



Registration of a Charge

Company name: **LONDON SQUARE WORKS LIMITED**

Company number: **08051976**

Received for Electronic Filing: **15/10/2018**



X7GLJAU2

Details of Charge

Date of creation: **11/10/2018**

Charge code: **0805 1976 0002**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC (AS SECURITY AGENT)**

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

MALIHA ABU-NOWAR



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8051976

Charge code: 0805 1976 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th October 2018 and created by LONDON SQUARE WORKS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th October 2018 .

Given at Companies House, Cardiff on 17th October 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

DATED 11 October 2018

EXECUTION VERSION

(1) THE CHARGORS

**(2) NATIONAL WESTMINSTER BANK PLC
(AS SECURITY AGENT)**

SECURITY AGREEMENT

This Deed is subject to the terms of the Intercreditor Agreement



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THIS DEED is dated

11 October 2018 and is made

BETWEEN:-

- (1) **THE ORIGINAL CHARGORS** listed in Schedule 1 (*Original Chargors*) (together with each company which becomes a party to this Deed by executing an Accession Deed (each a "**Chargor**" and together the "**Chargors**"); and
- (2) **NATIONAL WESTMINSTER BANK PLC** as security trustee for the Secured Parties (as defined below) pursuant to the Intercreditor Agreement (as defined below) (the "**Security Agent**").

BACKGROUND:-

- (A) The Chargors enter into this Deed in connection with the Initial Revolving Facility Agreement and the Note Purchase Agreement and any Ancillary Document (each as is defined below).
- (B) It is intended that this document takes effect as a deed notwithstanding the fact that a party may only execute this document under hand.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:-

" Accession Deed "	means a deed substantially in the form of Schedule 8 (<i>Accession Deed</i>) executed, or to be executed, by a person becoming a Chargor
" Account "	means any account opened or maintained by any Chargor at any bank or financial institution
" Account Bank "	each bank or financial institution at which an Account is held
" Act "	means the Law of Property Act 1925
" Ancillary Document "	has the meaning given to it in the Intercreditor Agreement
" Authorisation "	means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration or any other similar permission
" Debt Document "	has the meaning given to that term in the Intercreditor Agreement
" Debtor "	has the meaning given to that term in the Intercreditor Agreement
" Event of Default "	means any " Event of Default " as defined in the Initial Revolving Facility Agreement, or any " Event of Default " as defined in the Note Purchase Agreement
" General Account "	means the Account of the Chargor designated "General Account" and bearing account number [REDACTED] and sort code [REDACTED] and any successor account as permitted in accordance with the Debt Documents

"Group"	has the meaning given to it in the Intercreditor Agreement
"Hedging Agreement"	has the meaning given to it in the Intercreditor Agreement
"Initial Revolving Facility Agreement"	has the meaning given to it in the Intercreditor Agreement
"Intercreditor Agreement"	means the intercreditor agreement dated on or about the date of this Agreement between, amongst others, National Westminster Bank plc, HSBC Bank plc and AIB Group (UK) p.l.c. as original lenders and joint arrangers, NatWest Markets plc and HSBC Bank plc original hedge counterparty, The Royal Bank of Scotland plc, National Westminster Bank plc and HSBC Bank plc as ancillary lender, each Noteholder and the Obligors
"Intellectual Property"	<p>means any of the following:-</p> <ul style="list-style-type: none"> (a) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above (b) any brand and trade names, domain names, invention, copyright, design right or performance right (c) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above (d) any brand and trade names, domain names, invention, copyright, design right or performance right (e) any trade secrets, database right, know how and confidential information and (f) the benefit of any agreement or licence for the use of any such right, <p>and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest</p>

"Investments"	means:- <ul style="list-style-type: none"> (a) all shares (if any) specified in Part 2 (<i>Shares</i>) of Schedule 2 (<i>Real Property and Shares</i>); (b) all other shares owned by any Chargor or held by any nominee or trustee on its behalf and (c) all other shares, stocks, debentures, bonds or other securities or investments owned by any Chargor or held by any nominee or trustee on its behalf
"Lease Documents"	means the Lease Documents as such term is defined in each of the Debt Documents
"Liabilities"	has the meaning given to that term in the Intercreditor Agreement
"Mortgaged Property"	means all freehold or leasehold property included in the definition of Security Asset
"Noteholder"	has the meaning given to that term in the Intercreditor Agreement
"Note Purchase Agreement"	has the meaning given to that term in the Intercreditor Agreement
"Party"	means a party to this Deed
"Receiver"	means a receiver or receiver and manager or administrative receiver, in each case appointed under this Deed
"Relevant Contract"	means:- <ul style="list-style-type: none"> (a) an agreement relating to the purchase of any Security Site (as defined in each of the Debt Documents) by a Chargor (b) an agreement relating to the purchase of any Mortgaged Property (other than a Security Site) by a Chargor (including an agreement relating to an Option) (c) a document evidencing or under which any Subordinated Debt is made available or (d) any other document designated as such by the Security Agent and the Chargors
"Rental Income"	has the meaning given to it in each of the Debt Documents
"Repeating Representations"	means any "Repeating Representation" as defined in the Initial Credit Facility Agreement or any "Repeating Representation" as defined in the Note Purchase Agreement
"Security Asset"	means any asset of a Chargor which is, or is expressed to be, subject to any Security created by this Deed

"Secured Liabilities"	means all the Liabilities and all other present and future liabilities and obligations at any time due, owing or incurred by any member of the Group and by each Debtor to any Secured Party under any of the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity
"Secured Party"	has the meaning given to the term "Secured Parties" in the Intercreditor Agreement
"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 unconditionally and irrevocably paid and discharged in full
"Subordinated Debt"	means:- <ul style="list-style-type: none"> (a) the Subordinated Liabilities and (b) the Intra-Group Liabilities (each as defined in the Intercreditor Agreement)

1.2 Construction

- 1.2.1 The provisions of clause 1.2 (*Construction*) of the Intercreditor Agreement apply to this Deed as though they were set out in full in this Deed except that references to the Intercreditor Agreement will be construed as references to this Deed.
- 1.2.2 Unless a contrary indication appears, a reference in this Deed to:-
- (a) **"Debt Document"** or any other agreement, document or instrument is a reference to that Debt Document or other agreement, document or instrument as amended, novated, supplemented, extended or restated;
 - (b) any **"rights"** in respect of an asset includes:-
 - (i) all amounts and proceeds paid or payable;
 - (ii) all rights to make any demand or claim; and
 - (iii) all powers, remedies, causes of action, security, guarantees and indemnities,
 in each case in respect of or derived from that asset;
 - (c) any **"share"**, **"stock"**, **"debenture"**, **"bond"** or **"other security"** or **"investment"** includes:-
 - (i) any dividend, interest or other distribution paid or payable;
 - (ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
 in each case in respect of that share, stock, debenture, bond or other security or investment;
 - (d) the term **"this Security"** means any Security created by this Deed; and

