargor shall:

- (A) apply to the Chief Land Registrar for a restriction to be entered on each such title in the following terms: "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 Security Agreement dated [●] in favour of Hang Seng Bank Limited referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer"; and
 - (B) if the Lender so requests, certify that the security over the Mortgaged Properties created by this Security Agreement does not contravene any of the provisions of its constitutional documents.
- (b) No Chargor shall permit any other person to be registered at the HM Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties) save where such Mortgaged Property has been disposed of as permitted under the Finance Documents.
 - (c) No Chargor shall create or permit to arise or subsist in or over any of the Mortgaged Properties any interest which falls within any of the paragraphs of Schedule 3 Land Registration Act 2002 or any interest preserved by the transitional provisions of Schedule 12 Land Registration Act 2002.

8.3 Deposit of Mortgaged Property title documents

- (a) Each Chargor shall effect or procure the deposit with (or to the order of) the Lender of all title deeds and documents (including all local land charges, land charges, HM Land Registry search certificates and planning and other statutory consents) relating to the Mortgaged Properties.
- (b) On completion of the registration of this Security Agreement against any HM Land Registry title comprised in the Mortgaged Properties, the relevant Chargor shall supply the Lender with a copy of the title information document for that title.

8.4 Future acquisitions

- (a) Each Chargor shall notify the Lender promptly (and in any event within five Business Days) of any proposal, contract, conveyance, transfer or other disposition for or effecting the acquisition by it or any nominee on its behalf of any rights in any land.
- (b) If a Chargor acquires any rights in any land, it shall at its own cost promptly on request by the Lender execute and deliver to the Lender a first priority Security Interest in favour of the Lender over those rights in any form which the Lender may reasonably require (and in any event, on terms no more onerous than this Security Agreement).

8.5 Development

The Chargors shall not without the prior written consent of the Lender (such consent not to be unreasonably withheld or delayed):

- (a) carry out, or permit to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations on the Mortgaged Property;
- (b) sever, unfix or remove any of the fixtures or other plant and machinery (excluding stock-in-trade or work-in-progress) from the Mortgaged Property (except in order to effect necessary repairs or the replacement of the relevant asset with a new or improved model or substitute); or
- (c) make (or permit anybody else to make) any application for planning permission in respect of the Mortgaged Properties.

8.6 Leases and Sale Agreements

Except as expressly permitted by the Facility Agreement, the Chargors shall not without the prior written consent of the Lender:

- (a) forfeit, determine or agree to the determination, surrender or termination of any Occupational Lease or any Sale Agreement except pursuant to the terms thereof; or
- (b) grant or agree to grant any Occupational Lease or any Sale Agreement or agree to any amendment of, or to any waiver of rights under any Occupational Lease or any Sale Agreement.

8.7 Powers of leasing of the Chargors

No grant or agreement to grant of a Lease by a Chargor prior to the Discharge Date shall have effect or force (by virtue of ss99 and 100 LPA or otherwise) without the consent of the Lender or except as otherwise permitted under Clause 8.68.6(b).

8.8 Subsequent incumbrancer

For the purposes of ss99 and 100 LPA, "mortgagor" shall include any incumbrancer (as defined in the LPA) deriving title from a Chargor and s99(18) and s100(12) LPA shall not apply.

8.9 Maintenance

Each Chargor must ensure that all buildings, plant, machinery, fixtures and fittings on the Mortgaged Properties are in, and maintained in:

- (a) good and substantial repair and condition and, as appropriate, in good working order provided that to the extent that a Mortgaged Property is subject to an Occupational Lease which contains a tenant's covenant to repair, there shall be no breach of this Clause 8.9 (Maintenance) to the extent that it is unable to

procure compliance by that tenant after using its reasonable endeavours to make the procurement; and

- (b) such repair, condition and order as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is either:
 - (i) in force; or
 - (ii) it is expected to come into force and a prudent property owner in the same business as such Chargor would ensure that its buildings, plant, machinery, fixtures and fittings were in such condition, repair and order in anticipation of that law or regulation coming into force.

8.10 Notices

- (a) If any Chargor receives any application, requirement, order or notice served or given by any public, local or other authority or any landlord with respect to any Security Assets, then it shall:
 - (i) within 14 days after such receipt deliver a copy to the Lender and inform it of the steps taken or proposed to be taken to comply with the relevant application, requirement, order or notice;
 - (ii) take all necessary steps to comply with the application, requirement, order or notice; and
 - (iii) make or join in making any representations which the Lender reasonably requests in respect of the application, requirement, order or notice.
- (b) Any compensation received as a result of an application, requirement, order or notice referred to in Clause 8.10(a), pursuant to s25 Law of Property Act 1969 and/or the Landlord and Tenant Act 1954 or otherwise, shall be held on trust for, and promptly paid to, the Lender. The Lender shall apply the compensation as if it constituted proceeds of an enforcement of this Security Agreement.

8.11 Investigation of title

Each Chargor shall grant the Lender or its lawyers on request all facilities within its power to enable the Lender or its lawyers to:

- (a) carry out investigations of title to any Mortgaged Property; and
- (b) make such enquiries in relation to any Mortgaged Property as a prudent mortgagee might carry out.

8.12 Power to remedy

- (a) If any Chargor fails to perform any obligations under the Finance Documents affecting any Mortgaged Property, such Chargor must allow the Lender or its agents and contractors:

- (i) to enter any part of the Mortgaged Property;
 - (ii) to comply with or object to any notice served on such Chargor in respect of the Mortgaged Properties; and
 - (iii) to take any action that the Lender may reasonably consider necessary to prevent or remedy any breach of any such term or to comply with or object to any such notice.
- (b) Each Chargor must promptly on request by the Lender pay the costs and expenses of the Lender or its agents and contractors incurred in connection with any action taken by it under this Clause.
- (c) The Lender shall not be obliged to account as mortgagee in possession as a result of any action taken under this Clause.

8.13 Managing Agents

- (a) No Chargor may:
- (i) appoint any Managing Agent;
 - (ii) amend, supplement, extend or waive the terms of appointment of any Managing Agent save for any technical or administrative amendments which could not reasonably be considered to have an adverse impact on the rights of the Lender; or
 - (iii) terminate the appointment of any Managing Agent,
- without the prior consent of, and on terms approved by, the Lender (acting reasonably).
- (b) Each Chargor must ensure that each Managing Agent of any Property:
- (i) enters into a Duty of Care Agreement with the Lender;
 - (ii) acknowledges to the Lender that it has notice of the Security created by the Finance Documents; and
 - (iii) agrees to pay all Rental Income received by it into the Rent Account (as defined in the relevant Duty of Care Agreement with the Managing Agent), without any withholding, set-off or counterclaim unless the Lender expressly authorises the Managing Agent to retain any of the Tenant Contributions.
- (c) If a Managing Agent is in default of its obligations under its management agreement and, as a result, a Chargor is entitled to terminate that management agreement, then, if the Lender (acting reasonably) so requires, that Chargor must promptly use its reasonable endeavours to:
- (i) terminate the management agreement; and

- (ii) appoint a new Managing Agent in accordance with this Clause 8.13.

