Companies House

MR01(ef)

Registration of a Charge

Company name: **KC (B2&B4) GP LIMITED**

Company number: **08136668**

Received for Electronic Filing: **13/10/2017**

X6GY88D7

Details of Charge

Date of creation: **11/10/2017**

Charge code: **0813 6668 0003**

Persons entitled: **DEKABANK DEUTSCHE GIROZENTRALE**

Brief description: **THE REAL PROPERTY AS DEFINED IN THE CHARGE AND INCLUDING THE LEASEHOLD PROPERTIES KNOWN AS BUILDING B2, BLOCK B, KING'S CROSS LONDON, N1 (TITLE NUMBER NGL931386) AND BUILDING B4, BLOCK B, KING'S CROSS LONDON, N1 (TITLE NUMBER NGL931387). FOR MORE DETAILS REFER TO THE CHARGE.**

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: **HERBERT SMITH FREEHILLS LLP**

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8136668

Charge code: 0813 6668 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th October 2017 and created by KC (B2&B4) GP LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th October 2017 .

Given at Companies House, Cardiff on 17th October 2017

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

HERBERT
SMITH
FREEHILLS

EXECUTION VERSION

11 October 2017

THE PERSONS LISTED IN SCHEDULE 1
TO THIS SECURITY AGREEMENT
as chargors

and

DEKABANK DEUTSCHE GIROZENTRALE
as security agent

SECURITY AGREEMENT

Herbert Smith Freehills LLP

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THIS DEED is made on 11 October 2017

BETWEEN:

(1) **THE PERSONS LISTED IN SCHEDULE 1 TO THIS SECURITY AGREEMENT** (each a **"Chargor"** and together the **"Chargors"**); and

(2) **DEKABANK DEUTSCHE GIROZENTRALE** as security trustee for each of the Secured Parties (the **"Security Agent"**).

IT IS AGREED as follows:

1. DEFINITIONS, CONSTRUCTION AND THIRD PARTY RIGHTS

1.1 Definitions

1.1.1 Terms defined in the Facility Agreement shall, unless otherwise defined in this Deed or unless a contrary intention appears, bear the same meaning when used in this Deed and the following terms shall have the following meanings:

"Account Proceeds" means all amounts (including interest) from time to time standing to the credit of any bank or other account of each Chargor with any bank, building society, financial institution or other person (including the Accounts) and the debts represented thereby.

"Administrator" means a person appointed under Schedule B1 to the Insolvency Act 1986 to manage the affairs, business and property of any Chargor.

"Charged Assets" means the assets mortgaged, charged or assigned pursuant to Clauses 3 (*Security*) and 4.1 (*Creation of Floating Charge*) of this Deed.

"Debts" means all of a Chargor's present and future book and other debts, revenues and monetary claims, whether actual or contingent, and whether originally owing to that Chargor or purchased or acquired by it, and all things in action which may give rise to any debt, revenue or monetary claim and the benefit of any related Security, guarantee or other rights of any nature relating thereto and any proceeds of any of the above.

"Facility Agreement" means the facility agreement between, among others, (1) KC (B2&B4) Limited Partnership (acting by its general partner KC (B2&B4) GP Limited) as borrower; (2) DekaBank Deutsche Girozentrale as the Agent; (3) DekaBank Deutsche Girozentrale as Arranger; (4) the Security Agent; and (5) DekaBank Deutsche Girozentrale as the original lender dated on or about the date of this Deed.

"Hedging Arrangements" means any interest or currency swap, cap, floor, collar or option transaction or any other treasury transaction or any combination of the same or any other transaction entered into in connection with the protection against or benefit from a fluctuation in interest or currency rates.

"Insurance Policies" means all present and future contracts or policies of insurance (including life policies) in which a Chargor has an interest or in which it may from time to time have an interest (whether solely, jointly, as loss payee or otherwise).

"Insurance Proceeds" means all monies from time to time payable to each Chargor under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

"Investments" means all of a Chargor's right, title, benefit and interest in all stocks, shares, bonds, notes, warrants, partnership interests and other securities of any kind whatsoever whether in bearer or registered form, and all other interests in any person and all Related Investment Rights whether the same are held directly by or to the order of a Chargor or by any trustee, fiduciary, clearance system (including any depository for any clearance system and any other person

whose business is or includes the provision of clearance services or the provision of security accounts or any nominees or depository for any such person), custody system, settlement system (including Euroclear UK & Ireland Limited for the London Stock Exchange plc and the Central Gilts Office Service for transactions in gilt edged stocks and any nominees thereof) or custodian on behalf of a Chargor or whether the same have been delivered to or to the order of the Security Agent or its nominee including all Related Investment Rights, all Related Property Rights and all rights against any such trustee, fiduciary, clearance system or other person holding such to the order of a Chargor.