- (e) the liabilities of the Chargors under this Deed are joint and several.
 - 1.2.3 Any covenant of a Chargor under this Deed (other than a payment obligation which has been discharged) remains in force during the Security Period.
 - 1.2.4 The terms of the other Debt Documents and of any other agreement or instrument between any Parties in relation to any Debt Document are incorporated in this Deed to the extent required to ensure that any purported disposition, or any agreement for the disposition, of any freehold or leasehold property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (*Miscellaneous Provisions*) Act 1989.
 - 1.2.5 If the Security Agent considers that an amount paid to a Secured Party under a Debt Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
 - 1.2.6 Unless the context otherwise requires, a reference to a Security Asset includes the proceeds of any disposal of that Security Asset.
 - 1.2.7 This Deed is subject to the provisions of the Intercreditor Agreement.
- 1.3 **Third party rights**
- 1.3.1 Unless expressly provided to the contrary in a Debt Document, a person who is not a Party has no right under the Contract (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.
 - 1.3.2 Notwithstanding any term of any Debt Document, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.
 - 1.3.3 Any Receiver may enforce and enjoy the benefit of any Clause which expressly confers rights on it, subject to Clause 1.3.2 above and the provisions of the Third Parties Act.
2. **CREATION OF SECURITY**
- 2.1 **General**
- 2.1.1 Each Chargor must pay or discharge the Secured Liabilities in the manner provided for in the Debt Documents.
 - 2.1.2 All the security created under this Deed:-
 - (a) is created in favour of the Security Agent;
 - (b) is created over present and future assets of each 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.
 - 2.1.3 If the rights of a Chargor under any document referred to in Clauses 2.9.1(a)(i) to 2.9.1(a)(vi) (each a "Document") cannot be secured without the consent of a party (other than a member of the Group):-
 - (a) that Chargor must notify the Security Agent promptly;

- (b) this Security will constitute security over all proceeds and other amounts which that Chargor may receive, or has received, under the relevant Document but will exclude that Chargor's other rights under any Document; and
- (c) unless the Security Agent otherwise requires, the Chargor must use its reasonable endeavours to obtain the required consent or satisfy the relevant condition.

2.1.4 The Security Agent holds the benefit of this Deed and this Security on trust for the Secured Parties.

2.2 **Land**

2.2.1 Each Chargor charges:-

- (a) by way of a first legal mortgage all estates or interests in any freehold or leasehold property now owned by it; this includes the real property (if any) specified in Part 1 (*Real Property*) of Schedule 2 (*Real Property and Shares*); and
- (b) (to the extent that they are not either the subject of a mortgage under Clause 2.2.1(a) above or freehold or leasehold property in Scotland) by way of a first fixed charge all estates or interests in any freehold or leasehold property now or subsequently owned by it.

2.2.2 A reference in this Clause 2 to a mortgage or charge of any freehold or leasehold property includes:-

- (a) all buildings, fixtures, fittings and fixed plant and machinery on that property; and
- (b) the benefit of any covenants for title given or entered into by any predecessor in title of any Chargor in respect of that property or any moneys paid or payable in respect of those covenants.

2.3 **Investments**

Each Chargor charges by way of a first fixed charge its interest in all its Investments.

2.4 **Plant and machinery**

To the extent that they are not the subject of a mortgage or a first fixed charge under Clause 2.2 (*Land*), each Chargor charges by way of a first fixed charge all plant and machinery owned by that Chargor and its interest in any plant or machinery in its possession.

2.5 **Credit balances**

- 2.5.1 Each Chargor charges by way of a first fixed charge all of its rights in respect of any Account other than the General Account, any amount standing to the credit of any Account other than the General Account and the debt represented by it.
- 2.5.2 Each Chargor charges by way of a first fixed charge all of its rights in respect of the General Account, any amount standing to the credit of the General Account and the debt represented by it.
- 2.5.3 Each Chargor charges by way of a first fixed charge all of its rights in respect of any account it has with any person other than the accounts referred to in Clauses 2.5.1 and 2.5.2, any amount standing to the credit of any such account and the debt represented by it.

2.6 **Book debts etc.**

Each Chargor charges by way of a first fixed charge:-

- 2.6.1 all of its Subordinated Debt;
- 2.6.2 all of its book and other debts;
- 2.6.3 all other moneys due and owing to it; and
- 2.6.4 the benefit of all rights in relation to any item under Clauses 2.6.1 to 2.6.3 above.

2.7 **Insurances**

- 2.7.1 Each Chargor assigns by way of security all of its rights under any contract or policy of insurance taken out by it or on its behalf or in which it has an interest (together, the "**Insurance Rights**").
- 2.7.2 To the extent that they have not been effectively assigned under Clause 2.7.1 above, each Chargor charges by way of a first fixed charge all of its Insurance Rights.

2.8 **Hedging**

Each Chargor assigns by way of security, all of its rights under any Hedging Agreements.

2.9 **Other contracts**

2.9.1 Each Chargor:-

- (a) assigns by way of security all of its rights:-
 - (i) under each Lease Document;
 - (ii) in respect of all Rental Income;
 - (iii) under any guarantee of Rental Income contained in or relating to any Lease Document;
 - (iv) under each Relevant Contract;
 - (v) under any building contract, trade contract, consultant appointment, collateral warranty, report or other construction contract; and
 - (vi) under any document, agreement or instrument to which it and any nominee or trustee is party in respect of an Investment; and
- (b) charges by way of a first fixed charge all of its rights under any other document, agreement or instrument to which it is a party except to the extent that it is subject to any fixed security created under any other term of this Clause 2.

2.9.2 To the extent that they have not been effectively assigned by way of security under Clause 2.9.1(a) above, each Chargor charges by way of a first fixed charge all of its rights listed under Clause 2.9.1(a) above.

2.10 **Miscellaneous**

Each Chargor charges by way of first fixed charge:-

- 2.10.1 its goodwill;

- 2.10.2 the benefit of any Authorisation (statutory or otherwise) held in connection with its use of any Security Asset;
- 2.10.3 the right to recover and receive compensation which may be payable to it in respect of any Authorisation referred to in Clause 2.10.2 above;
- 2.10.4 the Intellectual Property;
- 2.10.5 its uncalled capital; and
- 2.10.6 the benefit of all rights in relation to any item under Clauses 2.10.1 to 2.10.5 above.

2.11 **Floating charge**

- 2.11.1 Each Chargor charges by way of a first floating charge all its assets not otherwise effectively mortgaged, charged or assigned by way of fixed mortgage, fixed charge or assignment under this Clause 2.
- 2.11.2 Except as provided below, the Security Agent may by notice to a Chargor convert the floating charge created by this Clause 2.11 into a fixed charge as regards any of that Chargor's assets specified in that notice if:-
 - (a) an Event of Default is continuing; or
 - (b) the Security Agent considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy.
- 2.11.3 The floating charge created by this Clause 2.11 may not be converted into a fixed charge solely by reason of:-
 - (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
 under section 1A of the Insolvency Act 1986.
- 2.11.4 The floating charge created by this Clause 2.11 will (in addition to the circumstances when this may occur under the general law) automatically convert into a fixed charge over all of that Chargor's assets if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator.
- 2.11.5 The floating charge created by this Clause 2.11 is a "**qualifying floating charge**" for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

3. **RESTRICTIONS ON DEALINGS**

3.1 **Security**

Except as expressly allowed under each of the Debt Documents, each Chargor must not create or permit to subsist any Security on any Security Asset.