8.14 Asset Managers

- (a) The Chargors may not:
 - (i) appoint any Asset Manager;
 - (ii) amend, supplement, extend or waive the terms of appointment of any Asset Manager save for any technical or administrative amendments which could not reasonably be considered to have an adverse impact on the rights of the Lender; or
 - (iii) terminate the appointment of any Asset Manager,
without the prior consent of, and on terms approved by, the Lender (acting reasonably).
- (b) The Chargors must ensure that any Asset Manager:
 - (i) enters into a Duty of Care Agreement with the Lender; and
 - (ii) acknowledges to the Lender that it has notice of the Security created by the Finance Documents.
- (c) If an Asset Manager is in default of its obligations under its asset management agreement and, as a result, a Chargor is entitled to terminate that asset management agreement, then, if the Lender (acting reasonably) so requires, that Chargor must promptly use its reasonable endeavours to:
 - (i) terminate the asset management agreement; and
 - (ii) appoint a new Asset Manager in accordance with this Clause 8.14.

8.15 Insurances of Mortgaged Property

- (a) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must ensure that at all times from the date of this Security Agreement Insurances are maintained in full force and effect, which:
 - (i) insure such Chargor in respect of its interests in any Mortgaged Property owned by such Chargor on any Mortgaged Property (including fixtures and improvements) for not less than their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs);
 - (ii) provide cover against loss or damage by fire, storm, tempest, flood, earthquake, landslip, subsidence, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil

commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage for a property of the type of the relevant Mortgaged Property;

- (iii) provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;
 - (iv) provide cover against acts of terrorism, including any third party liability arising from such acts;
 - (v) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance;
 - (vi) include property owners' public liability and third party liability insurance;
 - (vii) insure such other risks as a prudent company or other person in the same business as such Chargor would insure; and
 - (viii) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Lender (acting reasonably).
- (b) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must procure that the Lender is named as composite insured (if so required by the Lender) in respect of its own separate insurable interest under each of the Insurances (other than public liability and third party liability insurances) but without any liability on the part of the Lender for any premium in relation to those Insurances (unless the Lender has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any of those Insurances).
- (c) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must procure that the Insurances comply with the following requirements:
- (i) each of the Insurances must be with reputable independent insurance companies or underwriters which are acceptable to the Lender;
 - (ii) each of the Insurances must contain:
 - (A) a non-invalidating and non-vitiating clause under which the Insurances will not be avoided or vitiated as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party;

- (B) a waiver of the rights of subrogation of the insurer as against such Chargor, the Lender and the tenants of the Mortgaged Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of the Mortgaged Property or any Insurance; and
 - (C) a loss payee clause under which the Lender is named as first loss payee in respect of any claim in excess of £250,000 (other than in respect of any claim under any public liability and third party liability insurances);
- (iii) each insurer must give at least 30 days' notice to the Lender if it proposes to:
 - (A) repudiate, rescind or cancel any Insurance;
 - (B) treat any Insurance as avoided in whole or in part;
 - (C) treat any Insurance as expired due to non-payment of premium; or
 - (D) otherwise decline any claim under any Insurance by or on behalf of any insured party,

and, in respect of Clause 8.15(c)(iii)(C), must in the notice give the Lender the opportunity to rectify any such non-payment of premium within the notice period; and
- (iv) such Chargor must be free to assign or otherwise grant Security over all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Lender.
- (d) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must ensure that the Lender receives a certified true copy of each of the Insurances, receipts for the payment of premiums for insurance and any information in connection with the Insurances and claims under them which the Lender may reasonably require.
- (e) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must promptly notify the Lender of:
 - (i) the proposed terms of any future renewal of any of the Insurances;
 - (ii) any material amendment, supplement, extension, termination, avoidance or cancellation of any of the Insurances made or, to the best of its knowledge and belief, threatened or pending;

- (iii) any claim, and any actual or threatened refusal of any claim, under any of the Insurances; and
 - (iv) any event or circumstance which has led or may lead to a breach by such Chargor of any term of this Clause.
- (f) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must:
 - (i) comply with the terms of the Insurances;
 - (ii) not do or permit anything to be done which may make void or voidable any of the Insurances; and
 - (iii) comply with all reasonable risk improvement requirements of its insurers.
- (g) Each Chargor who has any interest under any insurance policy/ies taken out and to be taken out from time to time in respect of the Mortgaged Property (being, at the date of this Security Agreement, the Trustee) must ensure that:
 - (i) each premium for the Insurances is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable; and
 - (ii) all other things necessary are done so as to keep each of the Insurances in force.
- (h) If any Chargor fails to comply with any term of this Clause 8.15, the Lender may, at the expense of such Chargor, effect any insurance and generally do such things and take such other action as the Lender may reasonably consider necessary to prevent or remedy any breach of this Clause 8.15.
- (i) Except as directed by the Lender, the proceeds of any Insurances must, if the Lender so requires, be paid towards discharge of the Secured Indebtedness.

8.16 Environmental matters

- (a) Each Chargor must:
 - (i) comply in all material respects with all Environmental Law;
 - (ii) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to the Mortgaged Property; and
 - (iii) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or the Mortgaged Property,

in each case where failure to do so is reasonably likely to have a Material Adverse Effect.

- (b) Each Chargor must, promptly upon becoming aware, notify the Lender of:
 - (i) any Environmental Claim started, or to its knowledge, threatened;
 - (ii) any suspension, revocation or notification of any Environmental Permit,which in each case, if substantiated, has or is reasonably likely to have a Material Adverse Effect.
- (c) Each Chargor must indemnify the Lender against any loss or liability which:
 - (i) that Lender incurs as a result of any actual breach of any Environmental Law by it; and
 - (ii) would not have arisen if a Finance Document had not been entered into,
 - (iii) unless it is caused by the Lender's gross negligence or wilful misconduct.

8.17 Application of property undertakings to Mortgaged Properties

Each Chargor shall comply with the relevant undertakings in clause 19 (*General undertakings*) of the Facility Agreement in relation to each Property (whether or not it is the Borrower).

9. ACCOUNTS AND DEBTS

9.1 Maintenance of accounts

At any time whilst an Event of Default is continuing, no Chargor or the Borrower shall close, open, maintain or vary the terms applicable to any bank account or (as the case may be) any Specified Account without the prior written consent of the Lender.

9.2 Realisation of Debts

Each Chargor shall get in and realise its Rental Income, Sale Income and other Debts in the ordinary course of its business. For the avoidance of doubt, this does not permit the realisation of Debts by means of block discounting, factoring or the like.

9.3 Withdrawals from accounts

None of the Chargors and the Borrower shall make any withdrawals from any bank account or (as the case may be) any Specified Account after the occurrence of any Event of Default which is continuing.

10. ASSIGNED DOCUMENTS

At any time an Event of Default is continuing, no Chargor shall waive any rights under, amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated any Assigned Document or any document referred to in Clause 3.6(e) (*Miscellaneous fixed charges*) without the prior written consent of the Lender.