"LPA" means the Law of Property Act 1925.

"Partnership Interest" means the general partnership interest held by the General Partner in the Limited Partnership and all Related Investment Rights and Related Property Rights in respect thereof.

"Real Property" means:

(a) all of the freehold and/or leasehold property of each Chargor specified in Schedule 2 (*Real Property*);

(b) all freehold and leasehold property or immovable property of each Chargor situate in England and Wales (other than the property referred to in paragraph (a));

(c) any buildings, fixtures (including trade fixtures), fittings, fixed plant or machinery from time to time on or forming part of the property referred to in paragraphs (a) and (b) above; and

(d) the Related Property Rights.

"Receiver" means any person appointed by the Security Agent to be a receiver or receiver and manager or administrative receiver of any property subject to the security created by this Deed.

"Related Investment Rights" means all allotments, rights, benefits and advantages (including all voting rights) at any time accruing, offered or arising in respect of or incidental to any Investment or Partnership Interests and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of Investments or Partnership Interests.

"Related Property Rights" means, where used in relation to a particular property, asset (or class of assets) or right, the following:

(a) the proceeds of sale and/or other realisation of that property, asset (or class of assets) or right (or any part thereof or interest therein);

(b) all Security, options, agreements, rights, easements, benefits, indemnities, guarantees, warranties or covenants for title in respect of such property, asset (or class of assets) or right; and

(c) all rights under any lease, licence or agreement for lease, sale or use in respect of such property or asset.

"Secured Liabilities" means all monies, obligations and liabilities covenanted to be paid or discharged pursuant to Clause 2 (*Covenants to Pay*).

"Security Period" means the period from the date of this Deed until the date on which the Security Agent has determined that all of the Secured Liabilities have been irrevocably and unconditionally paid and discharged in full.

"Shares" means:

(a) the one issued ordinary share of KCC Nominee 1 (B2) Limited legally and beneficially owned by the General Partner;

(b) the one issued ordinary share of KCC Nominee 2 (B2) Limited legally and beneficially owned by the General Partner;

(c) the one issued ordinary share of KCC Nominee 1 (B4) Limited legally and beneficially owned by the General Partner; and

(d) the one issued ordinary share of KCC Nominee 2 (B4) Limited legally and beneficially owned by the General Partner, and

all Related Investment Rights and all Related Property Rights in respect thereof.

1.1.2 Unless a contrary intention appears, words defined in the Companies Act 2006 have the same meanings in this Deed.

1.2 **Construction and Third Party Rights**

1.2.1 The provisions of clause 1.2 (*Interpretation*) of the Facility Agreement shall apply to this Deed as if they were set out in this Deed.

1.2.2 No term of this Deed is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Deed.

1.3 **Implied Covenants for Title**

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

1.4 **Effect as a Deed**

This Deed is intended to take effect as a deed notwithstanding that the Security Agent may have executed it under hand only.

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

To the extent necessary for any agreement for the disposition of the Charged Assets in this Deed to be a valid agreement under section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the other Finance Documents and of any side letters between the parties to this Deed are incorporated into this Deed.

1.6 **Security Trust Provisions**

The Security Agent holds the benefit of this Deed on trust for the Secured Parties in accordance with clause 28 (*Role of the Agent, the Security Agent, the Arranger and the Reference Banks*) of the Facility Agreement.

1.7 **Legal mortgage**

The Chargors hereby confirm that the legal mortgage granted by them over the Real Property pursuant to Clause 3.1 is granted by them jointly in their capacity as legal owners of such Real Property.

2. **COVENANTS TO PAY**

2.1 **Covenant to Pay Secured Liabilities**

Each Chargor covenants that it shall on demand pay to the Security Agent all monies and discharge all obligations and liabilities now or hereafter due, owing or incurred by it or any other Transaction Obligor to any Secured Party under or pursuant to the Finance Documents in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to a Secured Party or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in sterling or any other currency; or incurred on any current or other banking account or in any other manner whatsoever.

