189492/13.

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01

Particulars of a charge

IRIS Laserform

189492/13

A fee is payable with this form. Please see 'How to pay' on the last page

You can use the WebFiling service to file this form online. Please go to www comp

What this form is for
You may use this form to register a charge created or evidenced by an instrument

What this form is NOT
You may not use this f register a charge wher instrument Use form M

SATURDAY

A2JSHEAB
A11 26/10/2013 #283
COMPANIES HOUSE

A2JI6MRK
A26 22/10/2013 #57
COMPANIES HOUSE

This form **must be delivered to the Registrar for registration v 21 days** beginning with the day after the date of creation of the cl delivered outside of the 21 days it will be rejected unless it is acc court order extending the time for delivery

You **must** enclose a certified copy of the instrument with this form This will be scanned and placed on the public record

For official use 2

Filling in this form
Please complete in typescript or in bold black capitals

All fields are mandatory unless specified or indicated by *

1 Company details

Company number: 0 5 8 9 1 7 4 5

Company name in full: ESAG Commercial Properties Limited

(the "Company")

2 Charge creation date

Charge creation date: d2 d1 m1 m0 y2 y0 y1 y3

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge

Name: Lloyds Bank PLC (acting as security agent and

Name: security trustee for the Finance Parties (as

Name: defined in the accompanying instrument))

Name

Name

If there are more than four names, please supply any four of these names then tick the statement below

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge

MR01
Particulars of a charge

4 Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page
Please use a continuation page if you need to enter more details

Description

Land

(A) By way of first legal mortgage all estates or interests in the Mortgaged Property

"Mortgaged Property" means all the freehold property known as The IBM Building at 74 to 78 (even) Upper Ground, London SE1 9PP and registered at the Land Registry under title number SGL488900

(B) (to the extent that they are not the subject of a legal mortgage under paragraph (A) above) by way of first fixed charge all estates or interests in any freehold or leasehold property as at the date of the accompanying instrument or in the future owned by it and all rights under any licence or other agreement or document which gives the Company a right to occupy or use that property

[See continuation page]

5 Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

[✓] **Yes**

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

[✓] **Yes** Continue

☐ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

[✓] **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

[✓] **Yes**

☐ **No**

In accordance with Sections 859A and 859J of the Companies Act 2006

MR01 - continuation page

Particulars of a charge

4 Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Description

Intellectual Property

The Company charges by way of first fixed charge all the Intellectual Property.

"Intellectual Property" means:

(A) any know-how, patent, trade mark, service mark, design, business name, domain name, topographical or similar right;

(B) any copyright, data base or other intellectual property right; or

(C) any interest (including by way of licence) in the above,

in each case whether registered or not, and includes any related application.

MR01
Particulars of a charge

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

❶ This statement may be filed after the registration of the charge (use form MR06)

9 Signature

Please sign the form here

Signature

Signature

X Finnans & Finnans LLP X

This form must be signed by a person with an interest in the charge

18878099

MR01
Particulars of a charge

Presenter information

We will send the certificate to the address entered below All details given here will be available on the public record You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address

Contact name Annabelle Garcia

Company name Simmons & Simmons LLP

Address CityPoint

One Ropemaker Street

Post town London

County/Region

Postcode E C 2 Y 9 S S

Country

DX DX Box No 12 Chancery Lane London

Telephone 020 7628 2020

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank

Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- [✓] The company name and number match the information held on the public Register
- [✓] You have included a certified copy of the instrument with this form
- [✓] You have entered the date on which the charge was created
- [✓] You have shown the names of persons entitled to the charge
- [✓] You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- [✓] You have given a description in Section 4, if appropriate
- [✓] You have signed the form
- [✓] You have enclosed the correct fee
- [✓] Please do not send the original instrument, it must be a certified copy

Important information

Please note that all information on this form will appear on the public record

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'

Where to send

You may return this form to any Companies House address However, for expediency, we advise you to return it to the appropriate address below

For companies registered in England and Wales
The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:
The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland
The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1

Further information

For further information, please see the guidance notes on the website at www companieshouse gov uk or email enquiries@companieshouse gov uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk

DX

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5891745

Charge code: 0589 1745 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st October 2013 and created by ESAG COMMERCIAL PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th October 2013

Given at Companies House, Cardiff on 31st October 2013

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

Security Agreement

between

ESAG Commercial Properties Limited
as Chargor

and

Lloyds Bank plc
as Security Agent

relating to

The refinancing of The IBM Building, London SE1

WE HEREBY CERTIFY THIS
TO BE A TRUE COPY
Simmons & Simmons LLP
Simmons & Simmons LLP
CityPoint
One Ropemaker Street
LONDON EC2Y 9SS

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THIS DEED is dated 21 OCTOBER 2013 and made

BETWEEN:

(1) **ESAG COMMERCIAL PROPERTIES LIMITED**, a company incorporated in England & Wales (company registration number 05891745) whose registered office is at Amshold House, Goldings Hill, Loughton, Essex, England IG10 2RW (the "Chargor"), and

(2) **LLOYDS BANK PLC**, registered in England & Wales (registered number 2065) whose registered office is at 25 Gresham Street, London EC2V 7HN (the "Security Agent"), which expression includes its successors and assigns, as security agent and security trustee for the Finance Parties

BACKGROUND:

(A) The Lender has agreed to make available to the Chargor a loan facility in accordance with the terms of the Finance Documents

(B) It is a condition precedent to that loan facility being made available that the Chargor enters into this Deed

IT IS AGREED as follows

1 **Interpretation**

1 1 **Definitions**

Terms defined in the Facility Agreement have the same meaning when used in this Deed unless given a different meaning in this Deed, and in this Deed

"Acceleration Event" means the Lender exercising any of its rights under clause 23 18 (Acceleration) of the Facility Agreement

"Assigned Contracts" means

(A) each contract in respect of any disposal of any Security Asset,

(B) each Lease Document,

(C) any guarantee or indemnity granted by the Tenant Guarantor in respect of the Major Tenant's obligations under any Lease Document,

(D) any agreement with, or any appointment of, the Managing Agent,

(E) each Hedging Agreement; and

(F) any other agreement with to which the Chargor is a party and which the Security Agent and the Chargor have designated as an Assigned Contract,

in each case including any guarantees or sureties entered into in respect of them.

"Equipment" means all plant and machinery, fixtures, fittings, furniture, furnishings, equipment and chattels, including any manuals in relation to the same

"Facility Agreement" means the facility agreement dated on or about the date of this Deed between the Chargor as Borrower and the Lender as Lender, Hedge Counterparty and Security Agent as amended, restated, supplemented or novated from time to time

"Finance Document" has the meaning given in the Facility Agreement.

"Intellectual Property" means·

(A) any know-how, patent, trade mark, service mark, design, business name, domain name, topographical or similar right,

(B) any copyright, data base or other intellectual property right; or

(C) any interest (including by way of licence) in the above,

in each case whether registered or not, and includes any related application.