3.2 **Disposals**

Except as expressly allowed under each of the Debt Documents, each Chargor must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Security Asset.

4. **LAND**

4.1 **Notices to tenants**

Each Chargor must on an Event of Default which is continuing:-

- 4.1.1 deliver to the Security Agent a notice of assignment, substantially in the form of Part 1 of Schedule 3 (*Forms of Letter for Occupational Tenants*), in respect of each tenant of the Mortgaged Property, such notice to be delivered to the Security Agent; and
- 4.1.2 use reasonable endeavours to ensure that each such tenant acknowledges that notice, substantially in the form of Part 2 of Schedule 3 (*Forms of Letter for Occupational Tenants*).

4.2 **Acquisitions**

If any Chargor acquires any freehold or leasehold property in England and Wales in accordance with each of the Debt Documents, after the date of this Deed it must:-

- 4.2.1 notify the Security Agent promptly;
- 4.2.2 promptly on request by the Security Agent and at the cost of that Chargor, execute and deliver to the Security Agent a legal mortgage over that property in favour of the Security Agent in any form which the Security Agent may reasonably require; and
- 4.2.3 promptly;
 - (a) if the title to that freehold or leasehold property is registered at the Land Registry or required to be so registered, give the Land Registry written notice of this Security; and
 - (b) if applicable, ensure that this Security is correctly noted against that title in the title register at the Land Registry.

4.3 **Land Registry**

Each Chargor consents to a restriction in the following terms being entered into on the Register of Title relating to any Mortgaged Property registered at the Land Registry:-

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [] in favour of [] referred to in the charges register or their conveyancer (Standard Form P)".

4.4 **Deposit of title deeds**

Each Chargor must promptly:-

- 4.4.1 deposit with the Security Agent all deeds and documents necessary to show good and marketable title to any Mortgaged Property including any property referred to in Clause 4.2 (*Acquisitions*) (the "**Title Documents**"); or
- 4.4.2 procure that the Title Documents are held to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose.

5. **INVESTMENTS**

5.1 **Deposit**

Each Chargor must promptly:-

- 5.1.1 deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to its Investments; and
- 5.1.2 execute and deliver to the Security Agent all share transfers and other documents which may be requested by the Security Agent in order to enable the Security Agent or its nominees to be registered as the owner of or otherwise obtain a legal title to its Investments.

5.2 **Calls**

- 5.2.1 Each Chargor must pay all calls or other payments due and payable in respect of any of its Investments in accordance with each of the Debt Documents.
- 5.2.2 If any Chargor fails to do so, the Security Agent may pay the calls or other payments in respect of any of its Investments on behalf of that Chargor. Each Chargor must immediately on request reimburse the Security Agent for any payment made by the Security Agent under this Clause 5.2.

5.3 **Other obligations in respect of Investments**

- 5.3.1 Each Chargor must promptly send a copy to the Security Agent of, and comply with all requests for, information which is within its knowledge and which are made under any law or regulation or any similar provision contained in any articles of association or other constitutional document, or by any listing or other authority, relating to any of its Investments. If it fails to do so, the Security Agent may elect to provide such information as it may have on behalf of that Chargor.
- 5.3.2 Each Chargor must comply with all other conditions and obligations assumed by it in respect of any of its Investments.
- 5.3.3 The Security Agent is not obliged to:-
 - (a) perform any obligation of any Chargor;
 - (b) make any payment;
 - (c) make any enquiry as to the nature or sufficiency of any payment received by it or any Chargor; or
 - (d) present or file any claim or take any other action to collect or enforce the payment of any amount to which it may be entitled under this Deed,in respect of any of its Investments.

5.4 **Voting rights**

- 5.4.1 Before this Security becomes enforceable:-
 - (a) the voting rights, powers and other rights in respect of its Investments will be exercised by the relevant Chargor; and
 - (b) all dividends, distributions or other income paid or payable in relation to any of its Investments must be paid in accordance with each of the Debt Documents.
- 5.4.2 Each Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of any of its Investments as permitted by this Deed on the direction of any Chargor.
- 5.4.3 After this Security has become enforceable, the Security Agent may exercise (in the name of any Chargor and without any further consent or authority on the part of any

Chargor) any voting rights and any 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.

6. ACCOUNTS

6.1 Book debts and receipts

6.1.1 Subject to the terms of the Debt Documents, each Chargor must get in and realise its:-

(a) Rental Income and other amounts due from tenants or any other occupiers of any Mortgaged Property; and

(b) book and other debts and other moneys due and owing to it,

in the ordinary course of its business and hold the proceeds of the getting in and realisation (until payment into an Account if required in accordance with Clause 6.1.2) on trust for the Security Agent.

6.1.2 Each Chargor must, except to the extent that the Security Agent otherwise agrees, pay all the proceeds of the getting in and realisation into an Account in accordance with each of the Debt Documents.

6.2 Notices of charge

Each Chargor must:-

6.2.1 immediately serve a notice of charge, substantially in the form of Part 1 of Schedule 4 (*Forms of Letter for Account Bank*), on each Account Bank; and

6.2.2 use reasonable endeavours to ensure that each Account Bank acknowledges the notice, substantially in the form of Part 2 of Schedule 4 (*Forms of Letter for Account Bank*).

7. HEDGING

Each Chargor must:-

7.1 immediately serve a notice of assignment, substantially in the form of Part 1 of Schedule 5 (*Forms of Letter for Hedge Counterparty*), on each counterparty to a Hedging Agreement; and

7.2 use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 5 (*Forms of Letter for Hedge Counterparty*).

8. INSURANCES

Each Chargor must:-

8.1 immediately serve a notice of assignment, substantially in the form of Part 1 of Schedule 6 (*Forms of Letter for Insurers*), on each counterparty to an Insurance; and

8.2 use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 6 (*Forms of Letter for Insurers*).

9. OTHER CONTRACTS

9.1 Each Chargor must:-

9.1.1 within three Business Days of the request of the Security Agent, serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 7 (*Forms of Letter for Other*

Contracts), on each counterparty to a contract listed in Clause 2.9 (*Other contracts*) (other than a counterparty to a Relevant Contract listed in paragraphs a and c of the definition of "Relevant Contract"); and

9.1.2 use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 7 (*Forms of Letter for Other Contracts*).

9.2 Each Chargor must:-

9.2.1 immediately serve a notice of assignment or charge (as applicable), substantially in the form of Part 1 of Schedule 7 (*Forms of Letter for Other Contracts*), on each counterparty to a Relevant Contract listed in paragraphs a and c of the definition of "Relevant Contract"; and

9.2.2 use reasonable endeavours to ensure that such counterparty acknowledges that notice, substantially in the form of Part 2 of Schedule 7 (*Forms of Letter for Other Contracts*).

10. **WHEN SECURITY BECOMES ENFORCEABLE**

10.1 **Event of Default**

This Security will become immediately enforceable if an Event of Default occurs and is continuing.