2.2 **Potential Invalidity**

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Liabilities*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

3. **SECURITY**

3.1 **Creation of Fixed Security**

Each Chargor charges to the Security Agent by way of fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in that Chargor at the date of this Deed shall be a charge by way of legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of its rights to and title and interest from time to time in any and each of the following:

3.1.1 the Real Property;

3.1.2 all plant, machinery, vehicles, computers, office and other equipment and chattels (excluding stock-in-trade or work in progress) and all Related Property Rights;

3.1.3 (to the extent that the same are not the subject of a fixed charge under Clause 3.1.4) all Debts;

3.1.4 all Account Proceeds;

3.1.5 all of its Investments;

3.1.6 the Shares;

3.1.7 the Partnership Interest and all rights under the Limited Partnership Documents;

3.1.8 all goodwill and uncalled capital;

3.1.9 any building contract, consultant appointment and collateral warranty in respect of the development of any Real Property; and

3.1.10 (to the extent not effectively assigned under Clause 3.2 (*Assignments*)), the assets (including present and future properties, contracts, revenues and rights of every description) which are specified in Clause 3.2 (*Assignments*).

3.2 **Assignments**

Each Chargor assigns to the Security Agent with full title guarantee as a continuing security for the payment and discharge of the Secured Liabilities all of that Chargor's rights to and title and interest from time to time in:

3.2.1 the Insurance Policies and the Insurance Proceeds;

3.2.2 all Rental Income;

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

3.2.4 any Hedging Arrangements;

3.2.5 each Transaction Document (other than the Finance Documents and any Duty of Care Agreement); and

3.2.6 all other agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents entered into by, given to or otherwise benefiting that Chargor in respect of the Real Property,

and all Related Property Rights in respect of the above.

3.3 **Preservation of Fixed Charge**

Without prejudice to Clause 3.1.3 (*Creation of Fixed Security*) and Clause 3.2 (*Assignments*), if, pursuant to clause 17 (*Bank Accounts*) of the Facility Agreement, a Chargor is entitled to withdraw the proceeds of any book and other debts standing to the

credit of an Account and, as a result, those proceeds are in any way released from the fixed charge created pursuant to Clauses 3.1.4 (*Creation of Fixed Security*) and 3.2 (*Assignments*), the release will in no way derogate from the subsistence and continuance of the fixed charge on all other outstanding book and other debts of that Chargor and the proceeds of those debts.

4. FLOATING CHARGE

4.1 Creation of Floating Charge

4.1.1 Each Chargor charges to the Security Agent by way of first floating charge with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of that Chargor's rights to and title and interest from time to time in the whole of its property, assets, rights and revenues whatsoever and wheresoever, present and future, other than any property, assets, rights and revenues validly and effectively charged or assigned (whether at law or in equity) pursuant to Clauses 3.1 (*Creation of Fixed Security*) or 3.2 (*Assignments*).

4.1.2 Each floating charge hereby created is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

4.2 Automatic Crystallisation of Floating Charge

Notwithstanding anything express or implied in this Deed, and without prejudice to any law which may have similar effect, if:

4.2.1 any Chargor creates or attempts to create any Security over all or any of the Charged Assets save as expressly permitted under the Facility Agreement; or

4.2.2 any person levies or attempts to levy any distress, execution or other process against any of the Charged Assets; or

4.2.3 a resolution is passed or an order is made for the winding up, dissolution, administration or other reorganisation of any Chargor; or

4.2.4 an Administrator is appointed or any step intended to result in such appointment is taken,

then each floating charge created by Clause 4.1 (*Creation of Floating Charge*) will automatically (without notice) be converted into a fixed charge as regards all of the assets subject to each floating charge.

4.3 Crystallisation on Notice of Floating Charge

Notwithstanding anything express or implied in this Deed, the Security Agent may at any time:

4.3.1 following the occurrence of an Event of Default which is continuing; or

4.3.2 if the Security Agent (acting reasonably) considers in good faith that any of the Charged Assets are in danger of being seized or sold as a result of any legal process, are otherwise in jeopardy or the Security Agent reasonably believes that steps are being taken or have been taken which are likely or intended to lead to the appointment of an Administrator or the presentation of a petition for the winding up of any Chargor,

by giving notice in writing to that effect to any Chargor convert one or more floating charges created by Clause 4.1 (*Creation of Floating Charge*) into a fixed charge as regards any assets specified in such notice. The conversion shall take effect immediately upon the giving of the notice.

5. FURTHER ASSURANCE

5.1 Each Chargor must promptly upon request by the Security Agent execute (in such form as the Security Agent may reasonably require) such documents (including assignments, transfers, mortgages, charges, notices and instructions) in favour of the Security Agent or

its nominees and do all such assurances and things as the Security Agent may reasonably require for:

5.1.1 perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;

5.1.2 conferring upon the Security Agent such security as it may require over the assets of a Chargor outside of England and Wales which if in England or Wales would form part of or be intended to form part of the Charged Assets;

5.1.3 facilitating, at any time on or after the occurrence of an Event of Default which is continuing, the realisation of all or any part of the assets of a Chargor; and

5.1.4 exercising all powers, authorities and discretions conferred on the Security Agent or any Receiver pursuant to this Deed or by law.