"Investments" means the existing or future interest of the Chargor in

(A) any securities or investments of any kind, including shares, stocks, debentures, bonds, units, depository receipts, notes, commercial paper, certificates of deposit or any form of loan or other capital of or in any legal entity, and

(B) any warrant, option or other right to subscribe for, purchase or otherwise acquire any such security or investment,

in each case, including any income, offer, right or benefit in respect of any such investment

"LPA" means the Law of Property Act 1925.

"Mortgaged Property" means all the freehold property known as The IBM Building at 74 to 78 (even) Upper Ground, London SE1 9PP and registered at the Land Registry under title number SGL488900

"Party" means a party to this Deed.

"Receiver" means any one or more receiver, administrator, receiver and manager or administrative receiver appointed by the Security Agent under this Deed, whether sole, joint and/or several and including any substitute.

"Related Assets" means:

(A) all dividends, interest and other moneys payable in respect of the Investments;

(B) any right, money or property accruing or offered at any time in relation to the Investments by way of redemption, substitution, conversion, exchange, bonus or preference, under option rights or otherwise;

(C) any right against any clearance system in relation to the Investments; and

(D) any right under any custodian or other agreement in relation to the Investments

"Related Rights" means, in relation to any asset:

(A) the proceeds of sale of any part of that asset,

(B) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,

(C) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that asset,

(D) all monies and proceeds paid or payable in respect of that asset,

(E) in relation to a property, each and every part of that property, including the land, cellars, eaves, buildings, structures, fixtures and fittings (including such trade fixtures and fittings, furnishings and Equipment in which the Chargor has an interest) now or in the future on that property and all easements and other rights attaching to that property, and

(F) in relation to a property, the benefit of any covenants or warranties in respect of that property or any moneys paid or payable in respect of those covenants or warranties,

including all rights against any trustee, nominee, fiduciary or clearing system

"Secured Liabilities" means all present and future obligations and liabilities due, owing or incurred (whether actual or contingent and whether due, arising or incurred jointly or severally or in any other capacity whatsoever) by a Transaction Obligor to any Secured Party under any Finance Document

"Secured Party" means a Finance Party, a Receiver or any Delegate

"Security Assets" means all of the assets of the Chargor which from time to time are, or are expressed to be, subject to the Security created or expressed to be created in favour of the Security Agent pursuant to this Deed

"Security Period" means the period beginning on the date of this Deed and ending on the date on which all the Secured Liabilities have been irrevocably paid in full and that all facilities which might give rise to any Secured Liabilities are no longer available

"Transaction Obligor" has the meaning given in the Facility Agreement

1 2 Construction

(A) The provisions of clause 1 2 (*Construction*) of the Facility Agreement shall apply, with any necessary amendments, in this Deed

(B) Any reference in this Deed to the "Chargor", the "Security Agent", or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Finance Documents (as relevant) and, in the case of the Security Agent, any person for the time being appointed as Security Agent in accordance with the Facility Agreement.

(C) An Event of Default is "continuing" if it has not been remedied (within the relevant grace periods provided under the Facility Agreement) or waived

1 3 **Disposition of property**

The terms of the other Finance Documents and of any agreement, document or side letter between the Parties are incorporated into this Deed to the extent required for any purported disposition of all or any part of any freehold or leasehold property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 **Third party rights**

(A) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or enjoy the benefit of any term of this Deed.

(B) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time

(C) Any Receiver, Delegate, Finance Party, or any officer, employee or agent of such Receiver or Delegate or Finance Party may, subject to this sub-clause and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it

1.5 **Related Rights**

A reference in this Deed to any Security Asset includes all Related Rights in respect of that Security Asset and a reference in this Deed to any mortgage, charge or assignment of any Security Asset shall include all Related Rights in respect of that Security Asset

1 6 **Execution**

It is intended that this document takes effect as a deed even though a Party may only execute it under hand.

1 7 **Benefit**

The provisions of this Deed are for the benefit of the Security Agent as security agent and as security trustee for and on behalf of the Finance Parties

2. **<u>Covenant to pay</u>**

The Chargor shall.

(A) pay the Secured Liabilities when due and payable in accordance with the terms of the Finance Documents or if they do not specify a time, on written demand by the Lender, and

(B) indemnify and keep the Lender indemnified from and against all actions, charges, claims, reasonable costs, damages, proceedings and other liabilities occasioned by any breach of any covenant or other obligation of the Chargor under the Finance Documents

3. **<u>Creation of Security</u>**

3.1 **Security generally**

All the Security created, or expressed to be created, under this Deed·

(A) is created in favour of the Security Agent,

(B) is created over the present and future assets of the Chargor;

(C) is security for the payment of all the Secured Liabilities, and

(D) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

3 2 **Land**

The Chargor charges.

(A) by way of a first legal mortgage all estates or interests in the Mortgaged Property, and

(B) (to the extent that they are not the subject of a legal mortgage under paragraph (A) above) by way of first fixed charge all estates or interests in any freehold or leasehold property now or in the future owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use that property

3 3 **Lease Documents and Rental Income**

The Chargor assigns absolutely to the Security Agent all of its rights and interests in and to each Lease Document (including all Rental Income and any guarantee of Rental Income contained in or relating to any Lease Document)

3 4 **Contracts**

(A) The Chargor assigns to the Security Agent by way of fixed security all of its rights and interests under each Assigned Contract

(B) To the extent that any such right described in paragraph (A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (A) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right

(C) To the extent that they do not fall within any other part of this sub-clause or are not effectively assigned under paragraphs (A) or (B) above, the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party

(D) If the Chargor assigns an agreement or document under this Deed (or charges it) and the assignment or charge breaches a term of that agreement or document because a third party's consent has not been obtained

(1) the Chargor must notify the Security Agent immediately;

(2) unless the Security Agent otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable, and

(3) the Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

3.5 **Intellectual Property**

The Chargor charges by way of first fixed charge all the Intellectual Property

3.6 **Accounts**

The Chargor charges by way of a first fixed charge all of its rights in respect of each Account and any amount standing to the credit of each Account and the debts represented by each Account.

3 7 **Investments**

The Chargor charges by way of a first fixed charge all of its rights and interests in the Investments

3.8 **Book debts etc.**

The Chargor charges by way of a first fixed charge:

(A) all of its book and other debts,

(B) all other moneys due and owing to it, and

(C) the benefit of all rights, securities or guarantees of any nature enjoyed or held by it in relation to any item under paragraphs (A) and (B) above

3 9 **Insurances**

(A) The Chargor assigns absolutely to the Security Agent all of its rights in respect of any contract or policy of insurance taken out by it or on its behalf or in which it has an interest and the proceeds payable under any such contract or policy of insurance.

(B) To the extent that any such right described in paragraph (A) above is not capable of assignment, the assignment of that right purported to be effected by paragraph (A) above shall operate as an assignment of any damages, compensation, remuneration, profit, rent or income which the Chargor may derive from that right or be awarded or entitled to in respect of that right.