10.2 **Discretion**

After this Security has become enforceable, the Security Agent may enforce all or any part of this Security in any manner it sees fit or as instructed in accordance with the Intercreditor Agreement.

10.3 **Statutory powers**

The power of sale and other powers conferred by section 101 of the Act, as amended by this Deed, will be immediately exercisable at any time after this Security has become enforceable.

11. **ENFORCEMENT OF SECURITY**

11.1 **General**

11.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

11.1.2 Section 103 of the Act (restricting the power of sale) and section 93 of the Act (restricting the right of consolidation) do not apply to this Security.

11.1.3 The statutory powers of leasing conferred on the Security Agent are extended so as to authorise the Security Agent to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Agent may think fit and without the need to comply with any provision of section 99 or section 100 of the Act.

11.2 **No liability as mortgagee in possession**

Neither the Security Agent nor any Receiver will be liable, by reason of entering into possession of a Security Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable.

11.3 **Privileges**

The Security Agent and each Receiver is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers duly appointed under the Act, except that section 103 of the Act does not apply.

11.4 **Protection of third parties**

No person (including a purchaser) dealing with the Security Agent or a Receiver or its or his/her agents will be concerned to enquire:-

- 11.4.1 whether the Secured Liabilities have become payable;
- 11.4.2 whether any power which the Security Agent or a Receiver is purporting to exercise has become exercisable or is being properly exercised;
- 11.4.3 whether any money remains due under any of the Debt Documents; or
- 11.4.4 how any money paid to the Security Agent or to that Receiver is to be applied.

11.5 **Redemption of prior mortgages**

11.5.1 At any time after this Security has become enforceable, the Security Agent may:-

- (a) redeem any prior Security against any Security Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of the prior mortgagee, chargee or encumbrancer; any accounts so settled and passed will be, in the absence of manifest error, conclusive and binding on the Chargors.

11.5.2 Each Chargor must pay to the Security Agent, immediately on demand, the costs and expenses incurred by the Security Agent in connection with any such redemption and/or transfer, including the payment of any principal or interest.

11.6 **Contingencies**

If this Security is enforced at a time when no amount is due under any of the Debt Documents but at a time when amounts may or will become due, the Security Agent (or a Receiver) may pay the proceeds of any recoveries effected by it into a suspense account or other account selected by it.

11.7 **Financial collateral**

11.7.1 To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of each Chargor under this Deed constitute a "*security financial collateral arrangement*" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003), the Security Agent will have the right after this Security has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

11.7.2 Where any financial collateral is appropriated:-

- (a) if it is listed or traded on a recognised exchange, its value will be taken as being the value at which it could have been sold on the exchange on the date of appropriation; or
- (b) in any other case, its value will be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent commercial property adviser, investment bank or accountancy firm of national standing selected by it,

and each Secured Party will give credit for the proportion of the value of the financial collateral appropriated to its use.

12. **RECEIVER**

12.1 **Appointment of Receiver**

12.1.1 Except as provided below, the Security Agent may appoint any one or more persons to be a Receiver of all or any part of the Security Assets if:-

- (a) this Security has become enforceable; or
- (b) any Chargor so requests to the Security Agent at any time.

12.1.2 Any appointment under Clause 12.1.1 may be by deed, under seal or in writing under its hand.

12.1.3 Except as provided below, any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the Act) does not apply to this Deed.

12.1.4 The Security Agent is not entitled to appoint a Receiver solely as a result of the obtaining of a moratorium (or anything done with a view to obtaining a moratorium) under section 1A of the Insolvency Act 1986.

12.1.5 The Security Agent may not appoint an administrative receiver (as defined in section 29(2) of the Insolvency Act 1986) over the Security Assets if the Security Agent is prohibited from so doing by section 72A of the Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies.

12.2 **Removal**

The Security Agent may by writing under its hand (subject to any requirement for an order of the court in the case of an administrative receiver) remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

12.3 **Remuneration**

The Security Agent may fix the remuneration of any Receiver appointed by it and the maximum rate specified in section 109(6) of the Act will not apply.

12.4 **Agent of the Chargors**

12.4.1 A Receiver will be deemed to be the agent of each Chargor for all purposes and accordingly will be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Act. Each Chargor alone is responsible for any contracts, engagements, acts, omissions, defaults and losses of a Receiver and for any liabilities incurred by a Receiver.

12.4.2 No Secured Party will incur any liability (either to any Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason.

12.5 **Relationship with Security Agent**

To the fullest extent allowed by law, any right, power or discretion conferred by this Deed (either expressly or impliedly) or by law on a Receiver may after this Security becomes enforceable be exercised by the Security Agent in relation to any Security Asset without first appointing a Receiver and notwithstanding the appointment of a Receiver.

13. **POWERS OF RECEIVER**

13.1 **General**

13.1.1 A Receiver has all of the rights, powers and discretions set out below in this Clause 13 in addition to those conferred on it by any law. This includes:-

- (a) in the case of an administrative receiver, all the rights, powers and discretions conferred on an administrative receiver under the Insolvency Act 1986; and
- (b) otherwise, all the rights, powers and discretions conferred on a receiver (or a receiver and manager) under the Act and the Insolvency Act 1986.

13.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him/her states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.

13.2 **Possession**

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

13.3 **Carry on business**

A Receiver may carry on any business of any Chargor in any manner he/she thinks fit.

13.4 **Employees**

13.4.1 A Receiver may appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes of this Deed upon such terms as to remuneration or otherwise as he/she thinks fit.

13.4.2 A Receiver may discharge any person appointed by any Chargor.

13.5 **Borrow money**

A Receiver may raise and borrow money either unsecured or on the security of any Security Asset either in priority to this Security or otherwise and generally on any terms and for whatever purpose which he/she thinks fit.

13.6 **Sale of assets**

13.6.1 A Receiver may sell, exchange, convert into money and realise any Security Asset by public auction or private contract and generally in any manner and on any terms which he/she thinks fit.

13.6.2 The consideration for any such transaction may consist of cash or non-cash consideration and any such consideration may be payable in a lump sum or by instalments spread over any period which he/she thinks fit.

13.6.3 Fixtures, other than landlord's fixtures, may be severed and sold separately from the property containing them without the consent of any Chargor.

13.7 **Leases**

A Receiver may let any Security Asset for any term and at any rent (with or without a premium) which he/she thinks fit and may accept a surrender of any lease or tenancy of any Security Asset on any terms which he/she thinks fit (including the payment of money to a lessee or tenant on a surrender).

13.8 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claim, account, dispute, question or demand with or by any person who is or claims to be a creditor of any Chargor or relating in any way to any Security Asset.

13.9 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon any action, suit or proceedings in relation to any Security Asset which he/she thinks fit.

13.10 Receipts

A Receiver may give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Security Asset.

13.11 Subsidiaries

A Receiver may form a Subsidiary of any Chargor and transfer to that Subsidiary any Security Asset.

13.12 Delegation

A Receiver may delegate his/her powers in accordance with this Deed.

13.13 Lending

A Receiver may lend money or advance credit to any person.