11. PLANT, MACHINERY AND OTHER CHATTELS

Each Chargor shall:

- (a) maintain all of its plant, machinery and other chattels referred to in Clause 3.2(b) (*Land*) and Clause 3.6(e) (*Miscellaneous fixed charges*) (the "**Equipment**") to the extent necessary to comply with laws applicable to it; and;
- (b) if so requested by the Lender in relation to any item of Equipment, affix to, and maintain on, that item in a conspicuous position a plate bearing in clearly legible wording approved by the Lender a notification of the fixed charge created by this Security Agreement over that item.

12. ENFORCEMENT – GENERAL PROVISIONS

12.1 Enforcement

- (a) On or at any time after the occurrence of an Event of Default which is continuing, this Security shall become immediately enforceable and the Lender may enforce this Security, and its rights under this Security Agreement, in the manner and on the terms it thinks fit.
- (b) In particular, it may without further notice exercise in relation to the Security Assets:
 - (i) the power of sale and all other powers conferred on mortgagees by the LPA or otherwise by law, in each case as extended or otherwise amended by this Security Agreement;
 - (ii) to the extent that Clause 13 (*Right of appropriation*) applies, the power to appropriate the relevant Security Assets in accordance with Clause 13.2 (*Exercise of right of appropriation*); and
 - (iii) (whether or not it has appointed a Receiver) any or all of the rights which are conferred by this Security Agreement (whether expressly or by implication) on a Receiver.

12.2 LPA provisions

- (a) The Secured Indebtedness shall be deemed for the purposes of all powers implied by statute to have become due and payable within the meaning of s101 LPA immediately on the execution of this Security Agreement.
- (b) The Lender and any Receiver is entitled to all of the privileges, immunities and other rights conferred on mortgagees and receivers respectively under the LPA.
- (c) s93(1) LPA (restriction on the consolidation of mortgages), s103 LPA (restricting the power of sale), ss105, 107(2), 109(6) and 109(8) LPA (application of proceeds of sale) and s109(1) LPA (restricting the power to appoint a receiver) shall not apply to this Security.

12.3 Protection of third parties

- (a) No purchaser, mortgagee or other person dealing with a Secured Party shall:
 - (i) be bound to enquire whether its entitlement to exercise any of its rights has arisen or become exercisable or whether any Secured Indebtedness remain outstanding; or
 - (ii) be concerned as to the application of any money paid, raised or borrowed or as to the propriety or regularity of any sale by or other dealing with that Secured Party.
- (b) All of the protection to purchasers contained in ss104 and 107(1) LPA and s42(3) IA shall apply to any person purchasing from or dealing with a Secured Party as if the Secured Indebtedness had become due and the statutory powers of sale and of appointing a Receiver in relation to the Security Assets had arisen on the date of this Security Agreement.

12.4 Delegation

- (a) The Lender and (to the extent his or her appointment so permits) a Receiver (the "**Appointor**") may delegate to any person or persons all or any of the rights which are exercisable by it under this Security Agreement. A delegation under this Clause may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Appointor may think fit.
- (b) A delegation under Clause 12.4(a) shall not preclude the subsequent exercise of the relevant rights by the Appointor nor preclude the Appointor from making a subsequent delegation of them to another person or from revoking that delegation.
- (c) Neither the Lender nor any Receiver shall be liable or responsible to any Chargor or the Borrower for any loss or damage arising from any act, default, omission or misconduct on the part of any delegate or sub-delegate.
- (d) For the avoidance of doubt, a Delegate shall have the benefit of any term of this Security Agreement or of the Facility Agreement which expressly confers a right on "Delegates" (as defined in the Facility Agreement).

12.5 No liability

- (a) No Secured Party or Administrator shall:
 - (i) owe any duty to any Chargor or the Borrower to exercise any of its rights under this Security Agreement; or
 - (ii) be liable or responsible to any Chargor or the Borrower for any Losses arising out of any exercise, purported exercise or non-exercise of any of its rights under this Security Agreement.

- (b) Neither a Secured Party nor any Administrator shall be liable as a mortgagee in possession or otherwise to account in relation to all or any part of the Security Assets for any loss on realisation or for any other action, default or omission for which it might otherwise be liable as a mortgagee in possession.

13. RIGHT OF APPROPRIATION

13.1 Application of right of appropriation

This Clause 13 applies to the extent the Security Assets constitute "financial collateral" and this Security Agreement constitutes a "financial collateral arrangement" (within the meaning of the Financial Collateral Arrangements (No. 2) Regulations 2003).

13.2 Exercise of right of appropriation

- (a) If and to the extent that this Clause 13 applies, the Lender may appropriate the Security Assets in or towards discharge of the Secured Indebtedness in such order as the Lender may (subject to any specific provisions of the Finance Documents in this regard) determine.
- (b) If the Lender exercises its right of appropriation then it shall for these purposes value:
 - (i) any relevant Specified Account or other bank account at the amount standing to the credit of that account, together with any accrued interest not credited to the account, at the time of the appropriation; and
 - (ii) any other relevant Security Asset by reference to an independent valuation or other procedure determined by the Lender, acting reasonably, at the time of the appropriation.

14. RECEIVERS

14.1 Appointment of Receiver

- (a) Subject to the remainder of this Clause 14.1, the Lender may appoint one or (at the same or different times) more persons as a receiver of all or any part of the Security Assets if:
 - (i) this Security has become (and remains at the time of appointment) enforceable; or
 - (ii) the relevant Chargor or the Borrower so requests in writing at any time.
- (b) No appointment may be made pursuant to Clause 14.1:
 - (i) solely as a result of the obtaining of, or with a view to obtaining, a moratorium under Part A1 IA; or
 - (ii) of an administrative receiver if that appointment would contravene s72A IA.

- (c) If at any time two or more persons hold office as Receivers, each of those Receivers shall (subject to the terms of his or her appointment) be entitled to exercise individually all of the rights conferred on Receivers under this Security Agreement to the exclusion of the other or others.

14.2 Remuneration

The Lender may fix the remuneration of any Receiver from time to time, without being limited by the maximum rate specified in s109(6) LPA.

14.3 Removal and replacement

The Lender may:

- (a) subject to obtaining a court order if required by law, remove any Receiver by written notice; and
- (b) replace (by appointment pursuant to Clause 14.1) any Receiver whose appointment has terminated.

14.4 Agent of the relevant Chargor or the Borrower

- (a) Any Receiver appointed under this Security Agreement whether acting solely or jointly shall be deemed to be the agent of the relevant Chargor or the Borrower and to be in the same position as a receiver appointed under the LPA.
- (b) The relevant Chargor or the Borrower shall be solely responsible for the acts, omissions, defaults, losses and misconduct of any Receiver and for his or her remuneration. The Lender shall not be in any way liable or responsible either to the relevant Chargor, the Borrower or to any other person for any Receiver.

15. POWERS OF SECURITY ENFORCEMENT PARTIES

15.1 General

- (a) A Receiver has:
 - (i) all of the rights set out below in this Clause 15;
 - (ii) all of the rights granted by the LPA to any receiver or mortgagor or mortgagee in possession; and
 - (iii) whether or not it is an administrative receiver, all of the rights granted by the IA to any administrative receiver,in each case as such rights are varied and extended by this Security Agreement.
- (b) The Lender has after this Security has become enforceable the rights referred to in Clause 15.1(a), whether or not it has appointed a Receiver.
- (c) A Delegate has the rights referred to in Clause 15.1(a) to the extent provided in its, his or her appointment.