(C) To the extent that they do not fall within any other part of this clause or are not effectively assigned under paragraphs (A) or (B) above, the Chargor charges by way of first fixed charge all of its rights under each agreement or document to which it is a party.

3.10 **Equipment**

The Chargor charges by way of a first fixed charge all the fixed and moveable Equipment, its interest in any Equipment in its possession and the benefit of all related Authorisations, agreements and warranties.

3.11 **Authorisations**

(A) The Chargor charges by way of first fixed charge the benefit of all Authorisations held now or in the future by it in relation to any Security Asset and/or the business of the Chargor

(B) To the extent that they do not fall within any other part of this clause or are not effectively charged under paragraph (A) above, the Chargor assigns absolutely to the Security Agent all of its rights and interests under each Authorisation in relation to any Security Asset and/or the business of the Chargor

(C) If the Chargor charges or assigns an Authorisation under this Deed and the charge or assignment breaches a term of that Authorisation because a third party's consent has not been obtained

(1) the Chargor must promptly notify the Security Agent,

(2) unless the Security Agent otherwise requires, the Chargor shall use all reasonable endeavours to obtain the consent as soon as practicable, and

(3) the Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

3 12 **Goodwill**

The Chargor charges by way of first fixed charge all of its goodwill

3 13 **Uncalled capital**

The Chargor charges by way of first fixed charge all of its uncalled capital

3 14 **Causes of action**

The Chargor assigns absolutely to the Security Agent all of its rights in respect of all causes of action and other rights and remedies in which it has an interest, including, without limitation, any VAT recoveries

3 15 **Floating charge**

(A) The Chargor charges by way of first floating charge all of its property, undertaking and assets, both present and future, not otherwise effectively mortgaged or charged under this Deed

(B) The floating charge created by the Chargor pursuant to paragraph (A) above is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986

(C) Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to this Deed and the Security Agent may appoint an administrator to the Chargor pursuant to that paragraph.

(D) The Security Agent may convert the floating charge created by this Deed over all or any of the Security Assets into a fixed charge by written notice to the Chargor specifying the relevant Security Assets (either specifically or generally) while an Event of Default is continuing

(E) If

(1) the Chargor takes any step to create any Security (other than any Security permitted by the Finance Documents) in breach of clause 7 1 (*Security*) over any of the Security Assets not subject to a mortgage or fixed charge,

(2) an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator in respect of the Chargor;

(3) any person takes any step to effect any expropriation, attachment, sequestration, distress or execution against any of the Security Assets (except where such steps are frivolous or vexatious and are discharged, stayed or dismissed within 30 days of commencement), or

(4) any other floating charge over any Security Asset is converted into a fixed charge,

the floating charge over the relevant Security Assets shall automatically and immediately be converted into a fixed charge

3 16 **Reconversion to a Floating Charge**

Any floating charge which was crystallised under clause 3 15 (*Floating charge*) may by notice in writing given at any time by the Security Agent to the Chargor be reconverted into a floating charge in relation to the assets specified in such notice

4 **Continuing Security**

4 1 **Continuing Security**

The Security created, or expressed to be created, by this Deed is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

4 2 **Additional security**

The Security created, or expressed to be created, by this Deed

(A) is in addition to, and is not in any way prejudiced by, any other Security or other right now or subsequently held by any Finance Party; and

(B) may be enforced against the Chargor without having recourse to any other rights of any Finance Party

4.3 **Survival of obligations**

The payment obligations of the Chargor under the Finance Documents shall survive the enforcement of the whole or any part of the Security Assets

5. **Perfection**

5 1 **Land**

In the case of the Chargor's Mortgaged Property, the Chargor shall as soon as reasonably practicable and in any event within any applicable priority period:

(A) apply to the Land Registry to register the Security created or expressed to be created by this Deed,

(B) submit to the Land Registry the duly completed form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction on the register of title to that freehold or leasehold property.

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction is to be registered without a written consent signed by the proprietor for the time being of the charge dated in favour of Lloyds Bank plc referred to in the Charges Register (or its conveyancer) "

(C) submit to the Land Registry a duly completed application to enter the obligation to make further loans or advances on the charges register of any registered land forming part of the Security Assets, and

(D) pay all appropriate registration fees

5 2 **Notices of charge or assignment**

(A) The Chargor shall immediately following the date of this Deed serve a notice of charge or assignment, substantially in the applicable form as set out in the relevant schedule to this Deed, on·

(1) each bank or financial institution at which the Chargor maintains any accounts,

(2) each counterparty to an Assigned Contract,

(3) each of its insurers, and

(4) any tenant or counterparty under any Lease Document

(B) The Chargor shall use reasonable endeavours to ensure that each person on whom notice is served under paragraph (A) above acknowledges receipt of that notice, substantially in the applicable form as set out in the relevant schedule to this Deed

(C) Entry into this Deed by the Chargor that is party to an Assigned Contract constitutes notice to it of the Security created or expressed to be created by this Deed over such Assigned Contract and the Chargor, by entering into this Deed, acknowledges receipt of such notice

6 **Further assurance**

6.1 The Chargor shall as soon as reasonably practicable do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify (and in such form as the Security Agent may require in favour of the Security Agent or its nominee(s))·

(A) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of this Deed) or for the exercise of any rights, powers and remedies of the

Security Agent or the Finance Parties provided by or pursuant to the Finance Documents or by law,

(B) to confer on the Security Agent or the Finance Parties Security over any property and assets of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or

(C) to facilitate the realisation of the assets (but only if the Security has become enforceable in accordance with clause 11 1) which are, or are intended to be, the subject of the Security created or expressed to be created by this Deed

6.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be reasonably necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Agent or the Finance Parties by or pursuant to the Finance Documents.

7 Restrictions on dealing

7 1 Security

The Chargor shall not create or permit to subsist any Security over any Security Asset, other than any Security permitted by the Finance Documents.

7 2 Disposals

The Chargor shall not (nor agree to) enter into a single transaction or series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, licence, transfer or otherwise dispose of any Security Asset except as permitted by the Finance Documents.

8 Investments

8 1 Investments

The Chargor, on behalf of itself only, represents and warrants to the Security Agent (for the benefit of each Finance Party) on the date of this Deed that, to the extent that it has any Investments:

(A) the Investments are duly authorised, validly issued and fully paid and are not subject to any option to purchase or similar right;

(B) the constitutional documents of the issuer(s) of the Investments do not and could not restrict or inhibit the transfer of any of the Investments on creation or the enforcement of the Security created by or expressed to be created by this Deed to the extent permitted by law,

(C) it is the sole legal and beneficial owner of the Investments,

(D) there are no agreements in force which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, any share or loan capital of any issuer of the Investments (including any option or right of pre-emption or conversion); and

(E) the Investments are the entire issued share capital of the issuer of each of the Investments.