13.14 Protection of assets

A Receiver may:-

13.14.1 effect any repair or insurance and do any other act which any Chargor might do in the ordinary conduct of its business to protect or improve any Security Asset;

13.14.2 commence and/or complete any building operation; and

13.14.3 apply for and maintain any planning permission, building regulation approval or any other Authorisation,

in each case as he/she thinks fit.

13.15 Other powers

A Receiver may:-

13.15.1 do all other acts and things which he/she may consider necessary or desirable for realising any Security Asset or incidental or conducive to any of the rights, powers or discretions conferred on a Receiver under or by virtue of this Deed or law;

13.15.2 exercise in relation to any Security Asset all the powers, authorities and things which he/she would be capable of exercising if he/she were the absolute beneficial owner of that Security Asset; and

13.15.3 use the name of any Chargor for any of the above purposes.

14. APPLICATION OF PROCEEDS

All amounts from time to time received or recovered by the Security Agent or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or part of this Security will be held by the Security Agent and applied in accordance with the Intercreditor Agreement. This Clause 14:-

14.1 is subject to the payment of any claims having priority over this Security; and

14.2 does not prejudice the right of any Secured Party to recover any shortfall from any Chargor.

15. EXPENSES AND INDEMNITY

15.1 Subject to any agreed cap, each Chargor must immediately on demand pay to the Security Agent the amount of all costs and expenses (including legal fees, VAT and disbursements) reasonably incurred by the Security Agent in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed.

15.2 Each Chargor must immediately on demand pay to the Security Agent the amount of all costs and expenses (including fees legal fees, VAT and disbursements) incurred by the Security Agent arising from any actual or alleged breach by any person of any law or regulation in connection with this Deed and keep the Security Agent indemnified against any failure or delay in paying those costs or expenses.

16. DELEGATION

16.1 Power of Attorney

The Security Agent or any Receiver may, at any time, delegate by power of attorney or otherwise to any person for any period all or any right, power, authority or discretion exercisable by it under this Deed.

16.2 Terms

Any such delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent or that Receiver (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties.

16.3 Liability

Neither the Security Agent nor any Receiver shall be bound to supervise, or be in any way responsible for any damages, costs or losses incurred by reason of any misconduct, omission or default on the part of, any such delegate or sub-delegate.

17. FURTHER ASSURANCES

17.1 Each Chargor must promptly, at its own expense, take whatever action the Security Agent or a Receiver may require for:-

17.1.1 creating, perfecting or protecting any security over any Security Asset; or

17.1.2 facilitating the realisation of any Security Asset, or the exercise of any right, power or discretion exercisable, by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset.

17.2 The action that may be required under Clause 17.1 includes:-

17.2.1 the execution of any mortgage, charge, transfer, conveyance, assignment or assurance of any asset, whether to the Security Agent or to its nominees; or

17.2.2 the giving of any notice, order or direction and the making of any filing or registration

which, in any such case, the Security Agent may consider necessary or desirable.

18. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any of their respective delegates or sub-delegates to be its attorney with the full power and authority of that Chargor to execute, deliver and perfect all deeds, instruments and other documents in its name and otherwise on its behalf and to do or cause to be done all acts and things, in each case which may be required or which any attorney may in its absolute discretion deem necessary for carrying out any obligation of that Chargor under or pursuant to this Deed or generally for enabling the Security Agent or any Receiver to exercise the respective powers conferred on them under this Deed or by law circumstances where the Chargor has failed to take such steps as to execute, deliver, perfect all deeds, instruments and/or other documents or do or cause to be done all acts and things requested of it by either the Security Agent, each Receiver and any of their respective delegates or sub-delegates within ten Business Days of being so requested to take such action. Each Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 18.

19. MISCELLANEOUS

19.1 Continuing Security

This Security 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.

19.2 Tacking

19.2.1 Each Lender (as defined in the Initial Credit Facility Agreement) must perform its obligations under the Initial Credit Facility Agreement (including any obligation to make further advances).

19.2.2 Each Noteholder must perform its obligations under the Note Purchase Agreement (including any obligation to make available further advances).

19.3 New Accounts

19.3.1 If any subsequent charge or other interest affects any Security Asset, a Secured Party may open a new account with any Chargor.

19.3.2 If that Secured Party does not open a new account, it will nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that charge or other interest.

19.3.3 As from that time all payments made to that Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any Secured Liability.

19.4 Time deposits

Without prejudice to any right of set-off any Secured Party may have under any other Debt Document or otherwise, if any time deposit matures on any account any Chargor has with any Secured Party within the Security Period when:-

19.4.1 this Security has become enforceable; and

19.4.2 no Secured Liability is due and payable,

that time deposit will automatically be renewed for any further maturity which that Secured Party considers appropriate.

19.5 **Notice to Chargors**

This Deed constitutes notice in writing to the Chargors of any charge or assignment of a debt owed by any Chargor to any Debtor and contained in any other Security Document.

19.6 **Deed of Accession**

19.6.1 Each Chargor shall procure that each company which is required by a Debt Document shall, within the timeframe allotted by it execute and deliver a Accession Deed.

19.6.2 Each Party agrees that:

- (a) each Accession Deed shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Accession Deed will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Accession Deed and that this Deed shall remain in full force and effect as supplemented by any such Accession Deed; and
- (c) the property and assets mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Accession Deed shall form part of the Security Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Accession Deed.

19.6.3 Delivery of a Accession Deed constitutes confirmation by the New Chargor (as such term is defined in the relevant Accession Deed) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

20. **RELEASE**

At the end of the Security Period, the Secured Parties must, at the request and cost of the Chargors, take whatever action is necessary to release its Security Assets from this Security.

21. **GOVERNING LAW**

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

22. **ENFORCEMENT**

22.1 **Jurisdiction**

22.1.1 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**").

22.1.2 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.

22.1.3 Notwithstanding Clause 22.1.1 above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent

allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1**ORIGINAL CHARGORS**

NAME	JURISDICTION	REGISTERED NUMBER
London Square Developments (Ventures) Limited	England and Wales	07774468
London Square Developments Limited	England and Wales	07160957
London Square (Holdings) Limited	England and Wales	07159358
London Square (Putney) Limited	England and Wales	07629203
London Square (Leonard St.) Limited	England and Wales	07670562
London Square (Investments) Limited	England and Wales	07622527
London Square (Streatham) Limited	England and Wales	08573567
London Square Works Limited	England and Wales	08051976
LSQ (Crimscott Street) Holdings Limited	England and Wales	10662508
London Square (Crimscott Street) Limited	England and Wales	08633361

