



**Registration of a Charge**

Company name: **KCC NOMINEE 1 (T1) LIMITED**

Company number: **08028553**



X3N38KY2

Received for Electronic Filing: **19/12/2014**

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**Details of Charge**

Date of creation: **19/12/2014**

Charge code: **0802 8553 0001**

Persons entitled: **HSBC BANK PLC**

Brief description: **ALL THAT LEASEHOLD PROPERTY KNOWN AS OR BEING 1 CANAL REACH, KINGS CROSS, LONDON N1 DEMISED BY THE HEADLEASE (NGL 901018). INTELLECTUAL PROPERTY RIGHTS. FOR FURTHER DETAILS OF ASSETS CHARGED PLEASE REFER TO THE INSTRUMENT.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

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

Certified by: **STEPHENSON HARWOOD LLP**



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

Company number: 8028553

Charge code: 0802 8553 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th December 2014 and created by KCC NOMINEE 1 (T1) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th December 2014 .

Given at Companies House, Cardiff on 22nd December 2014

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**

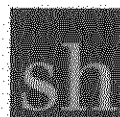


**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

**Debenture**

**Dated** *19 December* **2014**

- (1) KCC Nominee 1 (T1) Limited**
- (2) KCC Nominee 2 (T1) Limited**
- (3) King's Cross Central Limited Partnership acting by its general partner  
King's Cross Central General Partner Limited**
- (4) HSBC Bank plc**



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**DEBENTURE**Dated *19 December* 2014**BETWEEN**

- (1) **KCC Nominee 1 (T1) Limited** a company incorporated under the laws of England and Wales with registered number 08028553 having its registered office at 4 Stable Street, London, N1C 4AB ("**Nominee 1**");
  - (2) **KCC Nominee 2 (T1) Limited** a company incorporated under the laws of England and Wales with registered number 08027731 having its registered office at 4 Stable Street, London, N1C 4AB ("**Nominee 2**");
- Nominee 1 and Nominee 2 each a "**Legal Owner**" and together the "**Legal Owners**";
- (3) **King's Cross Central Limited Partnership** a limited partnership registered in England and Wales with registered number LP012617 having its registered office at 4 Stable Street, London, N1C 4AB ("**Limited Partnership**") acting by its general partner **King's Cross Central General Partner Limited**, a company incorporated under the laws of England and Wales with registered number 06387691 having its registered office at 4 Stable Street, London, N1C 4AB (acting in its capacity as general partner of the Limited Partnership and in its own capacity) ("**Beneficial Owner**"); and
  - (4) **HSBC BANK PLC** of 70 Pall Mall, London SW1Y 5EZ as trustee for the Finance Parties (the "**Security Trustee**").

**Recitals**

- (A) The Finance Parties have agreed to make credit facilities available on the terms of the Facility Agreement.
- (B) Each Chargor has agreed to provide Security to the Security Trustee (as trustee for the Finance Parties) to secure the payment and discharge of the Secured Liabilities.

**THIS DEED WITNESSES****1 Definitions and interpretation****1.1 Definitions**

Words and expressions defined in the Facility Agreement have the same meanings in this Debenture unless they are expressly defined in it and, in addition, in this Debenture:

"**Account Bank**" means HSBC Bank plc, 70 Pall Mall, London SW1Y 5EZ;

"**Act**" means the Law of Property Act 1925;

"**Agent**" means HSBC Bank plc;

**"Architect"** means Niall McLaughlin;

**"Authorisations"** mean any authorisation required under any law or regulation of England or Wales to enable it to carry on its business, trade and ordinary activities in relation to the Property and the development of the Property and to perform its obligations under the Facility Agreement and to ensure the legality, validity, enforceability and admissibility in evidence in England and Wales of the Facility Agreement;

**"Chargors"** means each Legal Owner and the Beneficial Owner;

**"Collateral Warranties"** means any collateral warranties or the benefit of any construction related agreement obtained by a Legal Owner from time to time in connection with the Property;

**"Controlled Account"** means the Proceeds Account and the Guarantor Pre-Sales Account;

**"Contractor"** means Kier Regional Limited or any reputable building contractor appointed as such in relation to the development of the Property;

**"Default Rate"** means the rate of interest specified in, and calculated in accordance with, Clause 8.3 (*Default Interest*) of the Facility Agreement;

**"Development Documents"** means any building contracts, sub-contracts, appointments, collateral warranties and other contracts entered into or to be entered into by the Legal Owners with the Contractor or any Professional in respect of the development of the Property;

**"Equipment"** means all fixed and moveable plant, machinery, tools, vehicles, computers and office and other equipment and the benefit of all related Authorisations, agreements and warranties;

**"Facility Agreement"** means the facility agreement dated 20 August 2013 between, among others, the Chargors as borrowers and HSBC Bank plc as Original Lender;

**"Guarantor Pre-Sales Account"** means a deposit account with the Agent with account number 11789503, sort code 400520 designated the *"Pre-Sales Account"*.

**"Headlease"** means the lease to be made between King's Cross Central (Trustee No. One) Limited and King's Cross Central (Trustee No. Two) Limited (1) and the Legal Owners (2) under which the Legal Owners hold title to the Property or any part of it;

**"Hedging Agreement"** means any master agreement, schedule, confirmation, novation or other instrument in the agreed form entered into by the Legal Owners and a Hedging Counterparty in connection with managing the interest rate liabilities under the Finance Documents;

**"Insurance"** means, each contract or policy of insurance to which a Legal Owner or, to the extent such contract or policy of insurance relates to the Property and/or the development of the Property, the Beneficial Owner is a party or in which it has an interest;



**"Insurance Proceeds"** means all proceeds payable pursuant to Insurance to the extent that such proceeds relate to the Property and/or the development of the Property;

**"Intellectual Property Rights"** means:

- (a) any patents, petty patents, trademarks, service marks, trade names, domain names, rights in designs, software rights, utility models, database rights, copyrights, rights in the nature of copyright, and all other forms of intellectual or industrial property;
- (b) any rights in or to inventions, formulae, confidential or secret processes and information, know-how and similar rights, goodwill and any other rights and assets of a similar nature; and
- (c) any other right to use, or application to register or protect, any of the items listed in paragraphs (a) or (b) above,

arising or subsisting in any jurisdiction and whether registered or not;

**"Investments"** means:

- (a) all or any stocks, shares, bonds and securities of any kind (marketable or otherwise), negotiable instruments and warrants and any other financial instruments (as defined in the Regulations); and
- (b) all allotments, accretions, offers, options, rights, bonuses, benefits and advantages, whether by way of conversion, redemption, preference, option or otherwise which at any time accrue to or are offered or arise in respect of them,

and includes all dividends, interest and other distributions paid or payable on or in respect of them;

**"Land"** has the same meaning as it has in section 205(1) of the Act;

**"Lease Document"** means in relation to the Property:

- (a) any agreement for lease;
- (b) an Occupational Lease; or
- (c) any other document designated as such by the Agent and the Legal Owners;

**"Occupational Lease"** means any lease or licence or other right of occupation or right to receive rent in respect of all or part of the Property (but excluding any lease to be granted pursuant to a Pre-Sale Agreement or any Sale Contract);

**"Permitted Security"** means any Security falling into one of the categories in Clause 27.4 (*Negative pledge*) of the Facility Agreement.