8.2 **Certificated Investments and Related Assets**

The Chargor shall, on the date of this Deed, to the extent applicable

(A) immediately deposit with the Security Agent, or as the Security Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to the Investments and/or Related Assets, and

(B) promptly take any action and execute and deliver to the Security Agent any share transfer or other document which may be requested by the Security Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to the Investments and/or Related Assets; this includes

(1) delivering executed and (unless exempt from stamp duty), pre-stamped share transfers and any other relevant transfer instruments in favour of the Security Agent or any of its nominees as transferee or, if the Security Agent so directs, with the transferee left blank; and

(2) procuring that those share transfer and other transfer instruments are registered by the issuer of the Investments and/or Related Assets and that any share certificates or other document of title or evidence of ownership is in the name of the transferee are delivered to the Security Agent

8 3 **Changes to rights**

The Chargor shall not without the prior written consent of the Security Agent take or allow the taking of any action on its behalf which may result in the rights attaching to any of the Investments being altered or further shares being issued

8 4 **Calls**

(A) The Chargor shall in accordance with its obligations under the Investments pay all calls or other payments due and payable in respect of the Investments

(B) If the Chargor fails to comply with paragraph (A) above after being requested to do so by the Security Agent, the Security Agent may pay the calls or other payments in respect of any Investment on behalf of the Chargor

(C) The Chargor shall within three Business Days of written request reimburse the Security Agent for any payment made by the Security Agent under this clause, together with default interest charged thereon in accordance with clause 17 3

8 5 **Voting rights before Event of Default**

(A) Subject to clause 8 6 (*Voting rights after Event of Default*), the Chargor may continue to exercise all voting rights, powers and other rights in respect of the Investments provided that the Chargor shall not exercise such voting rights in any manner, or otherwise permit or agree to any.

(1) variation of the rights attaching to or conferred by all or some of the Investments, which would prejudice the value of, or the ability of the Security Agent to realise, the security created by this Deed,

(2) increase in the issued share capital of the issuer of such Investments, which would prejudice the value of, or the ability of the Security Agent to realise the Security created by this Deed

(B) If the relevant Investments have been registered in the name of the Security Agent or its nominee, the Security Agent (or that nominee) shall exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing but only to the extent that it does so for a purpose not inconsistent with any Finance Document and the exercise of or failure to exercise those rights would not prejudice the interests of any Finance Party. The Security Agent (or that nominee) will execute any form of proxy or other document which the Chargor may reasonably require for this purpose.

(C) Subject to clause 8.6 (*Voting rights after Event of Default*), all dividends or other income or distributions paid or payable in relation to the Investments shall be paid to the Chargor.

8 6 **Voting rights after an Event of Default which is continuing**

(A) Following the occurrence of an Event of Default which is continuing, the Security Agent or its nominee may exercise or refrain from exercising

(1) any voting rights, and

(2) any other powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise,

in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor.

(B) Following the occurrence of an Event of Default which is continuing and to the extent that the Investments remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments in any way it sees fit.

(C) Following the occurrence of an Event of Default which is continuing, the Chargor shall indemnify the Security Agent against any loss or liability incurred by the Security Agent as a direct consequence of the Security Agent acting in respect of Investments on the direction of the Chargor.

8.7 **Clearance systems**

(A) The Chargor shall, if so requested by the Security Agent

(1) instruct any clearance system to transfer any Investment held by it for the Chargor or its nominee to an account of the Security Agent or its nominee with that clearance system; and

(2) take whatever action the Security Agent may request for the dematerialisation or rematerialisation of any Investments held in a clearance system

(B) Without prejudice to paragraph (A) the Security Agent may, at the expense of the Chargor, take whatever action is required for the dematerialisation or rematerialisation of the Investments as necessary (acting reasonably).

8.8 **Custodian arrangements**

The Chargor shall.

(A) promptlygive notice of this Deed to any custodian of any Investments in any form which the Security Agent may reasonably require; and

(B) use reasonable endeavours to ensure that the custodian acknowledges that notice in any form which the Security Agent may reasonably require

9 **Intellectual property**

9 1 **Representations**

The Chargor represents and warrants to the Security Agent (for the benefit of the Finance Parties) on the date of this Deed that to the extent that it has Intellectual Property

(A) it is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all the Intellectual Property, and

(B) it has taken all formal or procedural actions (including payment of fees) required to maintain all the Intellectual Property

9 2 **Preservation**

(A) The Chargor shall to the extent that it has any Intellectual Property

(1) preserve and maintain the subsistence of the Intellectual Property which is necessary for its business,

(2) prevent any infringement in any respect of the Intellectual Property,

(3) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in the Intellectual Property,

(4) not use (or licence or permit any third party to use) the Intellectual Property in a way, or take any step or omit to take any step in respect of the Intellectual Property which is likely to adversely affect the existence of, value of or its rights to use the Intellectual Property, and

(5) not (other than where the Intellectual Property has become redundant) discontinue the use of the Intellectual Property

(B) The Chargor shall promptly, if requested to do so by the Security Agent, sign or procure the signature of, and comply with all instructions of the Security Agent in respect of, any document required to make entries in any public register of Intellectual Property (including the United Kingdom Trade Marks Register) which either record the existence of this Deed or the restrictions on disposal imposed by this Deed.

10. **Representations**

10 1 The Chargor represents and warrants to the Security Agent (for the benefit of the each Finance Party) on the date of this Deed that:

(A) subject to the Legal Reservations and the Perfection Requirements, this Deed·

(1) creates (or, once entered into, will create) in favour of the Security Agent, the Security which it is expressed to create fully perfected and with the ranking and priority it is expressed to have;

(2) is not subject to any prior or pari passu ranking Security, and

(3) is not liable to be avoided or set aside on its liquidation, administration or otherwise, and

(B) it is the absolute legal and beneficial owner of all the assets over which this Deed purports to create any Security.

10.2 Each of the representations made in this clause are deemed to be made by the Chargor, by reference to the facts and circumstances then existing on the date of each Utilisation Request, on the Utilisation Date and on the first day of each Interest Period.

11 Enforcement of Security

11.1 When enforceable

The Security created or expressed to be created by this Deed shall be immediately enforceable if

(A) an Acceleration Event occurs, or

(B) the Chargor requests the Security Agent to appoint a Receiver over the whole or any part of its undertaking and assets.

11 2 Power of sale

(A) The Security Agent shall be entitled, without prior notice to any Chargor or prior authorisation from any court, to sell or otherwise dispose of all or any part of the Security Assets (at the times, in the manner and on the terms it thinks fit).