SCHEDULE 2

PART 1

REAL PROPERTY

CHARGOR	PROPERTY	TENURE	TITLE NUMBER	PROPERTY DESCRIPTION
London Square (Streatham) Limited	Streatham Property	Freehold	TGL34317	Land on the west side of Streatham Hill, London
London Square Developments Limited	Quebec Way Property	Freehold Freehold	SGL486589	24 Quebec Way London ES16 7LF
			TGL56137	Land on the north side of Quebec Way, London
London Square Developments Limited	Aldgate Property	Leasehold	AGL377811	Leasehold land known as Atlee House, College East And Sunley House, 74-76 Wentworth Street, London E1 7TF
London Square Developments Limited	Chigwell Property	Freehold	EX818137	Land at Chigwell Grange High Road, Chigwell, Essex IG7 6DP
London Square Developments Limited	Orpington Property	Freehold	SGL 561370	Freehold property known as Bassetts House, Starts Hill Road, Orpington, BR6 7AR
London Square Developments Limited	Staines Property	Freehold	SY347612	Freehold properties known as 1, 4-18 (even) Mill Mead, 126, 128, 130, 132, 132A, 136, 138 High Street and 8, 8A, 10 and 12 Fairfield Avenue, Staines
London Square Developments Limited	Caledonian Road Property	Freehold	AGL305959	Land on the north and south side of Brewery Road, London
			AGL373741	Land at Balmoral Grove, London
London Square Developments Limited	De Burgh Property	Freehold	SY692176	Land to the north east of Merefield Gardens, Tadworth
			SY844280	Land lying to the north and east of Merefield Gardens, Tadworth

London (Crimscott Limited	Square Street)	Rich Industrial Estate Property	Freehold	SGL219014	Freehold land known as Rich Industrial Estate, 46 Willow Walk, London SE1 5SF
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PART 2

SHARES

NAME OF SHAREHOLDER	NAME OF COMPANY	DESCRIPTION AND NUMBER OF SHARES
London Square Developments (Ventures) Limited	London Square (Holdings) Limited	29,261,341 Ordinary A Shares of £1 each
		185,000 Ordinary B Shares of £1 each
London Square (Holdings) Limited	London Square Developments Limited	2 Ordinary Shares of £1 each
London Square Developments Limited	London Square (Putney) Limited	2 Ordinary Shares of £1 each
London Square Developments Limited	London Square (Leonard St.) Limited	2 Ordinary Shares of £1 each
London Square (Holdings) Limited	London Square (Investments) Limited	2 Ordinary Shares of £1 each
London Square (Investments) Limited	London Square (Streatham) Limited	2 Ordinary Shares of £1 each
London Square (Investments) Limited	London Square Works Limited	2 Ordinary Shares of £1 each
London Square (Investments) Limited	LSQ (Crimscott Street) Holdings Limited	2 Ordinary Shares of £1 each
LSQ (Crimscott Street) Holdings Limited	London Square (Crimscott Street) Limited	2 Ordinary Shares of £1 each

SCHEDULE 3

FORMS OF LETTER FOR OCCUPATIONAL TENANTS

PART 1

NOTICE TO OCCUPATIONAL TENANT

To: [Occupational tenant]

Copy: National Westminster Bank Plc (as Security Agent as defined below)

_____ 20____

Dear Sirs

Re: [Property address]

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

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

This letter constitutes notice to you that under the Security Agreement we have assigned by way of security, to National Westminster Bank Plc (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights under the Lease.

We confirm that:

- (a) we will remain liable under the Lease to perform all the obligations assumed by us under the Lease; and
- (b) 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 Lease.

We will also remain entitled to exercise all our rights, powers and discretions under the Lease, and you should continue to give notices under the Lease to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and all notices must be given to, the Security Agent or as it directs.

We irrevocably instruct and authorise you to pay all rent and all other moneys payable by you under the Lease to our account with [] at [], Account No. [], Sort Code [] (the "**Deposit Account**").

The instructions in this letter apply until you receive notice from the Security Agent 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 Agent.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [address] with a copy to us.

Yours faithfully

.....
(Authorised Signatory)
[Chargor[s]]

PART 2

ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: National Westminster Bank Plc (as Security Agent)

Attention: []

[Date]

Dear Sirs

Re: [Property address]

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

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

We confirm that we:-

1. accept the instructions contained in the Notice and agree to comply with the Notice;
2. have not received any notice of any prior security over the Lease or 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;
3. must pay all rent and all other moneys payable by us under the Lease into the Deposit Account (as defined in the Notice); and
4. must continue to pay those moneys into the Deposit Account (as defined in the Notice) until we receive your written instructions to the contrary.

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

Yours faithfully

.....
For
[Occupational tenant]

SCHEDULE 4

FORMS OF LETTER FOR ACCOUNT BANK

PART 1

NOTICE TO ACCOUNT BANK

To: [Account Bank]

Copy: National Westminster Bank plc (as Security Agent as defined below)

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have charged (by way of a first fixed charge) in favour of National Westminster Bank Plc (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of any account, and any amount standing to the credit of any account, maintained by us with you (the "**Accounts**").

We irrevocably instruct and authorise you to:-

1. disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;
2. comply with the terms of any written notice or instruction relating to any Account received by you from the Security Agent;
3. hold all sums standing to the credit of any Account to the order of the Security Agent; and
4. in respect of any Account other than our account with [] (account number [], sort code []) (the "**General Account**"), pay or release any sum standing to the credit of any such Account in accordance with the written instructions of the Security Agent.
5. pay or release any sum standing to the credit of any such Account in accordance with the written instructions of the Security Agent.

We are not permitted to withdraw any amount from any Account other than the General Account without the prior written consent of the Security Agent.

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

In respect of the General Account, we are permitted to withdraw any amount from the General Account for any purpose unless and until you receive a notice from the Security Agent to the contrary stating that we are no longer permitted to withdraw any amount from the General Account without its consent. If and from the date on which you receive any such notice, we will not be permitted to withdraw any amount from the General Account without the prior written consent of the Security Agent.

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

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

Please confirm your agreement to the above by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully

.....
(Authorised Signatory)
[Chargor[s]]

PART 2

ACKNOWLEDGEMENT OF ACCOUNT BANK

To: National Westminster Bank plc (as Security Agent)

Copy: [Relevant Chargor[s]]

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

We confirm receipt from [Chargor[s]] (the "**Chargor[s]**") of a notice dated [] (the "**Notice**") of a charge upon the terms of the Security Agreement over all the rights of the Chargor[s] to any amount standing to the credit of any of the Chargor[s]'s accounts with us (the "**Accounts**").

We confirm that we:-

1. accept the instructions contained in the Notice and agree to comply with the Notice;
2. have not received notice of any prior security over, or the interest of any third party in, any Account;
3. will not permit any amount to be withdrawn from any Account other than the General Account (as defined in the Notice) without your prior written consent; and
4. will comply with any notice we may receive from the Security Agent in respect of the General Account.

The Accounts maintained with us are:-

[Specify accounts and account numbers]

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

Yours faithfully

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

SCHEDULE 5

FORMS OF LETTER FOR HEDGE COUNTERPARTY

PART 1

NOTICE TO HEDGE COUNTERPARTY

To: [Hedge Counterparty]

Copy: National Westminster Bank plc (as Security Agent as defined below)

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we assigned by way of security, to National Westminster Bank Plc (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights under any hedging agreements between you and us (the "**Hedging Agreements**").

We irrevocably instruct and authorise you to:-

1. disclose to the Security Agent any information relating to the Hedging Agreements which the Security Agent may request from you; and
2. pay any sum payable by you under the Hedging Agreements to our account with [] at [], account number [], sort code [].

The instructions in this letter apply until you receive notice from the Security Agent 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 Agent.