**"Pre-Sale Agreements"** means:

- (i) each agreement made between a Legal Owner and any other entity regarding any pre-sale of Units; and

- (ii) each agreement made between a Legal Owner and any private tenant regarding the pre-sale of any Private Residential Unit.

and **"Pre-Sale Agreement"** means any one of them;

**"Proceeds Account"** means a deposit account with the Agent with account number 71789260 and sort code 400520 designated the Proceeds Account;

**"Professional"** means:

- (a) the Architect;
- (b) Johnson Naylor (interior designs);
- (c) dRMM (architects); and
- (d) any other professional adviser or consultant with material design and/or construction responsibility;

**"Property"** means the leasehold property described in Schedule 1 including each part of the property and all buildings, fixtures (including trade fixtures), fixed plant and machinery, furnishings, fittings, equipment, decoration and other structures at any time on it and all easements and rights attaching to it or (as the context requires) any portion of it at any time which is subject to this Debenture;

**"Receiver"** means a receiver appointed pursuant to this Debenture or to any applicable law, whether alone or jointly, and includes a receiver and/or manager and, if the Security Trustee is permitted by law to appoint an administrative receiver, includes an administrative receiver;

**"Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, and Regulation means any of them;

**"Rental Income"** means the aggregate of all amounts paid or payable to or for the account of a Legal Owner in connection with the letting, use or occupation of any part of the Property, including (without double counting and excluding proceeds of a disposal):

- (a) rent, licence fees and equivalent amounts paid or payable;
- (b) any sum received or receivable 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 the Legal Owners;
- (d) any other moneys paid or payable in respect of occupation or usage of the Property and any fixture and fitting on the Property including any fixture or fitting 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 surrender or variation of any Lease Document;
- (g) any sum paid or payable by any guarantor of any occupational tenant under any Lease Document;
- (h) any Tenant Contributions; and

any interest paid or payable on, and any damages, compensation or settlement paid or payable in respect of, any sum referred to in paragraphs (a) to (h) above less any related fees and expenses incurred by the Legal Owners which have not been reimbursed by another person;

**"Sale Contract"** means an agreement in the form for the time being approved by the Agent in writing to sell one or more Units, entered into between the Legal Owners and a purchaser;

**"Secured Liabilities"** means the liabilities of the Obligors to the Finance Parties under or pursuant to the Finance Documents;

**"Security Assets"** means all of the assets of the Chargors which are the subject of any Security created or to be created by this Debenture;

**"Security Period"** means the period starting on the date of this Debenture and ending on the date on which the Agent is satisfied that all of the liabilities of the Obligors under each Finance Document are irrevocably discharged in full and no Finance Party has any commitment or liability, whether present or future, actual or contingent, in relation to the Facility;

**"Tenant Contributions"** means any moneys paid or payable to the Legal Owners by a tenant under a Lease Document or by any other occupier of the Property by way of:

- (a) contribution to:
  - (i) insurance premiums;
  - (ii) the cost of an insurance valuation;
  - (iii) a service charge to cover costs incurred by or on behalf of the Legal Owners in performing any repairing or similar obligation relating to the Property or in providing services to any tenant of the Property;
  - (iv) a sinking fund;
  - (v) any service charge payable by the Borrower pursuant to the terms of the Headlease.
- (b) VAT.

**"Unit"** means any apartment or other unit on the Property that is intended for residential use and **"Units"** means more than one of them.

## 1.2 Construction

1.2.1 The principles of construction set out in Clause 1.2 (*Construction*) of the Facility Agreement apply to this Debenture, insofar as they are relevant to it and subject to any necessary changes, as they apply to the Facility Agreement.

1.2.2 Unless a contrary intention appears, any reference in this Debenture to:

- (a) this Debenture is a reference to this Debenture as amended, varied, novated, supplemented and replaced from time to time;
- (b) a Chargor, a Legal Owner, the Beneficial Owner, the Security Trustee or any other Finance Party or a Receiver includes any one or more of its assigns, transferees and successors in title (in the case of a Chargor, a Legal Owner and/or the Beneficial Owner so far as any such is permitted); and
- (c) the Security Trustee or any other Finance Party or a Receiver (except for the references in Clause 15 (*Power of Attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.2.3 Each of the mortgages, fixed charges and assignments contained in Clauses 3.1 (*Land*) to 3.12 (*Other contractual rights*) (inclusive) over each category of assets and each asset specified in those Clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned (as applicable) independently and separately of each other.

## 1.3 Third party rights

1.3.1 Each Finance Party, any Receiver and their respective officers, employees and agents may enforce any term of this Debenture which purports to confer a benefit on that person, but no other person who is not a party to this Debenture has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Debenture.

1.3.2 Notwithstanding any term of any Finance Document, the parties to this Debenture and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Debenture without the consent of any person who is not a party to this Debenture.

## 1.4 Effect as a deed

This Debenture shall take effect as a deed even if it is signed under hand on behalf of the Security Trustee.

## 1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Debenture to the

extent required to ensure that any purported disposition of an interest in Land contained in this Debenture is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

## **2 Covenant to pay**

Each Chargor covenants with the Security Trustee and the other Finance Parties that it will on demand pay and discharge the Secured Liabilities when due.

## **3 Creation of Security**

### **3.1 Land**

#### **3.1.1 Each Legal Owner charges:**

- (a) by way of legal mortgage its interest in the Land referred to in Schedule 1 (*Charged Land*); and
- (b) by way of fixed charge any right, title or interest which it has now or may subsequently acquire to or in any other Land.

#### **3.1.2 The Beneficial Owner charges by way of equitable mortgage its interest in the Land referred to in Schedule 1 (*Charged Land*).**

### **3.2 Investments**

Each Legal Owner mortgages or (if or to the extent that this Debenture does not take effect as a mortgage) charges by way of fixed charge all Investments, including those held for it by any nominee.

### **3.3 Equipment**

Each Legal Owner charges by way of fixed charge all Equipment in so far as it is not charged by way of legal mortgage under Clause 3.1 (*Land*) and in so far as it is not owned by any third party.

### **3.4 Controlled Accounts**

#### **3.4.1 Each Legal Owner charges by way of fixed charge all amounts standing to the credit of each Controlled Account and all of its right, title and interest in and relating to each Controlled Account.**

#### **3.4.2 Subject to Clause 3.4.3, regardless of the terms on which moneys are credited to any Controlled Account, no amount standing to the credit of a Controlled Account will be or accrue due or payable to any Legal Owner until:**

- (a) the Secured Liabilities have been paid and discharged in full; and
- (b) no Finance Party is under any obligation to make banking or other facilities available to the Legal Owners,

and until that time no Legal Owner shall request, demand or claim to be entitled to withdraw any amount from that Controlled Account except (without prejudice to the

Finance Parties' rights under this Debenture) as the Facility Agreement or the Security Trustee may from time to time permit.

3.4.3 Clause 3.4.2 shall not apply to the extent it would prejudice any Finance Party's rights under the Finance Documents to any amount standing to the credit of a Controlled Account, including any right of a Finance Party under the Finance Documents to make a withdrawal from a Controlled Account.

### 3.5 Intellectual Property Rights

Each Legal Owner charges by way of fixed charge all Intellectual Property Rights.

### 3.6 Goodwill

Each Legal Owner charges by way of fixed charge its goodwill.

### 3.7 Uncalled capital

Each Legal Owner charges by way of fixed charge its uncalled capital.

### 3.8 Authorisations

Each Chargor charges by way of fixed charge the benefit of all Authorisations held in relation to any Security Asset.

### 3.9 Collateral Warranties

Each Chargor charges by way of fixed charge all its rights under any Collateral Warranties.