5.2 Each Chargor shall, at any time, promptly upon request, execute over all or any of the Real Property acquired by a Chargor after the date of this Deed, a charge by way of legal mortgage or legal sub-mortgage or legal assignment, as the case may be, in favour of the Security Agent in such form as the Security Agent shall require.

5.3 Each Chargor shall take all such action as may be available to it for the purpose of creating, perfecting or maintaining the security created or intended to be created pursuant to this Deed including the obtaining of any necessary consent (in form and content satisfactory to the Security Agent) to enable the assets of a Chargor to be mortgaged, charged or assigned pursuant to this Deed. Immediately upon obtaining any necessary consent the asset concerned shall become subject to the security created by this Deed. Each Chargor shall promptly deliver a copy of each such consent to the Security Agent.

6. GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS

6.1 Each Chargor undertakes to the Security Agent with respect to the Charged Assets that:

6.1.1 **Negative Pledge**

it shall not, except as expressly permitted by the Facility Agreement, create or attempt to create or permit to subsist or arise any Security on, over or affecting the Charged Assets or any part of them;

6.1.2 **Disposals**

it shall not dispose of the Charged Assets or any part of them or agree so to do except in the case of disposals which are expressly permitted by the Facility Agreement;

6.1.3 **Subsequent Charges**

subject to Clause 6.1.1 (*Negative Pledge*), it shall procure that any Security created by it after the date of this Deed (otherwise than in favour of the Security Agent) shall be expressed to be subject to this Deed; and

6.1.4 **Deposit of Title Documents**

it shall deposit with the Security Agent or its nominee all deeds and documents of title relating to the Charged Assets provided that:

(A) in the case of deeds or documents of title relating to Real Property, it shall ensure that such deeds and documents of title are held either by the Security Agent or to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose; and

(B) it shall not be required to deposit any stock or share certificates relating to the Investments to the extent that the relevant documents have been deposited with a clearance system, settlement system or custodian acceptable to the Security Agent).

6.2 **Notices of Charge and/or Assignment**

6.2.1 Each Chargor shall forthwith give notice to any bank or financial institution where any Account is held in the form set out in Part A of Schedule 3 (*Notices*) and procure that each such bank or financial institution acknowledges such notice to the Security Agent in the form set out in Part B of Schedule 3 (*Notices*).

6.2.2 Each Chargor shall forthwith give notice to each counterparty to a Hedging Arrangement (other than a Hedge Counterparty which has acceded to the Facility Agreement) in the form set out in Part C of Schedule 3 (*Notices*) and use reasonable endeavours to procure that each such counterparty acknowledges such notice to the Security Agent in the form set out in Part D of Schedule 3 (*Notices*).

6.2.3 Each Chargor shall, if an Event of Default is continuing, forthwith upon the request of the Security Agent, give notice to each tenant of the Real Property in the form set out in Part E of Schedule 3 (*Notices*) and use reasonable endeavours to procure that each such tenant acknowledges such notice to the Security Agent in the form set out in Part F of Schedule 3 (*Notices*).

6.2.4 Each Chargor shall deliver to the Security Agent as reasonably required by the Security Agent:

(A) notices of assignment in respect of any of the other assets assigned pursuant to this Deed (including any of the contracts referred to in Clause 3.2 (*Assignments*)); and

(B) notices of charge in respect of any of the assets charged pursuant to this Deed,

and the Security Agent is authorised to serve such notices, require each Chargor to serve such notices, at any time while an Event of Default is continuing, and following any such service each Chargor shall use reasonable endeavours to procure that each such notice is acknowledged.

6.2.5 The notices of charge and/or assignment and/or acknowledgement referred to in Clause 6.2.4 shall be in a form substantially similar to those contained in Schedule 3 (*Notices*) or such other form as the Security Agent may reasonably require.

6.2.6 Each Chargor shall forthwith give notice to any insurer of the Real Property in the form set out in Part G of Schedule 3 (*Notices*) and use reasonable endeavours to procure that each such insurer acknowledges such notice to the Security Agent in the form set out in Part H of Schedule 3 (*Notices*).

6.2.7 By entering into this Deed, each Chargor acknowledges that it has received notice of the Security constituted by this Deed and each other Security Document.