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

Please confirm your agreement to the above by signing the attached acknowledgement and returning it to the Security Agent at [address] with a copy to us.

Yours faithfully

.....
(Authorised signatory)
[Chargor[s]]

PART 2

ACKNOWLEDGEMENT OF HEDGE COUNTERPARTY

To: National Westminster Bank Plc (as Security Agent)

Copy: [Chargors]

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

We confirm receipt from [] (the "**Chargors**") of a notice dated [] (the "**Notice**") of an assignment by way of security upon the terms of the Security Agreement of all the Chargors' rights under the Hedging Agreements (as defined in the Notice).

We confirm that we:-

1. accept the instructions contained in the Notice and agree to comply with the Notice;
2. have not received notice of any prior security over, or the interest of any third party in, the Hedging Agreements;
3. must pay any amount payable by us under the Hedging Agreements to the Chargor[s]'s account with [] at [], Sort Code [], Account No. []; and
4. must accept your instructions in relation to the Chargor[s]'s rights under the Hedging Agreements.

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

Yours faithfully

.....
(Authorised signatory)
[Hedge Counterparty]]

SCHEDULE 6
FORMS OF LETTER FOR INSURERS

PART 1

NOTICE TO INSURER

To: [Insurer]

Copy: National Westminster Bank Plc (as Security Agent as defined below)

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have assigned assigns by way of security, to National Westminster Bank Plc (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of [insert details of contract of insurance] (the "**Insurance**").

We confirm that:-

1. we will remain liable under the Insurance to perform all the obligations assumed by us under the Insurance; and
2. 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 Insurance (unless, and to the extent, otherwise expressly provided for in the Insurance).

We will also remain entitled to exercise all our rights, powers and discretions under the Insurance, and you should continue to give notices and make payments under the Insurance to us (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance), unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs (unless, and to the extent, otherwise expressly provided for in the Insurance or in any insurer letter you may have issued to the Security Agent in respect of the Insurance).

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Insurance requested from you by the Security Agent.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully

.....
(Authorised signatory)
[Chargor[s]]

PART 2

ACKNOWLEDGEMENT OF INSURER

To: National Westminster Bank Plc (as Security Agent)

Copy: [Chargors]

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

We confirm receipt from [Chargors] (the "**Chargors**") of a notice dated [] (the "**Notice**") of an assignment by way of security on the terms of the Security Agreement of all the Chargor[s]'s rights in respect of [insert details of the contract of insurance] (the "**Insurance**").

We confirm that we:-

1. accept the instructions contained in the Notice and agree to comply with the Notice; and
2. will give notices and make payments under the Insurance as directed in the Notice.

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

Yours faithfully

.....
(Authorised signatory)
[Insurer]

SCHEDULE 7

FORMS OF LETTER FOR OTHER CONTRACTS

PART 1

NOTICE TO COUNTERPARTY

To: [Contract Counterparty]

Copy: National Westminster Bank Plc (as Security Agent as defined below)

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we have [assigned by way of security,]/[charged by way of a first fixed charge]¹ to National Westminster Bank Plc (as trustee for the Secured Parties as referred to in the Security Agreement, the "**Security Agent**") all our rights in respect of [insert details of contract] (the "**Contract**").

We confirm that:-

1. we will remain liable under the Contract to perform all the obligations assumed by us under the Contract; and
2. 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 Contract.

[We will also remain entitled to exercise all our rights, powers and discretions under the Contract, and you should continue to give notices and make payments under the Contract to us, unless and until you receive notice from the Security Agent to the contrary stating that the security under the Security Agreement has become enforceable. In this event, all the rights, powers and discretions will be exercisable by, and notices must be given and payments must be made to, the Security Agent or as it directs.]/[With effect from your receipt of this notice –

3. you shall make all payments payable by you under the Contract to such account as the Security Agent may direct;
4. all rights to compel performance of the Contract are exercisable by the Security Agent although we will remain liable under the Contract to perform all the obligations assumed by us under the Contract;
5. all rights, interests and benefits whatsoever accruing to or for the benefit of us arising from the Contract belong to the Security Agent and no changes may be made to the terms of the Contract without the Security Agent's consent;
6. 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 Contract;
7. we irrevocably authorise and instruct you -

¹ Delete as applicable.

- 7.1 to disclose to the Security Agent at our expense, such information relating to the Contract as the Security Agent may from time to time request;
- 7.2 to pay or release all or any part of the sums from time to time due and payable by you to us under the Contract only in accordance with this notice or the written instructions given to you by the Security Agent from time to time;
- 7.3 without requiring further approval from us, to provide the Security Agent with such information relating to the Contract as it may from time to time request and to send it copies of all notices issued by you under the Contract to the Security Agent as well as to us; and
- 7.4 to send copies of all notices and other information given or received under the Contract to the Security Agent.]²

We irrevocably instruct and authorise you to disclose to the Security Agent any information relating to the Contract requested from you by the Security Agent.

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

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

Please acknowledge receipt of this letter by sending the attached acknowledgement to the Security Agent at [address] with a copy to us.

Yours faithfully

.....
(Authorised signatory)
[Chargor]

² Delete as applicable

PART 2

ACKNOWLEDGEMENT OF COUNTERPARTY

To: National Westminster Bank Plc (as Security Agent)

Copy: [Chargors]

[Date]

Dear Sirs

Security Agreement dated [] between, amongst others, London Square Developments Limited and National Westminster Bank Plc as Security Agent (the "Security Agreement")

We confirm receipt from [Chargor[s]] (the "**Chargor[s]**") of a notice dated [] (the "**Notice**") of [an assignment by way of security]/[fixed charge]³ on the terms of the Security Agreement of all the Chargor["s"] rights in respect of [insert details of the contract] (the "**Contract**").

We confirm that we:-

1. accept the instructions contained in the Notice and agree to comply with the Notice; and
2. will give notices and make payments under the Contract as directed in the Notice.

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

Yours faithfully

.....
(Authorised signatory)
[Contract counterparty]

³ Delete as applicable.

SCHEDULE 8

ACCESSION DEED

THIS DEED is made on []

BETWEEN:-

- (1) [] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [];
- (2) London Square Developments Limited (the "**Obligor's Agent**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Security Agreement referred to below); and
- (3) **NATIONAL WESTMINSTER BANK PLC** as the Security Agent.

INTRODUCTION

- (A) This Deed is supplemental to a deed dated [] (as supplemented and amended from time to time, the "**Security Agreement**") between, among others, the Obligor's Agent, each of the companies named in the Security Agreement as Chargors, and National Westminster Bank Plc as agent and trustee for the Secured Parties.
- (B) The New Chargor enters into this Deed in connection with a Debt Document and has agreed to become a Chargor under the Security Agreement.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Security Agreement have the same meaning in this Deed.
- 1.2 The provisions of clauses [1.2] and [1.3] of the Security Agreement apply to this Deed insofar as they are relevant to it, as they apply to the Security Agreement.