(B) The statutory powers of sale, of appointing a receiver and the other powers conferred on mortgagees by Section 101 of the LPA as varied and extended by this Deed shall arise on the date of this Deed

11 3 Section 103 of the LPA

Section 103 of the LPA (restricting the power of sale) shall not apply to this Deed

11.4 Section 93 of the LPA

Section 93 of the LPA (restricting the right of consolidation) shall not apply to this Deed

11 5 No liability as mortgagee in possession

Neither the Security Agent, a Receiver nor any Delegate is

(A) liable to account as mortgagee in possession in respect of the Security Assets, nor

(B) liable for any loss upon realisation or exercise of any power, authority or right of the

Security Agent, a Receiver or any Delegate arising under this Deed, nor for any act, default, neglect, or misconduct of any nature whatsoever other than a wilful default

11 6 **Possession**

If the Security Agent or a Receiver enters into possession of the Security Assets, such person may at any time go out of possession at the discretion of such person

11.7 **Privileges**

The Security Agent, each Receiver and each Delegate is entitled to all the rights, powers and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

11 8 **No duty to enquire**

No person dealing with the Security Agent, any Receiver or any Delegate shall be concerned to enquire·

(A) whether the rights conferred by or pursuant to any Finance Document are exercisable,

(B) whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;

(C) otherwise as to the propriety or regularity of acts purporting or intended to exercise any such rights, or

(D) as to the application of any money borrowed or raised

11.9 **Protection to purchasers**

All the protection to purchasers contained in Sections 104 (relating to a conveyance on sale) and 107 (relating to mortgagee's receipts, discharges etc) of the LPA, Section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with the Security Agent, any Receiver or any Delegate

11.10 **Financial collateral arrangements**

To the extent that the provisions of the Financial Collateral Arrangements (No 2) Regulations 2003 (the "Regulations")) apply to any Security Asset, the Security Agent shall have the right to appropriate any Security Asset which constitutes "financial collateral" (as defined in the Regulations) in or towards the satisfaction of the Secured Liabilities The value of each Security Asset appropriated in accordance with this clause shall be, in the case of cash, the amount of the cash appropriated, and, in the case of any Investments, their market value as determined by the Security Agent by reference to a public index, independent valuation or by such other process as the Security Agent may select The Chargor agrees that the method of valuation provided for in this clause 11 10 is commercially reasonable for the purposes of the Regulations.

12 Receiver

12.1 Appointment of Receiver

Following the occurrence of an Acceleration Event or upon receipt of request from the Chargor for the Security Agent to appoint a Receiver, whether or not the Security Agent has entered into or taken possession of the whole or any part of the Security Assets pursuant to this Deed and subject to any applicable insolvency law:

(A) the Security Agent may, by writing under the hand of any authorised officer of the Security Agent, appoint a Receiver in relation to the Security Assets;

(B) subject to the Insolvency Act the Security Agent may, from time to time, in similar manner, remove a Receiver and appoint another in his place;

(C) the Security Agent may, either at the time of appointment or at any time thereafter, fix the remuneration of a Receiver;

(D) the Security Agent and any agent or nominee wherever situated may, without further notice, exercise in respect of all or any part of any shares and their Related Assets subject to the Security created by this Deed all the powers and rights exercisable by the registered holder of such shares and their Related Assets and all other powers conferred on mortgagees by the LPA as varied or extended by this Deed; and

(E) the Security Agent and any agent or nominee wherever situated may apply any dividends, interest or other payments received or receivable by the Security Agent or by such nominee in respect of the shares and their Related Assets subject to the Security created by this Deed as if they were proceeds of sale.

None of the restrictions imposed by the LPA in relation to the appointment of receivers, the giving of notice or otherwise shall apply.

12 2 Delegation by Receiver

A Receiver may from time to time delegate, by power of attorney or otherwise, to any person any of his powers and discretions, whether arising by statute, the provisions of this Deed or otherwise, upon such terms and for such periods of time as he may in his discretion think fit and may from time to time terminate any such delegation The Security Agent shall not be liable for any loss or damage arising from any such delegate's act, default, neglect or misconduct of any nature whatsoever

13 Powers of Receiver

13.1 General powers

A Receiver has all the powers to do or abstain from doing anything which the Chargor could do or abstain from doing in relation to the Security Assets including, without limitation, the powers and discretions set out below in this clause, the powers conferred by Section 109 of the LPA (Appointment, powers, remuneration and duties of receivers) and, in the case of a Receiver who is an administrative receiver, the powers conferred by Section 29 of the Insolvency Act (Definitions) and Schedule 1 to the Insolvency Act (Powers of administrator or administrative receiver).

13 2 **Possession**

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

13 3 **Carry on business**

A Receiver may carry on, manage or concur in carrying on managing the whole or any part of the business of the Chargor as he may in his discretion think fit

13.4 **Dealings with Security Assets**

A Receiver may, in each such case in such manner and generally on such terms as he may in his discretion think fit·

(A) manage, insure, repair, decorate, maintain, alter, improve, renew or add to the Security Assets or concur in so doing,

(B) commence or complete any building operations on any of the Mortgaged Property, and

(C) apply for and maintain any planning permissions, building regulations, approvals and any other permissions, consents or licences,

including entry into any agreement, deed or contract in relation to any of the above.

13 5 **Sale of Security Assets**

(A) A Receiver may sell, exchange, convert into money and realise the Security Assets or concur in so doing by public auction or private contract and generally in such manner and on such terms as he may in his discretion think fit

(B) Without prejudice to the generality of paragraph (A) above, a Receiver may do any of these things for any valuable consideration, including, without limitation, cash, shares, stock, debentures or other obligations Any such consideration may be payable in a lump sum or by instalments spread over such period as a Receiver may in his discretion think fit.

(C) Fixtures, other than fixtures of any landlord or of any tenant under a Lease Document, may be severed and sold separately from the Mortgaged Property containing them without the consent of the Chargor

13 6 **Mortgaged Property**

(A) A Receiver may, in each such case in such manner and generally on such terms as a Receiver may in his discretion think fit, with all the powers of an absolute beneficial owner

(1) let, hire or lease (with or without premium) any Mortgaged Property and accept surrenders of leases or tenancies or concur in so doing;

(2) grant rights, options or easements over and otherwise deal with or dispose of, and exercise all rights, powers and discretions incidental to, the ownership of any of the Mortgaged Property; and

(3) exchange or concur in exchanging any of the Mortgaged Property

(B) A Receiver may exercise any such power in paragraph (A) above by effecting such transaction in the name or on behalf of the Chargor or otherwise

(C) Without any further consent by or notice to the Chargor, a Receiver may exercise all the powers and provisions conferred on a landlord or a tenant by any legislation in force.

(D) A Receiver may make allowances to, and re-arrangements with, any person occupying the whole or any part of the Mortgaged Property, and negotiate and agree, or refer to arbitration, any revision of rent under any leases in respect of which the rental may fall to be reviewed and accept service of, or serve, any notice received or required or deemed desirable in connection with any such review or with the exercise of any option.

13 7 **Borrow money**

(A) For the purpose of exercising any of the powers, authorities or discretions conferred on him by or pursuant to this Deed or of defraying any costs (including, without limitation, his remuneration) which are incurred by him in the exercise of such powers, authorities or discretions or for any other purpose, a Receiver may raise and borrow money or incur any other liability either unsecured or secured on the Security Assets, either in priority to the security constituted by this Deed or otherwise, and generally on such terms as he may in his discretion think fit

(B) No person lending such money is to be concerned to enquire as to the propriety or purpose of the exercise of such power or as to the application of any money so raised or borrowed.