- (d) Any reference in this Clause 15 to any Security Assets includes, in the case of a Receiver or Delegate, only those Security Assets over or in respect of which it, he or she has been appointed.
- (e) A Secured Party may exercise its, his or her rights under this Clause 15 in such manner and on such terms as it, he or she thinks fit.

15.2 Collection, leasing and disposal of Security Assets

- (a) The right to enter into, take possession of, give up possession of, get in and collect any Security Asset.
- (b) The right to grant, vary, surrender or accept the surrender of Leases, easements or other rights over or in respect of Security Assets on such terms as the Secured Party may think fit, without the need to comply with ss99 and 100 LPA.
- (c) The right to sell or otherwise dispose of any Security Asset on any terms and for any consideration as the Secured Party may think fit. This consideration may include cash, debentures, obligations, shares or other security and may be payable in a lump sum or instalments.
- (d) The right to sever any plant, machinery or other fixtures from the premises to which they are attached and the right to dispose of them separately in accordance with Clause 15.2(c).
- (e) The right, in connection with or to facilitate any disposal, to release or discharge, whether or not for any consideration, any Debts comprised in the Security Assets.
- (f) The right to give a valid receipt for any money and execute any discharge, assurance or other document which may be proper to realise any Security Asset.

15.3 Upkeep of Security Assets

- (a) The right to repair, decorate, furnish, maintain, alter, improve, replace, renew or add to the Security Assets.
- (b) The right to develop any Security Asset and for that purpose to apply for any Authorisations, enter into any documents and carry out any works.
- (c) The right to insure any Security Assets.

15.4 Carrying on business

- (a) The right to carry on any business of any Chargor or the Borrower.
- (b) The right to appoint or dismiss officers, employees, agents, contractors, advisors and others.
- (c) The right to purchase, lease or otherwise acquire any assets.

- (d) The right to borrow or otherwise raise money either unsecured or on the security of the Security Assets (whether ranking in priority to, pari passu with or behind this Security).
- (e) The right to lend money or advance credit to any customer of a Chargor or the Borrower.

15.5 Contracts and proceedings

- (a) The right to perform, repudiate, terminate, amend or enter into any contract or other document relating to any Security Asset.
- (b) The right to bring, prosecute, defend, enforce and discontinue any action, suit, arbitration or other proceedings relating to any Security Assets.
- (c) The right to pursue, settle, arrange, compromise or submit to arbitration any claim, account, dispute or demand relating to, or to make any VAT election in respect of, any Security Asset.

15.6 Other rights

- (a) The right to form a subsidiary of a Chargor or the Borrower and the right to lease, license or transfer any Security Asset to it.
- (b) The right to do any other act or thing which the Secured Party may consider:
 - (i) necessary to protect, preserve or realise any Security Asset; or
 - (ii) incidental or conducive to any rights conferred on the Secured Party under or by virtue of this Security Agreement or by law.
- (c) The right to exercise and do in relation to any Security Asset all the rights and things which the Secured Party would be capable of exercising or doing if it, he or she were the absolute beneficial owner of that Security Asset.
- (d) The right to use the name of any Chargor or the Borrower to exercise any of the rights referred to in this Clause 15.

16. APPOINTMENT OF ADMINISTRATOR

16.1 Appointment of Administrator

- (a) The Lender may without notice appoint any one or more persons to be an administrator of any Chargor or the Borrower pursuant to Schedule B1, Paragraph 14 IA at any time after this Security has become enforceable.
- (b) Clause 16.1(a) shall not apply to any Chargor or the Borrower if Schedule B1, Paragraph 14 IA does not permit an administrator of that Chargor or the Borrower to be appointed.
- (c) Any appointment under Clause 16.1(a) shall be made in the prescribed form by the Lender.

16.2 Replacement of an Administrator

The Lender may apply to the court for the termination of the appointment of any Administrator and/or the appointment of a replacement for any Administrator whose appointment ends for any reason.

17. APPLICATION OF PROCEEDS OF ENFORCEMENT, ETC

17.1 Application of proceeds of enforcement

Any monies received by the Lender or any Receiver under this Security Agreement after this Security has become enforceable shall be applied in accordance with clause 24.3 (*Partial payments*) of the Facility Agreement; this is without prejudice to the right of the Lender to recover any shortfall from the Chargors or the Borrower.

17.2 Insurance proceeds

- (a) All monies received by a Chargor by virtue of any Insurance on the Security Assets, whether or not effected under this Security Agreement:
 - (i) shall be part of the Security Assets; and
 - (ii)
 - (A) where no Event of Default is continuing, (1) any such monies not exceeding £250,000 per claim shall be released and paid to that Chargor for application thereof in making good any loss or damage in respect of which the same shall have become payable, and (2) any such monies exceeding £250,000 per claim shall (subject to any rights of third parties arising under any applicable law and regulation or under any Occupational Lease) be paid to the Lender (and until so paid shall be held on trust for the Lender); or
 - (B) where an Event of Default is continuing, all such monies shall (subject to any rights of third parties arising under any applicable law and regulation or under any Occupational Lease) be paid to the Lender (and until so paid shall be held on trust for the Lender).

This Clause 17.2(a) shall apply whether the event pursuant to which those monies became payable occurred before, on or after the date of this Security Agreement.

- (b) Save where a Chargor is legally required to apply proceeds of insurance under the basis for settlement in replacement, restoration or reinstatement of any Property, or is legally required to apply such proceeds in any other manner by that contract of insurance or Lease Document, any monies so paid to the Lender (or otherwise received by any Secured Party by virtue of any insurance on the Security Assets) shall be applied at the discretion of the Lender either in reduction of the Secured Indebtedness or in or towards making good the loss or

damage in respect of which they became payable. Each Chargor waives any right it may have to require that those monies be applied in or towards making good the loss or damage in respect of which they became payable.

18. GENERAL SECURITY PROVISIONS

18.1 Continuing security

This Security is, and shall remain in force as, a continuing security for the Secured Indebtedness, regardless of any intermediate payment or discharge, unless and until it is released and discharged in writing by the Lender.

18.2 Additional security

This Security is in addition to and is not in any way prejudiced by any other guarantee or Security Interest now or subsequently held by or on behalf of any Secured Party.

18.3 Waiver of defences

The obligations of each Chargor and the Borrower under this Security Agreement will not be discharged, impaired or otherwise affected by any act, omission, matter or thing which, but for this Clause 18.3, would reduce, release or prejudice any of its obligations under this Security Agreement, including (whether or not known to it or any Secured Party):

- (a) any time, waiver or consent granted to, or composition with, any Obligor or any other person;
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security Interest over the assets of, any Chargor, the Borrower or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any document or any failure to take, or failure to realise the full value of, any Security Interest;
- (d) any supplement, extension, restatement, other amendment or novation or replacement of any Finance Document or any other security or other document, however fundamental that amendment, novation and replacement may be and whether or not more onerous, including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other Security Interest or other document;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- (f) any unenforceability, illegality or invalidity of any of the Secured Indebtedness or any other obligation of any person under any Finance Document or any other document or Security Interest; or

- (g) any Insolvency Event in relation to any person.