2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Security Agreement with immediate effect and so that the Security Agreement shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to the Security Agent, as agent and trustee for the Secured Parties, all its business, undertaking and assets on the terms of clause 2 (*Creation of Security*) of the Security Agreement, provided that:-

- 2.1 [the Mortgaged Property charged by way of legal mortgage shall include the Mortgaged Property referred to in Schedule 1 (*Real Property*);]
- 3.1 [the Investments mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Investments referred to in Schedule 2 (*Investments*);]
- 3.2 [the contracts assigned pursuant to clause 2.9 (*Other contracts*) of the Security Agreement shall include the contracts referred to in Schedule 3 (*Contracts*);]
- 3.3 [the Accounts charged shall include the Accounts referred to in Schedule 4 (*Accounts*);] [and]

- 3.4 the Hedging Agreements charged by way of fixed charge shall include those referred to in Schedule 5 (*Hedging Agreements*).

4. **CONSENT OF EXISTING CHARGORS**

The Obligor's Agent by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Security Agreement.

3. **EFFECT ON SECURITY AGREEMENT**

- 4.1 The Security Agreement and this Deed shall be read and construed as one document so that references in the Security Agreement to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

- 4.2 For the purposes of this Deed and the Security Agreement and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to the Security Agent (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Security Assets and references in the Security Agreement to the Security created by or pursuant to the Security Agreement will be deemed to include the Security created by or pursuant to this Deed.

5. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

**[SCHEDULE 1
REAL PROPERTY]**

**[SCHEDULE 2
INVESTMENTS]**

**[SCHEDULE 3
CONTRACTS]**

**[SCHEDULE 4
ACCOUNTS]**

**[SCHEDULE 5
HEDGING AGREEMENTS]**

SIGNATURE PAGES TO ACCESSION DEED

THE NEW CHARGOR

EXECUTED as a Deed by **[NAME OF COMPANY] [LIMITED] [PLC]**)
acting by **[NAME OF DIRECTOR]**, a)
Director, in the presence of:-)

Signature of witness: Director

Name of witness:

Address:

Occupation:

Address: []

Facsimile number []

THE OBLIGOR'S AGENT

EXECUTED as a Deed by **LONDON SQUARE DEVELOPMENTS LIMITED**)
acting by **[NAME OF DIRECTOR]**, a)
Director, in the presence of:-)

Signature of witness: Director

Name of witness:

Address:

Occupation:

Security Agent

National Westminster Bank Plc

By:

SIGNATURE PAGES TO THE SECURITY AGREEMENT

Chargors

EXECUTED as a Deed (but not delivered
until dated) by)
LONDON SQUARE DEVELOPMENTS)
LIMITED acting by a Director)

in the presence of:-



Lynn Tindall
Full Name (Witness)

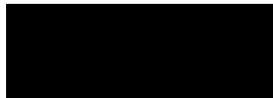
One York Rd.
Uxbridge, Middx UB8 3RW
Address
Office manager
Occupation



Scott Brown
Full Name (Director)

EXECUTED as a Deed (but not
delivered)
until dated) by)
LONDON SQUARE)
DEVELOPMENTS (VENTURES)
LIMITED acting
by a Director)

in the presence of:-



Lynn Tindall
Full Name (Witness)

One York Rd.
Uxbridge, Middx UB8 3RW
Address
Office manager
Occupation



Scott Brown
Full Name (Director)

EXECUTED as a Deed (but not)
delivered)
until dated) by)
LONDON SQUARE)
DEVELOPMENTS (HOLDINGS)
LIMITED acting
by a Director

in the presence of:-

Lynn Tindall.
Full Name (Witness)

One York Rd.
Uxbridge, Middx UB8 1RW
Address
Office Manager
Occupation

EXECUTED as a Deed (but not)
delivered)
until dated) by)
LONDON SQUARE (INVESTMENTS)
LIMITED acting)
by a Director

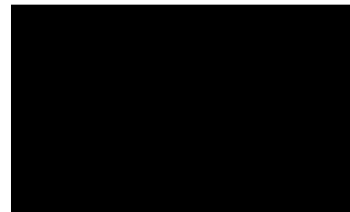
in the presence of:-

Lynn Tindall.
Full Name (Witness)

One York Rd.
Uxbridge Middx UB8 1RW
Address
Office Manager
Occupation



Scott Brown
Full Name (Director)



Scott Brown
Full Name (Director)

EXECUTED as a Deed (but not
delivered
until dated) by
LONDON SQUARE (PUTNEY)
LIMITED acting
by a Director

in the presence of:-

Lynn Tindall.
Full Name (Witness)

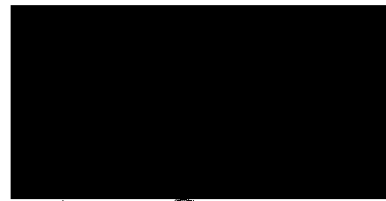
One York Rd.
Woburne Middle WBS 1RD.
Address
Office manager
Occupation

EXECUTED as a Deed (but not
delivered
until dated) by
LONDON SQUARE (LEONARD ST.)
LIMITED acting
by a Director

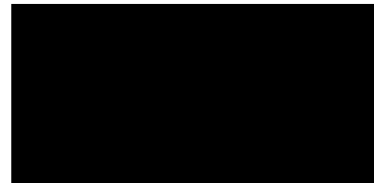
in the presence of:-

Lynn Tindall.
Full Name (Witness)

One York Rd.
Woburne Middle WBS 1RD.
Address
Office manager
Occupation



Scott Brown.
Full Name (Director)



Scott Brown.
Full Name (Director)

EXECUTED as a Deed (but not
delivered
until dated) by
LONDON SQUARE (STREATHAM)
LIMITED acting
by a Director

in the presence of:-

Lynn Trindall.

Full Name (Witness)

~~One~~ One York Rd.
Uxbridge, Middx UB8 3RN

Address

Office manager

Occupation

EXECUTED as a Deed (but not
delivered
until dated) by
LONDON SQUARE WORKS LIMITED
acting
by a Director

in the presence of:-

Lynn Trindall.

Full Name (Witness)

One York Rd.
Uxbridge, Middx UB8 3RN

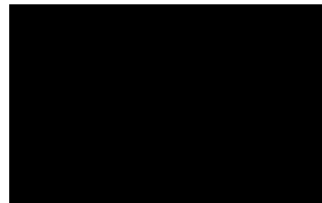
Address

Office manager

Occupation



Scott Brown
Full Name (Director)



Scott Brown
Full Name (Director)

EXECUTED as a Deed (but not)
delivered until dated) by)
LSQ (CRIMSCOTT STREET))
HOLDINGS LIMITED acting)
by a Director

in the presence of:-

Lyn Tindall.
Full Name (Witness)

One York Rd.
Uxbridge Middle UBS IRV.
Address
Office Manager
Occupation

EXECUTED as a Deed (but not)
delivered)
until dated) by)
LONDON SQUARE (CRIMSCOTT)
STREET) LIMITED acting)
by a Director

in the presence of:-

Lyn Tindall.
Full Name (Witness)

One York Rd.
Uxbridge Middle UBS IRV.
Address
Office Manager
Occupation

Scott Brown
Full Name (Director)

Scott Brown
Full Name (Director)

Security Agent
National Westminster Bank Plc

By:



LEE DOWNING

WITNESSED BY



TONY BENNETT