### 3.10 Insurances

3.10.1 Each Legal Owner assigns absolutely all its rights and interests under the Insurances.

3.10.2 The Beneficial Owner assigns absolutely all its rights and interests in respect of the Insurance Proceeds.

### 3.11 Hedging Agreements

Each Chargor assigns absolutely all of its rights and interest under any Hedging Agreement.

### 3.12 Other contractual rights

Each Chargor assigns absolutely all its rights and interests under or in respect of:

3.12.1 each Lease Document;

3.12.2 all Rental Income;

3.12.3 all proceeds payable to such Chargor in respect of the Land referred to in Schedule 1 (*Charged Land*);

3.12.4 any guarantee of Rental Income contained in or relating to any Lease Document;

- 3.12.5 each Development Document;
- 3.12.6 the Pre-Sale Agreement and each Sale Contract;
- 3.12.7 each Management Agreement; and
- 3.12.8 any other agreement (in the case of the Beneficial Owner only, any other agreements relating to the Property and/or the development of the Property) to which it is a party which is not otherwise effectively assigned or charged by way of fixed charge pursuant to this Clause 3.

### 3.13 Other assets

- 3.13.1 Each Legal Owner charges by way of floating charge all its present and future business, undertaking and assets which are not effectively mortgaged, charged by way of fixed charge or assigned under this Clause 3.
- 3.13.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Debenture.

### 3.14 Trust

- 3.14.1 Subject to Clause 3.14.2, if or to the extent that the assignment or charging of any Security Asset is prohibited, the relevant Chargor holds it on trust for the Security Trustee.

- 3.14.2 If the reason referred to in Clause 3.14.1 is that:

- (a) a consent or waiver must be obtained; or
- (b) a condition must be satisfied,

then:

- (ii) subject to Clause 3.14.3, such Chargor shall apply for the consent or waiver; and
- (iii) the relevant Chargor shall use its best endeavours to satisfy the condition,

in each case within 14 days of the date of this Debenture or, if the Security Asset is acquired after the date of this Debenture, within 14 days of the date of acquisition.

- 3.14.3 Where the consent or waiver is not to be unreasonably withheld, each Chargor shall:

- (a) use its best endeavours to obtain it as soon as possible; and
- (b) keep the Security Trustee informed of the progress of the negotiations to obtain it.

- 3.14.4 On the waiver or consent being obtained, or the condition being satisfied, the Security Asset shall be mortgaged, charged or assigned (as appropriate) under this Clause 3 and the trust referred to in Clause 3.14.3 shall terminate.

#### **4 Nature of Security created**

##### **4.1 The Security created under this Debenture is created:**

- 4.1.1 as a continuing security to secure the payment and discharge of the Secured Liabilities;
- 4.1.2 (except in the case of assets which are the subject of a legal mortgage under this Debenture) over all present and future assets of the kind described which are owned by each Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them;
- 4.1.3 in favour of the Security Trustee as trustee for the Finance Parties; and
- 4.1.4 with full title guarantee (except that the covenant set out in section 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to all charges, incumbrances and rights, even if the Chargor does not know and could not reasonably be expected to know about them).

##### **4.2 Security over Hedging Agreement**

The Security created under this Debenture over any Hedging Agreement shall apply net of set-off or combination of accounts owed under, and in accordance with the terms of, that Hedging Agreement.

#### **5 Conversion of floating charge**

##### **5.1 Conversion on notice**

Subject to Clause 5.2 (*Limitation*), the Security Trustee may by notice to the relevant Legal Owner at any time during the Security Period convert the floating charge created by this Debenture into a fixed charge in respect of any Security Asset specified in that notice if:

- 5.1.1 a Default is continuing; or
- 5.1.2 the Security Trustee considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

##### **5.2 Limitation**

Clause 5.1 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

##### **5.3 Automatic conversion**

The floating charge created by this Debenture will convert automatically into fixed charges:



- 5.3.1 if the Security Trustee receives notice of an intention to appoint an administrator of a Chargor;
- 5.3.2 if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of a Chargor over all or any part of its assets, or if such person is appointed;
- 5.3.3 if a Chargor creates or attempts to create Security over all or any of the Security Assets, other than Permitted Security;
- 5.3.4 on the crystallisation of any other floating charge over the Security Assets;
- 5.3.5 if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and
- 5.3.6 in any other circumstances prescribed by law.

## **6 Positive covenants**

### **6.1 Preservation of the Security Assets**

Each Chargor shall:

- 6.1.1 without prejudice to the carrying out of the Development keep all Land, all Equipment and all other tangible assets which form part of the Security Assets charged by it in the same or better condition as that in which it is on the date of this Debenture and permit the Security Trustee free access at all reasonable times and on reasonable notice to view their state and condition;
- 6.1.2 preserve, maintain and renew as and when necessary all Intellectual Property Rights which form part of the Security Assets;
- 6.1.3 observe and perform all covenants, undertakings, laws and regulations from time to time affecting any Security Asset charged by it or the use or enjoyment of it;
- 6.1.4 pay all Tax, rents, rates, duties, fees, charges, assessments, impositions, calls, instalments and outgoings which are properly payable at any time during the Security Period in respect of any Security Asset charged by it or by the owner or occupier of it (and if it fails to pay that amount when due, the Security Trustee may pay it);
- 6.1.5 notify the Security Trustee of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened; and
- 6.1.6 at its own cost, defend any proceedings (including proceedings to seize, attach, charge, take possession of or sell) brought by a third party relating to any Security Asset.

## 6.2 Notice to tenants

Each Legal Owner must:

- 6.2.1 promptly following the request of the Security Trustee at any time while an Event of Default is continuing serve a notice of assignment, in each case in the form of Part 1 of Schedule 3 (*Forms of Letter for Occupational Tenants*) (or other form approved by the Security Trustee) on each tenant of the Property and deliver to the Security Trustee a certified copy of each notice; and
- 6.2.2 use its reasonable endeavours to ensure that each such tenant acknowledges that notice, in the form of Part 2 of Schedule 3 (*Forms of Letter for Occupational Tenants*) (or other form approved by the Security Trustee).

## 6.3 Notices to Account Bank

After executing this Debenture, each Legal Owner shall:

- 6.3.1 in respect of each Controlled Account, promptly give notice to the Account Bank of the fixed charge created under Clause 3.4 (*Controlled Accounts*), such notice to be substantially in the form set out in Part 1 of Schedule 4 (*Forms of letter to and from Account Bank*) (or other form approved by the Security Trustee), and deliver to the Security Trustee a certified copy of that notice;
- 6.3.2 use all reasonable endeavours to ensure that the Account Bank acknowledges the notice served on it pursuant to Clause 6.3.1 substantially in the form set out in Part 2 of Schedule 4 (*Forms of letter to and from Account Bank*) (or other form approved by the Security Trustee);
- 6.3.3 in respect of any other account, promptly give notice to the Account Bank of the floating charge created under Clause 3.13 (*Other assets*), such notice substantially to be in the form set out in Part 3 of Schedule 4 (*Forms of letter to and from Account Bank*) (or other form approved by the Security Trustee), and deliver to the Security Trustee a certified copy of that notice; and
- 6.3.4 use its reasonable endeavours to ensure that the Account Bank acknowledges the notice served on it pursuant to Clause 6.3.3 substantially in the form set out in Part 4 of Schedule 4 (*Forms of Letter to and from Account Bank*) (or other form approved by the Security Trustee).