18.4 **Waiver of Jersey customary law defences**

Each Chargor incorporated or established in Jersey irrevocably and unconditionally abandons and waives any right which it may have at any time under the existing or future laws of Jersey:

- (a) whether by virtue of the *droit de discussion* or otherwise to require that recourse be had by the Lender to the assets of any other Chargor or any other person before any claim is enforced against that Chargor in respect of the obligations assumed by it under any of the Finance Documents; and
- (b) whether by virtue of the *droit de division* or otherwise to require that any liability under any guarantee or indemnity contained in any of the Finance Documents be divided or apportioned with any other Chargor or any other person or reduced in any manner whatsoever.

18.5 **Non-competition**

Until the Discharge Date, no Chargor or the Borrower shall exercise any rights it may have by reason of a claim being made against it under this Security Agreement or its performing any of its obligations under it:

- (a) to claim any indemnity or contribution from any person;
- (b) to take (by way of subrogation or otherwise) the benefit of any right of any Secured Party;
- (c) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of any Secured Indebtedness;
- (d) to claim or prove as a creditor of any person in competition with any Secured Party; or
- (e) to receive, claim or have the benefit of any payment, distribution or Security Interest from or on account of any Obligor or exercise any right of set-off against any Obligor.

Each Chargor or the Borrower shall hold any payment or other benefit received by it contrary to this Clause 18.5 on trust for the Lender and promptly pay or transfer the same to the Lender for application in accordance with Clause 17 (*Application of proceeds of enforcement, etc*).

18.6 **Immediate recourse**

Each Chargor and the Borrower waives any right it may have of first requiring the Lender to enforce any Security Interest or other right, or claim payment from or proceed against any other person, before claiming from it under this Security Agreement. This waiver applies irrespective of any applicable law and regulation or any provision of any Finance Document to the contrary.

18.7 Redemption of prior Security Interests

- (a) The Lender may at any time:
 - (i) redeem, or procure the transfer to itself of, any prior Security Interest over any Security Assets; or
 - (ii) settle and pass the accounts of the holder of any prior Security Interest. Any accounts so settled and passed shall in the absence of manifest error be conclusive and binding on the relevant Chargor or the Borrower.
- (b) All principal monies, interest, costs, expenses and other amounts incurred in and incidental to any redemption, transfer or settlement under Clause 18.7(a) shall be paid by the Chargors and the Borrower to the Lender on demand, in each case together with interest calculated in the manner referred to in Clause 2.2 (*Interest*).

18.8 Subsequent Security Interests

- (a) At any time following:
 - (i) the receipt by the Lender of notice (either actual or constructive) of any subsequent Security Interest affecting any Security Assets;
 - (ii) an Insolvency Event occurring in relation to any Chargor or the Borrower; or
 - (iii) any disposal of any Security Assets in breach of Clause 6.2 (*No disposals*),

the Lender may open a new account or accounts in the name of the relevant Chargor or the Borrower (whether or not it permits any existing account to continue). If the Lender does not open such a new account, it shall nevertheless be deemed to have done so at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

- (b) From that time all payments received by the Lender for the account of the relevant Chargor or the Borrower shall be credited or treated as having been credited to the new account (or deemed new account) and shall not operate to reduce the amount secured by this Security at the time of receipt of the notice, the commencement of the Insolvency Event or the disposal.

19. POWER OF ATTORNEY

Each Chargor and the Borrower irrevocably and by way of security appoints each Secured Party severally to be its attorney, in its name or otherwise, on its behalf and as its act and deed to execute, deliver and perfect any document and do any other act or thing which may be required or which the attorney may consider necessary:

- (a) to carry out any obligation imposed on that Chargor or the Borrower by this Security Agreement; or

- (b) in the exercise of any rights conferred on any Secured Party by this Security Agreement or by applicable law and regulation,

provided that where no Event of Default is continuing, the Lender shall not exercise its power under this Clause 19 unless and until the Lender has served a notice to the relevant Chargor or the Borrower requiring it to perform certain acts in accordance with this Security Agreement and which the relevant Chargor or the Borrower shall have failed to do so within three Business Days of such notice.

Each Chargor and the Borrower undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of this power of attorney.

20. RELEASE OF SECURITY

20.1 Definitions relating to release of this Security

- (a) In this Security Agreement, "**Discharge Date**" means the date on which the Lender determines that:
 - (i) all of the Secured Indebtedness have been unconditionally and irrevocably paid or discharged in full; and
 - (ii) the Lender is under no further obligation to provide financial accommodation to any Obligor under the Finance Documents.

For this purpose, a Secured Indebtedness will not be considered to have been irrevocably paid or discharged if the Lender, acting reasonably, considers that any payment made in respect of it is capable of being avoided.

- (b) In this Clause 20:
 - (i) "**avoided**" means avoided, restored or adjusted in whole or part under any law relating to insolvency (and "**avoidance**" shall be construed accordingly); and
 - (ii) "**settlement**" means a release, settlement, discharge, re-assignment or arrangement.

20.2 Release of this Security

- (a) Clause 6 (*Negative pledge and disposals*) to Clause 11 (*Plant, machinery and other chattels*) shall cease to apply on the Discharge Date.
- (b) If any Chargor or the Borrower so requests on or following the Discharge Date, the Lender shall as soon as reasonably practicable (and at the costs of the relevant Chargor or the Borrower) release and discharge this Security and re-assign the assets assigned to the Lender under this Security Agreement without recourse, representation or warranty and subject to the rights of any person having prior rights over those assets.

- (c) Any settlement made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided.
- (d) If any avoidance occurs as referred to in Clause 20.2(c) (including by reason of a concession or compromise referred to in Clause 20.2(e)), then the settlement given by the Lender shall have no effect and shall not prejudice the right of the Lender to enforce this Security in respect of the Secured Indebtedness. As between the Chargors or the Borrower and the Lender, this Security shall (notwithstanding the settlement) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Indebtedness.
- (e) The Lender may concede or compromise any claim that an assurance, security or payment is liable to avoidance.

21. CHANGES TO THE PARTIES

21.1 Lender

The Lender may assign any or all of its rights and transfer any or all of its obligations under this Security Agreement to a party that it assigns any part of its rights and interests under the Facility Agreement to, in accordance with the terms of the Facility Agreement (to the extent of the rights and interests so assigned) without the consent of the Chargors or the Borrower being required.

21.2 Chargors

No Chargor or the Borrower may assign any of its rights or transfer any of its rights or obligations under this Security Agreement.

22. COMMUNICATIONS

22.1 Communications in writing

Any communication to be made or delivered under or in connection with this Security Agreement (including any notices, waivers, consents or other documents) shall be made or delivered in English and in writing and, unless otherwise stated, may be delivered by electronic mail ("**email**") (including scanned copies of executed documents and other attachments), fax or letter.