13 8 **Lending**

A Receiver may lend money or advance credit to any customer of the Chargor

13 9 **Calls**

A Receiver may make, or require the directors of the Chargor to make, such calls upon the shareholders of the Chargor in respect of any uncalled capital of the Chargor as a Receiver may in his discretion require and enforce payment of any call so made by action (in the name of the Chargor or the relevant Receiver as that Receiver may in his discretion think fit) or otherwise

13 10 **Compromise and legal actions**

A Receiver may

(A) settle or compromise any claim, adjust any account, refer to arbitration any dispute, and deal with any question or demand relating in any way to the Security Assets; and

(B) bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets,

as he may in his discretion think fit.

13 11 **Subsidiaries**

A Receiver may do the following in his discretion as he thinks fit:

(A) promote the formation of any Subsidiary of the Chargor with a view to such Subsidiary purchasing, leasing, licensing or otherwise acquiring an interest in the Security Assets,

(B) arrange for the purchase, lease, licence or acquisition of an interest in the Security Assets by any such Subsidiary for any valuable consideration, including, without limitation, cash, shares, debentures, loan stock, convertible loan stock or other securities, profits or a sum calculated by reference to profits, turnover, royalties, licence fees or otherwise, whether or not secured on the undertaking or assets of such Subsidiary and whether or not such consideration is payable or receivable in a lump sum or at any time or any number of times by instalments spread over such period, and

(C) arrange for such Subsidiary to trade or cease to trade

13 12 **Appointments and delegation**

A Receiver may

(A) appoint and discharge any manager, officer, agent, professional adviser, employee and any other person, upon such terms as he may in his discretion think fit, and

(B) delegate his powers in accordance with this Deed

13 13 **Receipts**

A Receiver may give valid receipts for all monies and execute all assurances and things which he may in his discretion think proper or desirable for realising the Security Assets

13.14 **Investigations**

A Receiver may conduct and complete all investigations, studies, sampling and testing and all remedial, removal and other actions, whether required under Environmental Law or by the Security Agent or otherwise and comply with all lawful orders and directives regarding Environmental Law

13 15 **Other**

A Receiver may

(A) do all such other acts and things as it may in his discretion consider to be incidental or conducive to any of the matters or powers set out in this Deed or otherwise incidental or conducive to the preservation, improvement or realisation of the Security Assets, and

(B) use the name of the Chargor for any purpose in relation to this Deed

13.16 **Receiver as agent of the Chargor**

A Receiver is for all purposes the agent of the Chargor Subject to the provisions of the Insolvency Act, the Chargor is solely responsible for all Receivers' acts, defaults, neglect

and misconduct of any nature whatsoever and for each Receivers remuneration and costs, to the exclusion of liability on the part of the Security Agent.

13.17 **No obligation**

No Receiver is obliged to exercise any of the powers set out in this clause.

13.18 **Several power**

Where more than one Receiver is appointed, each Receiver has the power to act severally unless the Security Agent specifies otherwise in the appointment of such Receiver.

13.19 **Powers exercisable by the Security Agent**

(A) The Security Agent may exercise all powers granted to a Receiver by this Deed, whether as attorney of the Chargor or otherwise

(B) The powers of a Receiver set out above are in addition to, and without prejudice to, all statutory and other powers of the Security Agent and so that, without limitation, such powers are and remain exercisable by the Security Agent in respect of that part of the Security Assets in respect of which no appointment of a Receiver by the Security Agent is from time to time subsisting

14 **Power of attorney**

14.1 **Appointment**

Subject to clause 14 2 below, the Chargor by way of security irrevocably appoints the Security Agent, any Receiver and any Delegate severally as its attorney (with full power of substitution) on its behalf and in its name or otherwise at such time and in such manner as the attorney may think fit

(A) to do anything which the Chargor is obliged to do under any Finance Document, but has failed to do so on the date it was obliged so to do; and

(B) to exercise any of the rights conferred on the Security Agent, any Receiver or any Delegate in relation to the Security Assets or under any Finance Document, the LPA or the Insolvency Act 1986

14.2 Each attorney appointed under this clause may only exercise its powers under this deed following the occurrence of an Event of Default which is continuing

14.3 **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney does or purports to do under its appointment under this clause.

15 **Preservation of security**

15 1 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Transaction Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise,

without limitation, then the liability of the Chargor under this Deed will continue or be reinstated as if the discharge, release or arrangement had not occurred and each Finance Party shall be entitled to recover the value or amount of that payment, security or disposition from the Chargor

15 2 **Waiver of defences**

The obligations of the Chargor under this Deed will not be affected by any act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its rights and/or obligations under this Deed (and whether or not known to it or to any Finance Party) including, without limitation.

(A) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;

(B) the release of any Transaction Obligor or any other person under the terms of any composition or arrangement with any creditor of any other person,

(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 over assets of any Transaction Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,

(D) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Transaction Obligor or any other person,

(E) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental, whether or not more onerous or of whatever nature) or replacement of a Finance Document or any other document or security, including, without limitation, any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security,

(F) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security, or

(G) any insolvency or similar proceedings

15 3 **Immediate recourse**

The Chargor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary

15 4 **Appropriations**

Until the Secured Liabilities have been irrevocably paid in full, any Finance Party (or any trustee or agent on its behalf) may

(A) refrain from applying or enforcing any other moneys, security or rights held or received by any Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees

fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same, and

(B) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Deed

15.5 **Deferral of the Chargor's rights**

Until the Secured Liabilities have been irrevocably paid in full and unless the Security Agent otherwise directs, the Chargor shall not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under this Deed:

(A) to be indemnified by a Transaction Obligor or any other person,

(B) to claim any contribution from any other guarantor of any Transaction Obligor's obligations under the Finance Documents,

(C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,

(D) to bring legal or other proceedings for an order requiring a Transaction Obligor to make any payment, or perform any obligation, in respect of which a Transaction Obligor has given a guarantee, undertaking or indemnity under any other Finance Document;

(E) to exercise any right of set-off against any Transaction Obligor or other person; and/or

(F) to claim or prove as a creditor of any Transaction Obligor or other person in competition with any Finance Party

If the Chargor receives any benefit, payment or distribution in relation to such rights, it shall hold that benefit, payment or distribution (to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Chargor under or in connection with the Finance Documents to be repaid in full) on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct

16. **Costs and expenses**

16 1 **Transaction expenses**

The Chargor shall within five Business Days of written demand pay the Security Agent the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by the Security Agent in connection with the negotiation, preparation, printing, execution and perfection of this Deed.