## 6.4 Insurances and other assigned agreements

6.4.1 Each Chargor shall:

- (a) promptly after the execution of this Debenture or (as the case may be) promptly after the execution of any Insurances entered into after the date of this Debenture give notice to the counterparties to the Insurances of the assignment created under Clause 3.10 (*Insurances*), each such notice to be in the form set out in

Schedule 5 (*Forms of Letter for Insurances*) (or other form approved by the Security Trustee) and deliver to the Security Trustee a certified copy of each notice;

- (b) promptly after the execution of this Debenture or (as the case may be) promptly after the execution of any Hedging Agreement or Development Document entered into after the date of this Debenture, give notice to the counterparties to each Hedging Agreement and each Development Document of the assignments created under Clauses 3.11 (*Hedging Agreements*) and Clause 3.12.5 (*Other contractual rights*), each such notice to be substantially in the form set out in Schedule 6 (*Forms of Letter for assigned agreements*) (or other form approved by the Security Trustee) and deliver to the Security Trustee a certified copy of each notice;
- (c) at the request of the Security Trustee at any time an Event of Default is continuing, promptly give notice to the counterparties to any other agreement assigned under Clause 3.12 (*Other contractual rights*) of that assignment, such notice to be substantially in the form set out in Schedule 6 (*Forms of Letter for assigned agreements*) (or other form approved by the Security Trustee) and deliver to the Security Trustee a certified copy of each notice;
- (d) use its reasonable endeavours to procure that each party served with a notice under paragraphs (a), (b) or (c) of this Clause countersigns and returns it to the Security Trustee as substantially set out in Schedule 5 (*Forms of Letter for Insurances*) or Schedule 6 (*Forms of Letter for assigned agreements*) as applicable (or in any other form approved by the Security Trustee).

6.4.2 To the extent that the Security Trustee is the same entity as the counterparty to any Hedging Agreement it acknowledges that this Deed constitutes notice to it of the assignments created under Clause 3.11.

6.4.3 To the extent that the Security Trustee is the same entity as the Account Bank it acknowledges that this Deed constitutes notice to it of the charges created under Clause 3.4.

6.4.4 Subject to the terms of the Facility Agreement and to the terms of any notice or acknowledgement given or received pursuant to Clause 6.4.1, while no Event of Default is continuing each Chargor may:

- (a) exercise its rights in respect of the agreements assigned pursuant to Clauses 3.10 (*Insurances*), 3.11 (*Hedging Agreements*) and 3.12 (*Other contractual rights*); and
- (b) deal with the relevant counterparties in respect of those agreements.

## 6.5 Payments without deduction

Each Chargor covenants with the Finance Parties that all payments to be made by it under this Debenture shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

## 7 Negative covenants

The covenants in this Clause 7 remain in force from the date of this Debenture until the expiry of the Security Period.

### 7.1 Disposals

7.1.1 No Chargor shall enter into a single transaction or a series of transactions (whether related or not), whether voluntary or involuntary and whether at the same time or over a period of time, to sell, lease, transfer, loan, or otherwise dispose of any Security Asset, or enter into an agreement to make any such disposal.

7.1.2 Clause 7.1.1 does not apply to a disposal of any Security Asset which at the time of that disposal is subject to the floating charge created by this Debenture and which is made in the ordinary course of the day-to-day trading activities of the relevant Chargor nor to any disposal permitted by the Facility Agreement.

### 7.2 Negative pledge

No Chargor shall create or permit to subsist any Security over any Security Asset except for Permitted Security.

### 7.3 Preservation of the Security Assets

Save as permitted by and in accordance with the Facility Agreement, no Chargor shall without the written consent of the Security Trustee:

7.3.1 enter into any onerous obligation or restriction affecting any Security Asset;

7.3.2 in relation to any Land forming part of the Security Assets:

- (a) part with possession of it, confer on any other person any right or licence to occupy it or grant any licence to assign, sub-let or create any Security over it;
- (b) exercise any of the powers conferred by sections 99 and 100 of the Act of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases;
- (c) vary, assign or otherwise dispose of or allow to be forfeited any leasehold interest;
- (d) agree any rent review;
- (e) otherwise than as part of the Development, make any structural or material alteration, or do or allow anything to be done which falls

within the definition of development in section 55 of the Town and Country Planning Act 1990;

- (f) allow any person other than a Chargor to be registered under the Land Registration Act 2002 as proprietor, or create or permit to arise any interest which overrides under the Land Registration Act 2002 (and the Chargor shall reimburse the Security Trustee for its reasonable costs of lodging:
  - (i) a caution against first registration of the title to that Land; or
  - (ii) if that Land is unregistered, a land charge);
- (g) make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title;

7.3.3 in relation to any uncalled capital of any Legal Owner, call it up or receive it in advance of calls unless the Security Trustee otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Liabilities or as the Security Trustee otherwise directs; or

7.3.4 take any Security in connection with its liability under this Debenture from any guarantor of, or provider of Security for, any of the Secured Liabilities.

## **8 Enforcement**

### **8.1 When Security becomes enforceable**

The Security created by this Debenture shall become enforceable:

- 8.1.1 on and at any time after the occurrence of an Event of Default which is continuing; or
- 8.1.2 if a Chargor so requests.

### **8.2 Powers on enforcement**

At any time after the Security created by this Debenture has become enforceable the Security Trustee may (without prejudice to any other of its rights and remedies and without notice to any Chargor) do all or any of the following:

- 8.2.1 exercise all the powers and rights conferred on mortgagees by the Act, as varied and extended by this Debenture, without the restrictions contained in sections 103 or 109(1) of the Act;
- 8.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 and 100 of the Act;
- 8.2.3 to the extent that any Security Asset constitutes Financial Collateral, as defined in the Regulations, appropriate it and transfer the title in and to it to

the Security Trustee insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18;

8.2.4 subject to Clause 9.1.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets; and

8.2.5 appoint an administrator of each Chargor.

### 8.3 Disposal of the Security Assets

In exercising the powers referred to in Clause 8.2.1 (*Powers on enforcement*), the Security Trustee or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

### 8.4 Application of moneys

8.4.1 The Security Trustee or any Receiver shall apply moneys received by them under this Debenture after the Security created under this Debenture has become enforceable in the following order:

- (a) first, in or towards the payment pro rata of, or the provision pro rata for, any unpaid costs and expenses of the Security Trustee and any Receiver under this Debenture or which are incidental to any Receiver's appointment, together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- (b) secondly, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Trustee and any Receiver;
- (c) thirdly, in or towards the discharge of all liabilities having priority to the Secured Liabilities;
- (d) fourthly, in or towards the discharge of the Secured Liabilities in accordance with the Facility Agreement; and
- (e) fifthly, in the payment of any surplus to the Chargors or other person entitled to it,

and section 109(8) of the Act shall not apply.

8.4.2 Clause 8.4.1 will override any appropriation made by any Chargor.

## 9 Appointment and powers of Receivers

### 9.1 Method of appointment and removal

9.1.1 The Security Trustee may not appoint a Receiver by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

- 9.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Trustee pursuant to this Debenture may be made in writing under the hand of any officer or manager of the Security Trustee (subject to any requirement for a court order in the removal of an administrative receiver).