22.2 Addresses

The email address, address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication to be made or delivered under or in connection with this Security Agreement is:

- (a) in the case of each Chargor, that identified with its name in this Security Agreement;
- (b) in the case of the Lender or the Borrower, that identified with its name in the signature page of the Facility Agreement; or

- (c) any substitute address, fax number or department or officer as the relevant Party may notify to the Lender (or the Lender may notify to the other Parties, if a change is made by the Lender) by not less than five Business Days' notice.

22.3 Delivery

- (a) Any communication made or delivered by one Party to the other Parties under or in connection with this Security Agreement will only be effective:
 - (i) if by way of email, only when received in legible form by at least one of the relevant email addresses of the person to whom the communication is made;
 - (ii) if by way of fax, when received in legible form; or
 - (iii) 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 (in the case of paragraphs (ii) and (iii) above), if a particular department or officer is specified as part of its address details provided under Clause 22.2 if addressed to that department or officer.

- (b) Any communication to be made or delivered to the Lender will be effective only when actually received by the Lender and then only if it is sent to the correct email address(es) or, in the case of a fax or a letter, it is expressly marked for the attention of the department or officer specified as part of its address details provided under Clause 22.2.
- (c) Any communication which becomes effective, in accordance with Clause 22.3(a) to Clause 22.3(b), after 5.00 p.m. in the place of receipt shall be deemed only to become effective on the following day.
- (d) A Party shall notify the other affected Party promptly upon becoming aware that its electronic mail system or other electronic means of communication cannot be used due to technical failure (and that failure is or is likely to be continuing for more than 24 hours). Until the relevant Party has notified the other affected Parties that the failure has been remedied, all notices between those Parties shall be sent by fax or letter in accordance with this Clause 22.

23. PROVISIONS OF THE FACILITY AGREEMENT

Any provision of the Facility Agreement which is expressed to apply to the Finance Documents or the Security Documents (including clauses 8.3 (*Default interest*), 12 (*Tax gross-up and indemnities*), 14 (*Other indemnities*), 15 (*Mitigation by the Lender*), 21 (*Changes to the Parties*) to 25 (*Set-off*) (both inclusive) and 27 (*Calculations and certificates*) to 32 (*Counterparts*) (both inclusive) of the Facility Agreement) shall, except if and to the extent there is a provision in this Security Agreement covering the same subject matter, apply to this Security Agreement as if set out in full here, as if each Chargor and the Borrower were an Obligor and with such other changes as are appropriate to fit this context.

24. **GOVERNING LAW**

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

25. **ENFORCEMENT**

25.1 **Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Agreement (including a dispute relating to the existence, validity or termination of this Security Agreement or any non-contractual obligations arising out of or in connection with this Security Agreement) (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

25.2 **Benefit**

Clause 25.1 is for the benefit of the Lender and the other Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

25.3 **Service of process**

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Chargor (other than any Chargor incorporated in England and Wales) and the Borrower:
 - (i) irrevocably appoints Endurance Land LLP with its registered office currently at Aberach House, 17 Savile Row, London, United Kingdom W1S 3PN as its agent for service of process in relation to any proceedings before the English courts in connection with this Security Agreement; and
 - (ii) agrees that a failure by the process agent to notify it of the process will not invalidate the proceedings concerned.
- (b) If the appointment by any Chargor or the Borrower of the person mentioned in Clause 25.3(a)(i) ceases to be effective, it shall promptly (and in any event within five Business Days) appoint another agent in England as its agent for service of process in relation to any proceeding before the English courts in connection with this Security Agreement. If it fails to do so (and that failure continues for a period of not less than 15 Business Days), the Lender shall be entitled to appoint such a person by notice to the relevant Chargor or the Borrower.

EXECUTION:

The parties have shown their acceptance of the terms of this Security Agreement by executing it, in the case of each Chargor and the Borrower as a deed, at the end of the Schedules.

**SCHEDULE 1
THE CHARGORS**

Full corporate name of Chargor	Jurisdiction of incorporation	Registration number	Registered office/principal place of business
LLOF Managing Trustee Limited	Jersey	87789	Jersey
Dynasty Prime Investment Company Limited	Jersey	70622	Jersey
Regent Quarter PTC Limited (a Jersey company) as trustee for London George Unit Trust	Jersey	125940	Jersey
Regent Quarter Investments (1) Limited	England & Wales	5172195	England & Wales
Regent Quarter Investments (2) Limited	England & Wales	5280424	England & Wales
Regent Quarter Investments (3) Limited	England & Wales	5367180	England & Wales
Regent Quarter Investments (4) Limited	England & Wales	5367137	England & Wales
Regent Quarter Management (B) Limited	England & Wales	5367107	England & Wales
Regent Quarter Management (C) Limited	England & Wales	5117184	England & Wales

SCHEDULE 2 PROPERTIES

(Freehold (including commonhold) or leasehold property (if any) in England and Wales of which any Chargor is registered as the proprietor at HM Land Registry)

Part 1

Description of Property	Name of Chargor holding legal title	Name of Chargor holding beneficial title	HM Land Registry Title Number
Freehold land known as 8 and 10 Caledonia Street, land and buildings on the south side of Caledonia Street, 1, 3, 7, 7A, 13 and 19 (odd) Caledonian Road, 278 to 304 (even) Pentonville Road and 2, 6 and 8, 20 and 22 York Way, London	LLOF Managing Trustee Limited and Dynasty Prime Investment Company Limited	Regent Quarter PTC Limited as sole trustee of the London George Unit Trust	NGL859628 and 443631
Leasehold land being land on the west side of Bravingtons Walk, London	LLOF Managing Trustee Limited and Dynasty Prime Investment Company Limited	Regent Quarter PTC Limited as sole trustee of the London George Unit Trust	AGL433171
Freehold land known as 1, 2, 7 and Unit D1 Albion Yard, Balfe Street, land and buildings on the west side of Balfe Street, the north side of Caledonia Street, the west side of Caledonian Road and the south side of Railway Street and 32 to 40 (even) York Way, London	LLOF Managing Trustee Limited and Dynasty Prime Investment Company Limited	Regent Quarter PTC Limited as sole trustee of the London George Unit Trust	NGL349892
Leasehold land being Access Way leading into Caledonia Street, London	LLOF Managing Trustee Limited and Dynasty Prime Investment Company Limited	Regent Quarter PTC Limited as sole trustee of the London George Unit Trust	NGL813553