16.2 **Amendment costs**

If the Chargor requests an amendment, waiver or consent, the Chargor shall, within five Business Days of demand, reimburse the Security Agent for the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by the Security Agent in responding to, evaluating, negotiating or complying with that request or requirement

16.3 **Enforcement expenses**

The Chargor shall, within five Business Days of written demand, pay to the Security Agent the amount of all reasonable costs, losses, liabilities and expenses (including legal fees) properly incurred by the Security Agent, any Finance Party, any Receiver or any Delegate in connection with the enforcement of or the preservation of any right under this Deed or the Security created or expressed to be created in favour the Security Agent by this Deed and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Security created or expressed to be created in favour the Security Agent by this Deed or enforcing these rights

17 **Payments**

17.1 **Set-off**

(A) The Security Agent may set off any matured obligation due from the Chargor under this Deed (to the extent beneficially owned by the Security Agent) against any matured obligation owed by the Security Agent to the Chargor, regardless of the place of payment, booking branch or currency of either obligation If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off

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

17.2 **Taxes**

The Chargor shall pay Tax and VAT in respect of any amount payable by it to the Security Agent any Receiver or Delegate or Finance Party under this Deed in accordance with the Facility Agreement

17 3 **Default interest**

Any amount due and payable but unpaid by the Chargor under this Deed shall incur interest in accordance with default interest provisions of the Facility Agreement

17 4 **Continuation of accounts**

(A) At any time if any subsequent Security affects any Security Asset (other than any Security permitted by the Finance Documents), any Security Asset is disposed of or a petition is presented or resolution passed in relation to the winding-up of the Chargor (other than a frivolous or vexatious petition which is discharged, stayed or dismissed within 30 days of commencement), any Finance Party may

(1) close any account of the Chargor then existing; and

(2) open a new account in the name of the Chargor (whether or not it permits any existing account to continue)

(B) If a Finance Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred, unless the Chargor has received written notice from a Finance Party to the contrary

(C) All payments made to a Finance Party after such an event shall be credited to, or treated as having been credited to, the new account

(D) No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the Secured Liabilities

17.5 **Application of payments to the Security Agent**

The Security Agent shall apply all amounts received or recovered under this Deed in satisfaction of, whether in whole or in part, the Secured Liabilities in accordance with the Facility Agreement

17 6 **Business Days**

(A) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not)

(B) During any extension of the due date for payment of any amount under this Deed, interest is payable on the principal or the then due but unpaid amount at the rate payable on the original due date

18 **Calculations and certificates**

18 1 **Accounts**

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

18.2 **Certificates and determinations**

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

19. **Release of Security**

19 1 **Release**

At the end of the Security Period, the Security Agent shall, at the written request and cost of the Chargor, take all action reasonably necessary to release the Security Assets from the Security created by or expressed to be created by this Deed and return all deeds and documents of title held by the Security Agent in relation to this Deed and execute and deliver such further deeds and documents as the Chargor may reasonably require to give effect to this clause.

19 2 **Retention**

If the Security Agent considers that any amount paid or credited to it under a Finance Document or this Deed is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Liabilities have irrevocably paid.

20 **Tacking**

The Chargor acknowledges that each Finance Party shall comply with its obligations under the Finance Documents (including any obligation to make further advances).

21. **No merger or prejudice**

This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Agent of any other security at any time held by the Security Agent

22. **Partial invalidity**

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

23 **Remedies and waivers**

(A) No failure to exercise, nor any delay in exercising, on the part of the Security Agent, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy

(B) The rights and remedies provided in this Deed are cumulative and are not exclusive of any right or remedies provided by law

24 **Changes to the Parties**

24.1 **Assignment and transfer by the Chargor**

The Chargor shall not (without the Security Agent's prior written consent) assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed unless permitted to do so under the terms of the Facility Agreement

24 2 **Assignment and transfer by the Security Agent**

The Security Agent may assign any of its rights or transfer (whether by novation or otherwise) any of its rights or obligations under this Deed to any person to which it is permitted to assign its rights or transfer any of its rights or obligations to under the terms of the Facility Agreement.

25 **The Finance Documents**

The Chargor acknowledges the terms of the Finance Documents, including, without limitation, clause 8 4 (*Default interest*) of the Facility Agreement.

26 **Notices**

Every notice, request, demand or other communication under this Deed shall be made and delivered in accordance with the Facility Agreement

27 **Counterparts**

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

28 **Governing law**

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

29 **Enforcement**

29 1 **Jurisdiction**

(A) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").

(B) Each Party agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary

(C) This clause is for the benefit of the Finance Parties only As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions

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

SCHEDULE 1: NOTICE TO ACCOUNT CHARGE

To [Account Bank]

Address· [•]

[Date]

Dear Sirs,

We refer to.

1 the following accounts (together the "Blocked Accounts"), which shall include all monies standing to the credit of the Blocked Accounts now or in the future

(A) a "Rent Account" in the name of [the Borrower] with [•] with account number [•], and

(B) a "Deposit Account" in the name of [the Borrower] with [•] with account number [•],

2 the following account (the "Operating Account"), which shall include all monies standing to the credit of the Operating Accounts now or in the future·

(A) a current account designated the "General Account" in the name of [the Borrower], with [•] with account number [•]

The Blocked Accounts and the Operating Account are together the "Secured Accounts"

This letter constitutes notice to you that under a security agreement dated [•] between, amongst others, [•] as chargor and [•] as Security Agent (the "Security Agent"), we have charged by way of first fixed charge in favour of the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our rights in respect of the Secured Accounts and any amount standing to the credit of the Secured Accounts and the debts represented by those Secured Accounts

We irrevocably instruct and authorise you

(A) disclose to the Security Agent any information relating to the Secured Accounts requested from you by the Security Agent,

(B) in respect of the Blocked Accounts

(1) to comply with the terms of any written notice or instruction relating to the Blocked Accounts received by you from the Security Agent,

(2) to hold all sums standing to the credit of the Blocked Accounts to the order of the Security Agent and not to release any monies from the Blocked Accounts without the prior written consent of the Security Agent,

(3) to pay or release any sum standing to the credit of the Blocked Accounts in accordance with the written instructions of the Security Agent, and

(4) that all our rights in connection with the Blocked Accounts are exercisable by the Security Agent,

(C) in respect of the Operating Account

(1) prior to notification to you by the Security Agent of the occurrence of an Event of Default which is continuing, to comply with the terms of any written notice or instruction relating to the Operating Account received by you from [the Borrower] as applicable; and

(2) upon and after notification of the occurrence of an Event of Default which is continuing, to act in respect of the Operating Account as if such account were a Blocked Account and accordingly, to comply with the provisions of paragraph (B) above in respect of such account

We acknowledge that you may comply with the instructions in this letter without any further permission from the Chargor or enquiry by you

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

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Account[s] as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

... .

For and on behalf of
[•]
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and confirm that we

(A) will accept the instructions contained in the notice and agree to comply with the notice;

(B) have not received notice of the interest of any third party in the Account[s];

(C) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of the Account[s], and

(D) will not permit any amount to be withdrawn from the Account[s] without the prior written consent of the Security Agent

... .