## 9.2 Powers of Receiver

Every Receiver shall have all the powers:

- 9.2.1 of the Security Trustee under this Debenture;
- 9.2.2 conferred by the Act on mortgagees in possession and on receivers appointed under the Act;
- 9.2.3 which are specified in Schedule 1 of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of that Act) together with the additional powers set out in Schedule 2 (*Additional powers of Receiver*); and
- 9.2.4 in relation to any Security Asset, which he would have if he were its only beneficial owner.

## 9.3 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Debenture.

## 9.4 Receiver as agent

Every Receiver shall be the agent of the Chargors which shall be solely responsible for his acts and defaults and for the payment of his remuneration.

## 9.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Trustee and the maximum rate specified in section 109(6) of the Act shall not apply.

## 10 Protection of purchasers

No purchaser or other person dealing with the Security Trustee or any Receiver shall be bound or concerned:

- 10.1 to see or enquire whether the right of the Security Trustee or any Receiver to exercise any of the powers conferred by this Debenture has arisen or not;
- 10.2 with the propriety of the exercise or purported exercise of those powers; or
- 10.3 with the application of any moneys paid to the Security Trustee, to any Receiver or to any other person.

## **11 Protection of the Finance Parties and Receivers**

### **11.1 Exclusion of liability**

None of the Security Trustee, the other Finance Parties, any Receiver or any of their respective officers or employees shall have any responsibility or liability:

- 11.1.1 for any action taken, or any failure to take any action, in relation to all or any of the Security Assets;
- 11.1.2 to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- 11.1.3 for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies;
- 11.1.4 for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of the Chargors); or
- 11.1.5 for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

except in the case of gross negligence or wilful misconduct on the part of that person.

### **11.2 General indemnity**

11.2.1 Each Chargor shall indemnify the Security Trustee, the other Finance Parties, any Receiver and their respective officers and employees against all actions, proceedings, demands, claims, costs, expenses, and other liabilities incurred by them in respect of all or any of the following:

- (a) any act or omission by any of them in relation to all or any of the Security Assets;
- (b) any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- (c) any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Debenture;
- (d) carrying out or purporting to carry out any of the rights, powers and discretions conferred on them by or permitted under this Debenture; and
- (e) any breach by any Chargor of any of its covenants or other obligations to the Security Trustee or any other Finance Party,

except in the case of gross negligence or wilful misconduct on the part of that person.



11.2.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause from the date of demand for payment of the liability to the date of actual payment (both before and after judgment).

### 11.3 Indemnity out of the Security Assets

The Security Trustee, the other Finance Parties, any Receiver and their respective officers and employees shall be entitled to be indemnified out of the Security Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 11.2 (*General indemnity*).

## 12 Preservation of Security

### 12.1 Reinstatement

If any payment by any Chargor or discharge given by the Security Trustee (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency, liquidation, administration or any similar event:

12.1.1 the liabilities of the Chargors and the Security created by this Debenture shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

12.1.2 the Finance Parties shall be entitled to recover the value or amount of that Security or payment from the Chargors, as if the payment, discharge, avoidance or reduction had not occurred.

### 12.2 Waiver of defences

Neither the Security created by this Debenture nor the obligations of any Chargor under this Debenture will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, the Security Trustee or any other Finance Party) including:

12.2.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;

12.2.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;

12.2.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

12.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

- 12.2.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Finance Document or any other document or Security;
- 12.2.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 12.2.7 any insolvency, liquidation, administration or similar procedure.

### 12.3 Chargor intent

Without prejudice to the generality of Clause 12.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Debenture shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- 12.3.1 acquisitions of any nature;
- 12.3.2 increasing working capital;
- 12.3.3 enabling investor distributions to be made;
- 12.3.4 carrying out restructurings;
- 12.3.5 refinancing existing facilities;
- 12.3.6 refinancing any other indebtedness;
- 12.3.7 making facilities available to new borrowers;
- 12.3.8 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and

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

### 12.4 Immediate recourse

Each 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 any Chargor under this Debenture. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

### 12.5 Appropriations

During the Security Period each Finance Party may:

- 12.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 8.4.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether

against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and

- 12.5.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of the Secured Liabilities.

#### 12.6 Deferral of Chargors' rights

During the Security Period and unless the Security Trustee otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Debenture or the enforcement of the Security created by this Debenture:

- 12.6.1 to receive or claim payment from, or be indemnified by an Obligor;
- 12.6.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Finance Documents;
- 12.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Finance Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- 12.6.4 to exercise any right of set-off against any Obligor; and/or
- 12.6.5 to claim or prove as a creditor of any Obligor in competition with any Finance Party.

#### 12.7 Additional Security

This Debenture is in addition to, is not in any way prejudiced by and shall not merge with any contractual right or remedy or other Security now or in the future held by or available to any Finance Party.

#### 12.8 New accounts

If any Finance Party receives notice (actual or otherwise) of any subsequent Security over or affecting all or any of the Security Assets it may open a new account or accounts in the name of each Chargor and, if it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security, and as from that time all payments made by or on behalf of a Chargor to that Finance Party:

- 12.8.1 shall be credited or be treated as having been credited to the new account of that Chargor; and
- 12.8.2 shall not operate to reduce the Secured Liabilities at the time when the Finance Party received or was deemed to have received such notice.

### 13 Tacking

For the purposes of section 94(1) of the Act and section 49(3) of the Land Registration Act 2002 the Security Trustee confirms on behalf of the Lenders that the

Lenders shall make further advances to the Chargors on the terms and subject to the conditions of the Finance Documents.

#### **14 Further assurance**

##### **14.1 Application to Land Registrar**

Each Chargor consents to the registration against the registered titles of the Property of:

###### **14.1.1 a restriction in the following terms:**

"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 debenture dated                      in favour of HSBC Bank plc (as trustee for the Finance Parties referred to in that debenture) referred to in the charges register or, if appropriate, signed on such proprietor's behalf by an authorised signatory of HSBC Bank plc (Form P)"; and

###### **14.1.2 a notice that the Lenders are under an obligation to make further advances on the terms and subject to the conditions of the Finance Documents.**

##### **14.2 Further action**

Each Chargor shall, at its own expense, promptly take any action and sign or execute any further documents which the Security Trustee may require in order to:

###### **14.2.1 give effect to the requirements of this Debenture;**

###### **14.2.2 protect, preserve and perfect the Security intended to be created by or pursuant to this Debenture;**

###### **14.2.3 protect and preserve the ranking of the Security intended to be created by or pursuant to this Debenture with any other Security over any assets of any Chargor;**

###### **14.2.4 facilitate the realisation of all or any of the Security Assets or the exercise of any rights, powers and discretions conferred on the Security Trustee, any Receiver or any administrator in connection with all or any of the Security Assets;**

###### **14.2.5 while any Event of Default is continuing, assign any Collateral Warranty capable of assignment to any person nominated by the Security Trustee or any Receiver,**

and any such document may disapply section 93 of the Act.

##### **14.3 Deposit of documents**

Each Chargor covenants that, on the date of this Debenture and at all times during the Security Period as soon as it receives them (and in any event as soon as the Security Trustee so requests), it shall, save as otherwise agreed in writing by the

Security Trustee, deposit with the Security Trustee, in respect of or in connection with the Security Assets:

- 14.3.1 all deeds, certificates and other documents of or evidencing title;
  - 14.3.2 signed undated transfers of the Investments charged under Clause 3.2 (*Investments*), completed in blank and, if the Security Trustee so requires, pre-stamped; and
  - 14.3.3 any other documents which the Security Trustee may from time to time require for perfecting its title, or the title of any purchaser.
- 14.4 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this Clause 14.