Part 2

Brief description of Premises let by the Lease Document and date of Lease Document	Term and expiry date	HM Land Registry Title Number	Name of Chargor
Albion Buildings 1 Albion Walk Block C Dated 29 July 2004	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL838474	Regent Quarter Investments (1) Limited (Co. Regn. No. 5172195)
2A Albion Walk Block C Dated 14 December 2004	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL842756	Regent Quarter Investments (1) Limited (Co. Regn. No. 5172195)
The Ironworks Block C Dated 7 March 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL846645	Regent Quarter Investments (1) Limited (Co. Regn. No. 5172195)
Albion Yard Block C Dated 7 March 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL846644	Regent Quarter Investments (1) Limited (Co. Regn. No. 5172195)
Car Park Area Copperworks Block C Dated 7 March 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL846647	Regent Quarter Investments (3) Limited (Co. Regn. No. 5367180)
Flats 1 – 16, The Copper Works Block C Dated 16 November 2004	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL842070	Regent Quarter Investments (2) Limited (Co. Regn. No. 5280424)
Joiners Yard Block B Dated 18 July 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL851422	Regent Quarter Investments (4) Limited (Co. Regn. No. 5367137)
Flats 1 and 2, 7a Caledonian Road Block B Dated 18 July 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL851419	Regent Quarter Investments (4) Limited (Co. Regn. No. 5367137)

Brief description of Premises let by the Lease Document and date of Lease Document	Term and expiry date	HM Land Registry Title Number	Name of Chargor
Flats 1-9, The Yard, 1 Caledonian Road Block B Dated 18 July 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL851427	Regent Quarter Investments (4) Limited (Co. Regn. No. 5367137)
6 York Way and Flats 1-3 8A York Way Block B Dated 18 July 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL851424	Regent Quarter Investments (4) Limited (Co. Regn. No. 5367137)
Flats 10-16 and 18-23, The Yard, 1 Caledonian Road Block B Dated 18 July 2005	150 years commencing on 25 December 2003 and expiring on 25 December 2153	NGL851425	Regent Quarter Investments (4) Limited (Co. Regn. No. 5367137)

SCHEDULE 3 SPECIFIED ASSETS

Part 1

Specified Accounts

The current account numbered [REDACTED] with IBAN number [REDACTED] maintained by Portslade Global Limited with DBS Bank Ltd., London Branch

Part 2

Other Bank Accounts

1. The bank account held in Jersey with The Royal Bank of Scotland Plc by Dynasty with account number [REDACTED] and sort code 16-10-28;
2. The bank account held in Jersey with The Royal Bank of Scotland Plc by the Managing Trustee with account number [REDACTED] and sort code 16-10-28;
3. The bank account held in Jersey with The Royal Bank of Scotland Plc by the Trustee with account number [REDACTED] and sort code 16-10-28; and
4. The bank account held in Jersey with The Royal Bank of Scotland Plc by the Trustee with account number [REDACTED] and sort code 16-10-28.

SCHEDULE 4
FORM OF NOTICES OF SECURITY

Part 1
Notice of assignment of Occupational Lease

[On [relevant] Chargor's notepaper]

To: *[Name and address of tenant or guarantor]*

[Date]

Dear Sirs

[Name and date of Lease]

We refer to a lease of [●] dated [●] between (1) [●] and (2) [●] (the "**Lease**").

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *Hang Seng Bank Limited* (as Lender, as defined in the Security Agreement), we have assigned to the Lender all of our rights in, to, under, in respect of or derived from the Lease including the right to receive any rental and other payments due under the Lease.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Lease;
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Lease to such bank account as the Lender may from time to time specify in writing;
- (c) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Lease are exercisable by the Lender;
- (d) we have agreed not to waive any rights under, amend, novate, repudiate, rescind, forfeit, determine or agree to the forfeiture, determination or surrender of the Lease without the prior written consent of the Lender; and
- (e) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Lease to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of [relevant] Chargor]
By: *[Name of signatory]*

[On copy letter only:]

To: ***Hang Seng Bank Limited***

We acknowledge receipt of a notice dated [●] addressed to us by *[Name of [relevant] Chargor]* (the "**Chargor**") regarding a lease of [●] dated [●] between (1) [●] and (2) [●] (the "**Lease**").

We confirm that:

- (a) we consent to the assignment of the Lease and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Lease;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Lease or if any event occurs which would permit us to terminate, cancel or surrender the Lease we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) neither a waiver of any of the Chargor's rights under, in, to, in respect of or derived from the Lease nor an amendment, novation, determination, acceptance of surrender, forfeiture, rescission or other termination by the Chargor of the Lease shall be effective without your written consent; and
- (e) we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[Name of other party]

By: *[Name of signatory]*

Dated:

Part 2
Notice of assignment of Assigned Document

[On relevant Chargor's notepaper]

To: *[Name and address of other party]*

[Date]

Dear Sirs

[Name and date of Assigned Document]

We refer to an agreement dated [●] 20[●] between us and you (as amended or novated from time to time, the "**Assigned Document**").

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *Hang Seng Bank Limited* (as Lender, as defined in the Security Agreement), we have assigned to the Lender all of our rights in, to, under, in respect of or derived from the Assigned Document, including the right to receive any payments due under the Assigned Document.

Please note the following:

- (a) we shall at all times remain solely liable to you for the performance of all of the obligations assumed by us under or in respect of the Assigned Document;
- (b) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay any monies payable by you to us under the Assigned Document to such bank account as the Lender may from time to time specify in writing;
- (c) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Assigned Document are exercisable by the Lender;
- (d) we have agreed not to waive any rights under, amend, novate, repudiate, rescind or otherwise terminate or permit to be terminated the Assigned Document without the prior written consent of the Lender; and
- (e) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Assigned Document to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor]
By: *[Name of signatory]*

[On copy letter only:]

To: ***Hang Seng Bank Limited***

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor]* (the "**Chargor**") regarding an agreement dated [●] 20[●] between the Chargor and us (as amended or novated from time to time, the "**Assigned Document**").

We confirm that:

- (a) we consent to the assignment of the Assigned Document and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Assigned Document;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Assigned Document or if any event occurs which would permit us to terminate, cancel or surrender the Assigned Document we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) neither a waiver of any of the Chargor's rights, in, to, under, in respect of or derived from the Assigned Document nor an amendment, novation, rescission or other termination by the Chargor of the Assigned Document shall be effective without your prior written consent; and
- (e) we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[Name of other party]

By: *[Name of signatory]*

Dated:

Part 3
Notice of assignment of Insurance

[On relevant Chargor's notepaper]

To: *[Name and address of insurer]*

[Date]

Dear Sirs

Policy number [●]

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of **Hang Seng Bank Limited** (as Lender, as defined in the Security Agreement), we have assigned all our rights in, to, under, in respect of or derived from the insurance policy, brief details of which are set out below (the "**Policy**"), and all monies which may be payable to or received by us under it.

Please note the following:

- (a) we irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary) to pay all monies payable by you to us under the Policy, including the proceeds of all claims (other than in respect of any claim under any public liability and third party liability insurances), exceeding £[250,000] per claim to *[specify particulars of bank account]* or such other bank account as the Lender may from time to time specify in writing (for avoidance of doubt, all monies payable by you to us under the Policy, including the proceeds of all claims (other than in respect of any claim under any public liability and third party liability insurances), not exceeding £[250,000] per claim shall be paid to us); and
- (b) all of the powers, discretions, remedies and other rights which would, but for the Security Agreement, be vested in us under and in respect of the Policy are exercisable by the Lender; and
- (c) we agree that:
 - (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
 - (ii) you are authorised to disclose any information in relation to the Policy to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender, at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor]
By: *[Name of signatory]*

Details of Policy

Name of insured: [●]

Nature of policy: [●]

Policy number: [●]

Expiry date: [●]

[On copy letter only:]

To: ***Hang Seng Bank Limited***

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor]* (the "**Chargor**") regarding the Policy (as defined in that notice).