For and on behalf of
[Account Bank]

SCHEDULE 2: NOTICE TO COUNTERPARTY TO ASSIGNED CONTRACT

To [Counterparty]

Address [•]

[Date]

Dear Sirs,

[Description of relevant Assigned Contract[s]] (the "Contract")

1 We refer to.

(A) the Contract, and

(B) the security agreement (the "Security Agreement") dated [•] between [•] as Chargor (the "Chargor") and [•] as Security Agent (the "Security Agent")

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent for the Finance Parties referred to in the Security Agreement)_all of our present and future right, title and interest in and to the Contract

2 We irrevocably instruct and authorise you·

(A) that we will remain liable under the Contract to perform all the obligations assumed by us under the Contract. None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Agreement; and

(B) that we are entitled to exercise all of our rights, powers and discretions under the Agreement, and you should continue to give notices under the Agreement to us, unless and until you receive notice from the Security Agent to the contrary. In this event, all the rights, powers and discretions under the Agreement will be exercisable by, and notices must be given to, the Security Agent or as it directs

3 Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Contract without the prior consent of the Security Agent

4 The instructions in this letter:

(A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;

(B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us; and

(C) may not be revoked or amended without the prior written consent of the Security Agent.

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law.

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Contract as directed by or pursuant to this notice, by signing the acknowledgement on the

attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•].

For and on behalf of
ESAG Southbank Limited
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this notice is a copy and agree to comply with its terms. We confirm that we have not received any other notice of assignment or charge or notice that any other person claims any rights in respect of the Contract.

For and on behalf of [The Counterparty]

Date

SCHEDULE 3: NOTICE TO INSURERS

To: [The Insurers]

Address. [•]

[Date]

Dear Sirs

[Description of relevant insurance policy] (the "Insurances")

We refer to

(A) the Insurances, and

(B) the security agreement (the "Security Agreement") dated [•] between [•] as Chargor (the "Chargor") and [•] as Security Agent (the "Security Agent")

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement) all of our present and future right, title and interest in and to the Insurances.

1. We irrevocably and unconditionally instruct and authorise you.

   (A) that all moneys payable by you to the Chargor in respect of the Insurances other than third party Insurances shall be paid as directed by the Chargor, unless and until you receive written notice from the Security Agent that an Acceleration Event has occurred, in which event you should make all future payments as then directed by the Security Agent,

   (B) subject to any applicable legislation and despite the assignments referred to above, all sums in respect of any claim under any third party Insurance by an insured party shall be paid·

   (C) directly to the person whose claim(s) constitute(s) the risk or liability insured against, provided that such person has executed a discharge of all claims against each insured party in respect of the risk or liability in relation to which the claim was made; and

   (D) (despite any policy term to the contrary) to the extent that insurers accept liability to indemnify the insured party in respect of the claims or liabilities which the insured party has settled directly with the claimant, to the relevant insured party, unless the insured party is us, in which case such sums shall be paid as directed by the Security Agent.

2. The instructions in this letter:

   (A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions,

   (B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us; and

(C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice, and confirm that you will pay all moneys in respect of the Insurances as directed by or pursuant to this notice, by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

. ...

For and on behalf of
ESAG Southbank Limited
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this notice is a copy and agree to comply with its terms We confirm that we have not received any other notice of assignment or change, or notice that any other person claims any rights in respect of the Insurances

. . . .

For and on behalf of
[The Insurer]

Date . . . .

SCHEDULE 4: NOTICE TO TENANT

[On the letterhead of the Chargor]

To [Tenant]

[Date]

Dear Sirs,

[Description of relevant Occupational Lease] (the "Occupational Lease")

We refer to the security agreement (the "Security Agreement") dated [•] between, [•] as Chargor (the "Chargor") and [•] as Security Agent (the "Security Agent").

We give you notice that pursuant to the Security Agreement, we have assigned to the Security Agent (as agent and trustee for the Finance Parties referred to in the Security Agreement all of our present and future right, title and interest in and to the Occupational Lease, including all rent payable to us under the Occupational Lease

1 We irrevocably and unconditionally instruct and authorise you

(A) to make all payments in connection with the Occupational Lease as directed by the Security Agent from time to time,

(B) the Security Agent currently instructs you to pay all amounts due under the Occupational Lease to [*insert either Rent Account or Managing Agent's trust account details as relevant*],

(C) until otherwise advised by the Security Agent, we will remain liable under the Occupational Lease to perform all the obligations assumed by us under the Occupational Lease None of the Security Agent, its agents, any receiver or any other person will at any time be under any obligation or liability to you under or in respect of the Occupational Lease;

(D) you should continue to give notices under the Occupational Lease as directed under the Occupational Lease, unless and until you receive notice from the Security Agent to the contrary; and

(E) to disclose to the Security Agent any information relating to the Occupational Lease which the Security Agent may request

2 Please note that we have agreed not to amend, waive or vary any provision of, or terminate or rescind the Occupational Lease without the prior consent of the Security Agent

3 The instructions in this letter

(A) may be complied with without any further permission from us and without enquiry by you as to the justification for or validity of any notice, request or instructions;

(B) apply until you receive notice from the Security Agent to the contrary, notwithstanding any previous instructions given by us, and

(C) may not be revoked or amended without the prior written consent of the Security Agent

This notice and any non-contractual obligations and other matters arising from or in connection with it are governed by, and shall be construed in accordance with, English law

Please acknowledge receipt of this notice by signing the acknowledgement on the attached copy of this notice and returning that copy to the Security Agent at [•], marked for the attention of [•]

Yours faithfully,

. . . . . .

For and on behalf of
ESAG Southbank Limited
as Chargor

[On duplicate]

We acknowledge receipt of the notice of which this is a copy and agree to comply with its terms We confirm that we have not received any other notice of assignment or charge, or notice that any other person claims any rights in respect of the Occupational Lease

. . .

For and on behalf of
[Tenant]

Date .. . .

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a DEED by)
ABDULLA AL GURG)
acting as attorney for and in the name of)
ESAG COMMERCIAL PROPERTIES)
LIMITED)
under a power of attorney)
dated 7 October 2013)
in the presence of:)

Signature

Witness Signature

Witness Name. WERNER FLAIG

Witness Address 16th FLOOR AL GURG TOWER 1, BANIYAS ROAD, DUBAI, U A E.

Witness Occupation ESAG GROUP CFO.

The Security Agent

EXECUTED as a DEED by)
Lloyds Bank plc)
acting by)
)

Authorised Signatory's Name

)
)
)
)

Authorised Signatory's Name

EXECUTION PAGE TO SECURITY AGREEMENT

The Chargor

EXECUTED as a DEED by)
ABDULLA AL GURG)
acting as attorney for and in the name of)
ESAG COMMERCIAL PROPERTIES)
LIMITED)
under a power of attorney)
dated 7 October 2013)
in the presence of)_____
Signature

Witness Signature: . .. .

Witness Name. ... .

Witness Address .. . .

Witness Occupation . ...

The Security Agent

EXECUTED as a DEED by)
Lloyds Bank plc)
acting by)
)

Authorised Signatory's Name: BEADLEY M'ALLISTER

Witness Signature: _____
Witness Name: Annabelle Garcia
Witness Address: City Point, 1 Ropemaker St.
London EC2Y 9SS
Witness Occupation: Solicitor

~~Authorised Signatory's Name.~~