## **15 Power of attorney**

Each Chargor irrevocably and by way of security appoints each of:

- 15.1 the Security Trustee;
- 15.2 any delegate or sub-delegate of, or other person nominated in writing by, an officer of the Security Trustee; and
- 15.3 any Receiver,

jointly and severally as each Chargor's attorney, in such Chargor's name, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit following the occurrence of an Event of Default or following the failure by any Chargor to comply with a request from the Security Trustee, to take any action and sign or execute any further documents which any Chargor is required to take, sign or execute in accordance with this Debenture. Each Chargor agrees, promptly on the request of the Security Trustee or any Receiver, to ratify and confirm all such actions taken and documents signed or executed.

## **16 Discharge of Security**

Upon expiry of the Security Period the Security Trustee shall, or shall procure that its appointees will, at the request and cost of the Chargor:

- 16.1 release the Security Assets from this Debenture;
- 16.2 re-assign to the Chargors those Security Assets that have been assigned to the Security Trustee under Clause 3 (*Creation of Security*); and
- 16.3 remove the restriction and notice referred to in Clause 14.1 (*Application to Land Registrar*).

Section 93 of the Act shall not apply to this Debenture.

**17 Notices**

Clause 37 (*Notices*) of the Facility Agreement shall apply to this Debenture, mutatis mutandis.

**18 Calculations and certificates****18.1 Accounts**

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

**18.2 Certificates and determinations**

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

**19 Partial invalidity**

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

**20 Remedies and waivers**

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

**21 Amendments and waivers**

Any term of this Debenture may be amended or waived only with the written consent of each Chargor and the Security Trustee.

**22 Counterparts**

This Debenture 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 Debenture.

**23 Governing law and enforcement****23.1 Governing law**

English law governs this Debenture, its interpretation and any non-contractual obligations arising from or connected with it.

23.2 Jurisdiction

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

23.2.2 The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no party will argue to the contrary.

Executed as a deed and delivered on the date appearing at the beginning of this Debenture.

## Schedule 1

**Charged Land**

Description and address	Title Number
All that leasehold property known as or being 1 Canal Reach, Kings Cross, London N1 demised by the Headlease	NGL901018



## Schedule 2

**Additional powers of Receiver**

In addition to the powers conferred by the Act on receivers and those conferred by Clause 9.2 (*Powers of Receiver*), each Receiver shall have the powers set out in this Schedule.

- 1 To enter into, take possession of, collect and get in the Security Assets.
- 2 To manage the Security Assets.
- 3 To collect and get in all moneys or proceeds in any way arising from the Security Assets or any deed, document, right or entitlement affecting the Security Assets whether directly or indirectly.
- 4 To sell, exchange, surrender, renounce, deal with, convert into money and realise the Security Assets or any estate or interest in any of them.
- 5 To convey, assign or transfer the Security Assets subject to such exceptions, reservations and covenants and obligations as the Security Trustee or any Receiver may consider necessary or expedient.
- 6 For the purposes of realisation of any Security Asset, to convey, assign or transfer it to any person with or without consideration or exchange it for shares or other property. Plant, machinery and other fixtures may be severed and sold separately from the premises containing them.
- 7 To apportion any rent and/or the performance of any obligations.
- 8 To acquire, renew, extend, grant, vary or otherwise deal with such easements, servitudes, rights, privileges and/or licences as the Security Trustee or a Receiver considers expedient.
- 9 To grant without restriction any lease or tenancy for any term whether commencing at once or at any future date at any or no rent and with or without any premium and generally on such terms as the Security Trustee or any Receiver may consider expedient.
- 10 To accept the surrender or renunciation of any lease or tenancy whether or not for the purpose of enabling a new lease to be granted.
- 11 To give an effectual receipt for any premium payable on any grant or surrender or renunciation of any lease.
- 12 To exercise, observe and perform for and on behalf of any Chargor any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of property (whether as landlord and/or tenant) at common law or by statute (including the Landlord and Tenant Acts 1927 to 1988, the Landlord and Tenant (Covenants) Act 1995, the Rent Act 1977, the Town and Country Planning Act 1990, the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Town and Country Planning (Scotland) Acts, the Public Health Act 1936, the Control of Pollution Act 1974 the Water Act 1989 and the Environmental Protection Act 1990).

- 13 To initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy.
- 14 To exercise (whether on any Chargor's behalf or otherwise) any option or right of election available in law to any Chargor or the Security Trustee or any Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax.
- 15 To sign, seal, execute, deliver, complete and perfect all notices and documents as are thought fit by the Security Trustee or the Receiver for exercising, observing and performing any of the powers, obligations or duties conferred or imposed on any Chargor by this Debenture or by any statute in respect of the Security Assets.
- 16 To give receipts for any compensation moneys payable to or by a landlord or tenant.
- 17 To promote, incorporate, manage and wind up either alone or with others any company either for the purposes of:
  - 17.1 taking a conveyance, transfer, assignment, assignation or lease of or other interest in any Security Asset; and/or
  - 17.2 undertaking works on and/or providing services to the occupiers of any Security Asset,

in any case where it is desirable or convenient to do so and/or in connection with or for the furtherance of all or any of the powers contained in this Debenture as the Security Trustee or the Receiver may consider expedient.
- 18 To construct or complete any building (whether or not it is in accordance with the development planned or being carried on at any Land) and any roads, access ways and services and generally to develop the Land in such manner as the Security Trustee or the Receiver may consider expedient.
- 19 To carry out any work involving furnishing or fitting out or the installation or provision of any plant, machinery, equipment or service.
- 20 To utilise any moneys at any time or from time to time received for the purposes of financing any expenditure at any time or from time to time incurred in connection with or incidental to the exercise of any of the powers conferred by this Debenture in advance of any other payments.
- 21 To continue, commence or undertake any business (whether or not previously carried on by any Chargor).
- 22 To borrow, raise or secure the payment of money which may be required for the exercise of any of the powers conferred by this Debenture in such manner including the creation of new assignments, mortgages or charges (whether or not having priority to this charge) as may be considered expedient.
- 23 To obtain, renew, extend, amend or otherwise deal with such permissions, consents and/or licences for the benefit of or otherwise connected with or ancillary to the Security Assets or the use or development of any business comprised in the Security Assets as the Security Trustee or the Receiver may consider necessary or desirable.

- 24 To agree any variation, modification or determination of any existing deeds or agreements and enter into make or obtain any new agreements, deeds or bonds which the Security Trustee or Receiver considers may be necessary or desirable.
- 25 To employ staff, solicitors, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers and others and purchase all proper stock, materials and other items as the Security Trustee or the Receiver may consider expedient.
- 26 To dedicate any part or parts of the Land as a highway where to do so is desirable in order that the Land may more conveniently be developed.
- 27 To make any change or arrangement as to boundaries with adjoining owners and neighbours so as to resolve any dispute or to facilitate development.
- 28 Provided this does not result in a breach of the terms of the headleases or any Occupational Lease, to effect and maintain insurance policies (whether against fire and other physical risks, loss of rent or third party or public liability, or structural or latent defect, or for other indemnity or otherwise) and to make, prove, negotiate, adjust or enforce any claim on any policy whether effected by any Chargor or the Security Trustee or the Receiver.
- 29 To take, defend, appeal or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent expert) concerning or incidental to the Security Assets or to any of the powers set out in this Schedule.
- 30 To make any arrangement or compromise or enter into any contracts which the Security Trustee or the Receiver may consider expedient.
- 31 To do all such other acts and things as the Security Trustee or the Receiver may consider necessary or desirable for the management, development or realisation of all or any part or parts of the Security Assets and/or acts and things incidental or ancillary to the powers set out in this Schedule and the exercise of them.