We confirm that:

- (a) we consent to the assignment of the Policy and will comply with the terms of that notice;
- (b) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, any rights of the Chargor in, to, under, in respect of or derived from the Policy;
- (c) if the Chargor is in breach of any of its obligations, express or implied, under the Policy or if any event occurs which would permit us to terminate, cancel or surrender the Policy we will:
 - (i) immediately on becoming aware of it, give you written notice of that breach; and
 - (ii) accept as an adequate remedy for that breach, performance by you of those obligations within 30 days of that notice;
- (d) neither a waiver of any of the Chargor's rights in, to, under, in respect of or derived from the Policy, nor an amendment, novation, rescission or other termination by the Chargor of the Policy, shall be effective without the prior written consent of the Lender; and
- (e) we shall not exercise any right of combination, consolidation or set-off which we may have in respect of any debt owed to us by the Chargor and we shall send you copies of all statements, orders and notices given by us relating to that debt.

.....
[Name of insurer]

By: *[Name of signatory]*

Dated:

Part 4
Notice of charge

[On relevant Chargor's/Borrower's notepaper]

To: *[Name and address of other bank]*

[Date]

Dear Sirs

Account number: [●]

We refer to Account number: [●] (the "**Account**").

We give you notice that by a Security Agreement (the "**Security Agreement**") dated [●] 20[●] and entered into by us in favour of *Hang Seng Bank Limited* (as Lender, as defined in the Security Agreement) we have granted a floating charge over all our rights in, to, under, in respect of or derived from any credit balances on the Account (the "**Balances**") and the indebtedness represented by the Account.

We irrevocably and unconditionally instruct and authorise you (despite any previous instructions which we may have given to the contrary):

- (a) to disclose to the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for the disclosure), any information relating to the Account which the Lender may, at any time and from time to time, request;
- (b) at any time and from time to time on receipt by you of any written instruction from the Lender, to release any amount of the Balances and to act in accordance with that instruction (without any reference to or further authority from us and without any enquiry by you as to the justification for the instruction or the validity of the same); and
- (c) to comply with the terms of any written notice, statement or instruction in any way relating or purporting to relate to the Account, the Balances or the indebtedness represented by it or them which you may receive at any time and from time to time from the Lender (without any reference to or further authority from us and without any enquiry by you as to the justification for the notice, statement or instruction or the validity of it).

We agree that:

- (i) none of the instructions, authorisations and confirmations in this notice can be revoked or varied in any way except with the Lender's prior written consent; and
- (ii) you are authorised to disclose any information in relation to the Account to the Lender at the Lender's request.

Please acknowledge receipt of this notice, and confirm your agreement to it, by signing the acknowledgement on the enclosed copy letter and returning it to the Lender at [●] marked for the attention of [●].

This letter is governed by, and shall be construed in accordance with, English law.

Yours faithfully

.....
[Name of relevant Chargor/Borrower]
By: *[Name of signatory]*

[On copy letter only:]

To: ***Hang Seng Bank Limited***

We acknowledge receipt of a notice dated [●] 20[●] addressed to us by *[Name of relevant Chargor/Borrower]* (the "**Chargor**") regarding Account number: [●] (the "**Account**").

We confirm that:

- (a) we consent to the charge of the Account and will comply with the terms of that notice;
- (b) there does not exist in our favour, and we undertake not to create, assert, claim or exercise, any mortgage, fixed or floating charge, assignment or other security interest of any kind or any agreement or arrangement having substantially the same economic or financial effect as any of the above (including any rights of counter-claim, rights of set-off or combination of accounts over or with respect to all or any part of the Account and/or the Balances (as defined in that notice));
- (c) we have not, as at the date of this acknowledgement, received any notice that any third party has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor in, to, under, in respect of or derived from the Account or the Balances; and
- (d) we undertake that, on our becoming aware at any time that any person other than the Lender has or will have any right in, or has made or will be making any claim or demand or taking any action in respect of the Account or the Balances, we will immediately give written notice of that to the Lender.

.....
for and on behalf of

[Name of bank]

By: *[Name of signatory]*

Dated

EXECUTION of the Security Agreement:

Chargors

EXECUTED as a deed by LLOF)
MANAGING TRUSTEE LIMITED, a)
company incorporated in Jersey, acting by)

Berry Connie Charlotte

who, in accordance with the laws of that
territory is acting under the authority of the
company

Signature in the name of the company

LLOF MANAGING TRUSTEE LIMITED

Authorised signatory


Director

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **DYNASTY)**
PRIME INVESTMENT COMPANY
LIMITED, a company incorporated in **)**
Jersey, acting by

Berry Connie Charlotte

who, in accordance with the laws of that
territory, is acting under the authority of
the company

Signature in the name of the company

**DYNASTY PRIME INVESTMENT
COMPANY LIMITED**

Authorised signatory


Director

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT)**
QUARTER PTC LIMITED (as trustee for
London George Unit Trust), a company)
incorporated in Jersey, acting by

Berry Connie Charlotte

who, in accordance with the laws of that
territory, is acting under the authority of the
company

Signature in the name of the company

REGENT QUARTER PTC LIMITED

Authorised signatory



Director

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT)**
QUARTER INVESTMENTS (1))
LIMITED acting by two directors)

Signature of Director


Berry Connie Charlotte

Signature of Director


Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT)**
QUARTER INVESTMENTS (2))
LIMITED acting by two directors)

Signature of Director



Berry Connie Charlotte

Signature of Director



Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT**)
QUARTER INVESTMENTS (3))
LIMITED acting by two directors)

Signature of Director


Berry Connie Charlotte

Signature of Director


Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT)**
QUARTER INVESTMENTS (4))
LIMITED acting by two directors)

Signature of Director


Berry Connie Charlotte

Signature of Director


Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT**)
QUARTER MANAGEMENT (B))
LIMITED acting by two directors)

Signature of Director



Berry Connie Charlotte

Signature of Director



Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

EXECUTED as a deed by **REGENT)**
QUARTER MANAGEMENT (C))
LIMITED acting by two directors)

Signature of Director


Berry Connie Charlotte

Signature of Director


Kwok Raymond Chun Wai

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

Borrower

EXECUTED as a deed by **PORTSLADE)**
GLOBAL LIMITED, a company
incorporated in the British Virgin Islands,)
acting by

Berry Connie Charlotte

who, in accordance with the laws of that
territory, is acting under the authority of
the company

Signature in the name of the company

PORTSLADE GLOBAL LIMITED

Authorised signatory

Director

Address: *c/o 23rd Floor, Nan Fung Tower, 88 Connaught Road C, Central, Hong Kong*

Fax: *+852 3162 5618*

Email: *Treasury@nanfung.com*

Attn: *Connie Berry / Daniel Wong*

Lender

SIGNED by **Leung Ho-wing**
Chong Ka Yee, duly
authorised for and on behalf of **HANG**
SENG BANK LIMITED