## Schedule 3

**Forms of letter to and from Occupational Tenants****Part 1 - Notice to Occupational Tenant**

[On Chargor's notepaper]

To: [Occupational tenant]

[DATE]

Dear Sirs

re: [Property]

**Debenture dated [ ] between [Chargor] and [Security Trustee] (the Debenture)**

We refer to the lease dated [ ] and made between [ ] and [ ] (the "Lease").

This letter constitutes notice to you that under the Debenture we have assigned (by way of security) to [Security Trustee] (as trustee for itself and certain other banks and financial institutions, the Security Trustee) all our rights under the Lease.

We irrevocably instruct and authorise you to pay any rent payable by you under the Lease to our account at [ ], Account No. [ ], Sort Code [ ] (the Account) [insert details of the Proceeds Account].

The instructions in this letter apply until you receive notice from the Security Trustee to the contrary and notwithstanding any previous instructions given by us.

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

This letter is governed by English law.

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Trustee at [insert Security Trustee's address] with a copy to ourselves.

Yours faithfully,

For

[Chargor]

**Part 2 - Acknowledgement of Occupational Tenant**

To: [Security Trustee]

Attention: [ ]

Date: [ ]

Dear Sirs

**re: [Property]**

Debenture dated [ ] between [Chargor] and [Security Trustee] (the "**Debenture**")

We confirm receipt from [Chargor] (the Chargor) of a notice dated [ ] (the "**Notice**") in relation to the Lease (as defined in the Notice).

We accept the instructions contained in the Notice.

We confirm that we:

- (a) have not received any notice that any third party has or will have any right or interest in, or has made or will be making any claim or demand or taking any action in respect of, the rights of the Chargor under or in respect of the Lease (as defined in the Notice); and
- (b) will pay all rent and all other monies payable by us under the Lease into the Account (as defined in the Notice) until we receive your written instructions to the contrary.

This letter is governed by English law.

Yours faithfully,

.....

For

[ ]

## Schedule 4

**Forms of letter to and from Account Bank****Part 1 - Notice to Account Bank regarding the Controlled Accounts**

[On Chargor's notepaper]

To: [insert name and address of Account Bank]

Date:

Dear Sirs

**Debenture dated [ ] between [Chargor] and [ ] [Security  
Trustee] (the "Debenture")**

We refer to the following accounts which we hold with you:

- (a) [insert account number and sort code of each of the Controlled Accounts]
- (b) as they may from time to time be re-designated or re-numbered (each a Controlled Account and together the Controlled Accounts).

We are writing to give you notice of certain rights in respect of the Controlled Accounts that we have granted to [ ] [Security Trustee] in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the "**Bank**").

Under the Debenture we have charged by way of fixed charge in favour of the Bank all amounts standing to the credit of each Controlled Account from time to time (each a Deposit and together the Deposits) and all of our right, title and interest in, and relating to, each Controlled Account.

Regardless of any previous authorisations or instructions which we may have given you and without making any enquiry as to the justification for the matter, we irrevocably authorise and instruct you:

- (a) to disclose to the Bank any information relating to us, each Controlled Account and each Deposit which the Bank may from time to time request you to disclose to it;
- (b) to hold each Deposit to the order of the Bank, and not permit the whole or any part of any Deposit to be withdrawn by us;
- (c) to pay or release all or any part of each Deposit, and generally to act in relation to each Deposit, only in accordance with the written instructions of the Bank; and
- (d) to comply with the terms of any written notice or instructions in any way relating to or purporting to relate to any Controlled Account or any Deposit which you may receive from the Bank.

The instructions and authorisations contained in this letter may not be revoked or varied without the written agreement of the Bank.

This letter is governed by English law.

Please acknowledge and confirm the above to the Bank in the form attached with a copy to us.

Yours faithfully,

.....  
for and on behalf of [Chargor]

copy: [Security Trustee]

**Part 2 – Acknowledgement from Account bank regarding Controlled Accounts**

To: [ ] (as agent and security trustee for certain banks and financial institutions, the Bank)

Attention: [ ]

Date: [ ]

Dear Sirs

**Debenture dated [ ] between [Chargor] and [ ] [Security Trustee] (the "Debenture")**

We acknowledge receipt of a notice (the Notice) from [ ] (the Chargor) dated [ ] that under the Debenture it has [charged by way of fixed charge in favour of][assigned absolutely to] the Bank all of the Chargor's right, title and interest in, and relating to the Controlled Accounts and the Deposits (the "**Security**").

Terms defined in the Notice have the same meaning in this letter.

We confirm that:

- (a) we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- (b) we have not received notice of:
  - (i) any other assignment of or encumbrance over any Deposit or Controlled Account; or
  - (ii) any interest, claim or right in or to either of them by any third party,
 and we shall promptly give you notice of any such actual, potential or asserted assignment, encumbrance, interest, claim or right of which we become aware;
- (c) we do not, and will not, hold or otherwise have the benefit of any security interest or other encumbrance over any Controlled Account or any Deposit; and
- (d) we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of any Controlled Account or any Deposit.

We are aware that you are relying on this letter in connection with your rights under the Security.

This letter is governed by English law.

Yours faithfully,

.....  
for and on behalf of [Account Bank]

copy: [Chargor]



**Part 3 - Notice to Account Bank regarding any non-Controlled Account**

[On Chargor's notepaper]

To: [Account Bank]

Date: [ ]

Dear Sirs

**Debenture dated [\*\* ] between [Chargor] and \*\* [Security  
Trustee] (the Debenture)**

- 1 We are writing to give you notice of certain rights in respect of the [insert Account Number/Sort Code for the Operating Account] (the Operating Account) that we have granted to [ ] [Security Trustee] in its capacities (as applicable) as agent and security trustee for certain banks and financial institutions (the Bank).
- 2 Under the Debenture we have charged in favour of the Bank by way of first floating charge, all our rights in respect of any moneys standing to the credit of the Operating Account.
- 3 We notify you that:
  - (a) after you have received notice from the Bank under paragraph 5 below, we may not withdraw any moneys from the Operating Account without first obtaining the prior written consent of the Bank;
  - (b) there is a prohibition in the Debenture on the creation of any further Security Interest over the Operating Account; and
  - (c) you are authorised to disclose information relating to the Operating Account to the Bank on the request of the Bank.
- 4 After you have received notice from the Bank under paragraph 5 below, we irrevocably authorise and instruct you to:
  - (a) hold all moneys from time to time standing to the credit of the Operating Account to the order of the Bank; and
  - (b) pay all or any part of those moneys to the Bank (or as it may direct) promptly following receipt of written instructions from the Bank to that effect.
- 5 By counter-signing this notice the Bank confirms that we may make withdrawals from the Operating Account until such time as the Bank shall notify you (with a copy to us) in writing that its permission is withdrawn.

We acknowledge that you may comply with the instructions in this letter without any further permission from us.

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

This letter is governed by English law.

Please confirm your agreement to the above by sending the attached acknowledgement to the Bank at [ ] [insert Security Trustee's address] with a copy to ourselves.

Yours faithfully,

.....

[Chargor]

cc: [Security Trustee]

**Part 4 - Acknowledgement of Account Bank regarding Operating Account**

To: [ ] (as agent and security trustee for certain banks and financial institutions, the Bank)

Attention: [ ]

Date: [ ]

Dear Sirs:

**Debenture dated [ ] between [Chargor] and [ ] [Security Trustee] (the "Debenture")**

We acknowledge receipt of a notice (the Notice) from [ ] (the "**Chargor**") dated [ ] that under the Debenture it has charged by way of floating charge in favour of the Bank all of the Chargor's right, title and interest in, and relating to the Operating Account (the Security).

Terms defined in the Notice have the same meaning in this letter.

We confirm that:

- (a) we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- (b) we have not received notice of:
  - (i) any other assignment of or encumbrance over the Operating Account; or
  - (ii) any interest, claim or right in or to it by any third party,
 and we shall promptly give you notice of any such actual, potential or asserted assignment, encumbrance, interest, claim or right of which we become aware;
- (c) we do not, and will not, hold or otherwise have the benefit of any security interest or other encumbrance over the Operating Account; and
- (d) we will not exercise any right of combination, consolidation, merger or set-off which we may have in respect of the Operating Account.

Any debt of the Chargor to the Account Bank which accrues before notice of the security is received by the Account Bank, whether or not it is payable before that date, and any debt which arises out of the same contract as that which gave rise to the Deposit, or is closely connected with that contract, may be set off against the Deposit.

We are aware that you are relying on this letter in connection with your rights under the Security.

This letter is governed by English law.

Yours faithfully,

.....  
 (Authorised signatory)  
 [Account Bank]

## Schedule 5

**Forms of letter for Insurances**

[On Chargor's notepaper]

To: [ ]

Attention: [ ]

Date: [ ]

Dear Sirs

## Notice of assignment

- 1 We refer to the [ ] [specify the relevant insurance policy] dated [ ] between us and you (the Policy).
- 2 We notify you that:
  - (a) under a debenture dated [ ] between us and [ ] [Security Trustee] (the "**Security Trustee**") we have assigned to the Security Trustee for the benefit of itself and certain other banks and financial institutions (together with the Security Trustee, the Secured Parties) [all our right, title and interest in and to, and all benefits accruing under, the Policy] / [so far as such benefit relates to 1 Canal Reach, King's Cross Central, London]\* as security for certain obligations owed to the Secured Parties;
  - (b) we may not agree to amend or terminate the Policy [so far only as the Policy relates to 1 Canal Reach, King's Cross Central, London]\* without the prior written consent of the Security Trustee;
  - (c) until you receive written notice to the contrary from the Security Trustee that an Event of Default has occurred, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy [so far as such moneys relate to 1 Canal Reach, King's Cross Central, London]\* to the following account in our name: [ ] [insert details of Proceeds Account]. After receipt of such notice we will cease to have any right to deal with you in relation to the Policy [so far only as the Policy relates to the 1 Canal Reach, King's Cross Central, London] and from that time you should deal only with the Security Trustee [so far only as such Policy relates to the 1 Canal Reach, King's Cross Central, London]\*; and
  - (d) you are authorised to disclose information relating to the Policy to the Security Trustee on request of the Security Trustee.

3 We request that you:

- (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Policy [so far as such moneys relate to the 1 Canal Reach, King's Cross Central, London]\* are credited to any account of the Security Trustee specified by the Security Trustee (and are not paid to us); and
- (b) give the Security Trustee not less than 30 days' written notice of your terminating the Policy or allowing the Policy to lapse.

4 Please sign and return the enclosed copy of this notice to the Security Trustee at [insert Security Trustee's address] (with a copy to the Chargor) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that the Chargor has assigned its rights under the Policy [so far as such benefit relates to the 1 Canal Reach, King's Cross Central, London]\* to a third party or created any other interest (whether by way of security or otherwise) in the Policy [so far as such benefit relates to the 1 Canal Reach, King's Cross Central, London]\* in favour of a third party; and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Policy.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

**[Chargor]**

cc: Security Trustee

**[On acknowledgement copy]**

To: **[insert name and address of Security Trustee]**

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

**[insert name of insurance company]**

Date: [ ]

\* To be included in relation to any notice to be issued by the Beneficial Owner

## Schedule 6

**Forms of letter for assigned agreements**

[On Chargor's notepaper]

To: \*\*

Attention: \*\*

Date: \*\*

Dear Sirs

**Notice of assignment**

- 1 We refer to the \*\* [specify the relevant assigned agreement] dated \*\* between us and you (the Agreement)
- 2 We notify you that:
  - (a) under a debenture dated \*\* between, among others, us and \*\* [Security Trustee] (the "**Security Trustee**") we have assigned to the Security Trustee for the benefit of itself and certain other banks and financial institutions (together with the Security Trustee, the "**Secured Parties**") all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Secured Parties;
  - (b) we may not agree to amend or terminate the Agreement without the prior written consent of the Security Trustee;
  - (c) until you receive written notice to the contrary from the Security Trustee that an Event of Default has occurred, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: \*\* [insert details of relevant Controlled Account]. After receipt of such notice we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Security Trustee; and
  - (d) you are authorised to disclose information relating to the Agreement to the Security Trustee on request of the Security Trustee.
- 3 We request that you:
  - (a) after receipt of written notice in accordance with paragraph 2(c), ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Security Trustee specified in that notice (and are not paid to us);
  - (b) give the Security Trustee written notice of any breach of the Agreement as soon as you become aware of it; and

- (c) give the Security Trustee not less than 30 days' written notice of your terminating the Agreement.

4 Please sign and return the enclosed copy of this notice to the Security Trustee at [insert Security Trustee's address] (with a copy to the Chargor) to confirm that you:

- (a) agree to the terms of this notice and to act in accordance with its provisions;
- (b) have not received notice that the Chargor has assigned its rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and
- (c) have not claimed or exercised, nor do you have any outstanding right to claim or exercise against the Chargor, any right of set-off, counter-claim or other right relating to the Agreement.

5 The provisions of this notice are governed by English law.

Yours faithfully

.....

for and on behalf of

**[Chargor]**

cc: Security Trustee

**[On acknowledgement copy]**

To: **[insert name and address of Security Trustee]**

Copy to: **[insert name and address of Chargor]**

We acknowledge receipt of the above notice and confirm the matters set out in paragraph 4.

.....

for and on behalf of

**[insert name of counterparty]**

Date: \*\*



**SIGNATORIES****Chargors****Legal Owners**

**Signed as a deed by KCC Nominee 1 (T1) Limited** acting by two directors or one director and its secretary:

\_\_\_\_\_  
Director

A J S PROWER  
print name

\_\_\_\_\_  
~~Director~~  
Secretary

BLP  
LLP

~~R M EVANS~~ A J SADLER  
print name

**Signed as a deed by KCC Nominee 2 (T1) Limited** acting by two directors or one director and its secretary:

\_\_\_\_\_  
Director

A J S PROWER  
print name

\_\_\_\_\_  
~~Director~~  
Secretary

BLP  
LLP

~~R M EVANS~~ A J SADLER  
print name

**Beneficial Owner**

**Signed as a deed by King's Cross Central Limited Partnership acting by its general partner King's Cross Central General Partner Limited** acting by two directors or one director and its secretary:

\_\_\_\_\_  
signature  
Director

D J G PALTRIDGE  
print name

\_\_\_\_\_  
sign  
Director/  
Secretary

A J S PROWER  
print name

**Security Trustee**

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



CHS MACKENZIE  
print name

\_\_\_\_\_  
signature

\_\_\_\_\_  
print name