7. REAL PROPERTY UNDERTAKINGS

7.1 Statutory Power of Leasing

In relation to Real Property, each Chargor agrees that, unless it has the prior written consent of the Security Agent (or the same is otherwise expressly permitted in accordance with the Facility Agreement), it shall not exercise the statutory power of leasing and/or accepting surrenders of leases conferred on mortgagors and further agrees that the Security Agent may, if an Event of Default is continuing, grant or accept surrenders of leases without restriction.

7.2 **Registration and Notifications**

Each Chargor shall:

7.2.1 without prejudice to clause 22.4 (*Disposals*) or clauses 23.2 (*Occupational Leases)* or 23.3 *(Headleases*) of the Facility Agreement, immediately notify the Security Agent of any contract, conveyance, transfer or other disposition for the acquisition by any Chargor of the legal or beneficial interest in any Real Property; and

7.2.2 make an application to the Chief Land Registrar on Form RX1 for the registration against the registered titles (if any) specified in Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the following restriction:

> "No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*date*] in favour of DekaBank Deutsche Girozentrale referred to in the charges register or their conveyancer."

8. **UNDERTAKINGS AS TO INVESTMENTS, PARTNERSHIP INTEREST AND SHARES**

8.1 **Transfer forms and title**

Each Chargor shall deposit with the Security Agent or its nominee:

8.1.1 stock transfer forms or other instruments of transfer relating to the Investments and the Shares, undated but otherwise duly completed to the Security Agent's satisfaction; and

8.1.2 such other documents as the Security Agent may reasonably require from time to time for the purpose of perfecting its title to the Investments or the Shares or for the purpose of vesting the same in itself, its nominee or any purchaser or presenting the same for registration at any time when the security under this Deed is enforceable.

8.2 **Registration of transfers**

If required by the Security Agent whilst an Event of Default is continuing, each Chargor shall procure that all Investments and Shares which are in registered form are duly registered in the name of the Security Agent or its nominee once a transfer relating to those Investments and the Shares is presented for that purpose.

8.3 **Clearance Systems etc**

Each Chargor shall, when requested by the Security Agent whilst an Event of Default is continuing, instruct any clearance system, settlement system, custodian or similar person to transfer any Investments then held by any such person for the account of that Chargor to the account of the Security Agent or its nominee with such clearance system (or as otherwise required by the Security Agent).

8.4 **Calls**

Each Chargor:

8.4.1 shall not, without the consent in writing of the Security Agent, acquire any Investments, Partnership Interest or Shares unless they are fully paid; and

8.4.2 shall duly and promptly pay all calls, instalments or other payments which may be due and payable in respect of any Investments, the Partnership Interest or Shares and, for the avoidance of doubt, no Secured Party shall incur any liability

in respect of any amounts due from any Chargor in respect of any Investments, the Partnership Interest or Shares.

8.5 **Dividends**

The Security Agent (or its nominee) shall hold all dividends or other monies received by it in respect of the Investments, the Partnership Interest and the Shares for the account of the Chargor entitled to them and, prior to the occurrence of an Event of Default which is continuing, shall pay the same to the General Account.

8.6 **Voting Rights and Other Matters**

8.6.1 Prior to the occurrence of an Event of Default which is continuing and save as otherwise provided in this Clause 8.6, each Chargor shall exercise (or direct the Security Agent to exercise on its behalf) all voting rights in respect of the Investments, the Partnership Interest and the Shares provided that no Chargor shall exercise (or direct the exercise of) any voting rights in any manner which may prejudice the value of, or the ability of the Security Agent to realise, the security over the Investments, the Partnership Interest and the Shares created pursuant to this Deed.

8.6.2 No Chargor shall, without the prior written consent of the Security Agent or as expressly permitted under the Facility Agreement, permit or agree to any variation of the rights attaching to or conferred by any of the Investments, the Partnership Interests or the Shares, participate in any rights issue, elect to receive or vote in favour of receiving any dividends other than in the form of cash or participate in any vote concerning a members voluntary winding-up or a compromise or arrangement pursuant to sections 895 to 901 of the Companies Act 2006.

8.6.3 At any time on or after the occurrence of an Event of Default which is continuing, the Security Agent may in such manner and on such terms as it sees fit (in the name of the relevant Chargor or otherwise and without the need for further consent from any Chargor):

(A) exercise (or refrain from exercising) any voting rights in respect of the Investments, the Partnership Interest and the Shares; and/or

(B) apply all dividends and other monies arising from the Investments, the Partnership Interest and the Shares in accordance with Clause 16 (*Application of Monies Received Under this Deed*); and/or

(C) without prejudice to any other provision of this Deed, transfer the Investments, the Partnership Interest and the Shares into the name of a nominee or transferee of the Security Agent as the Security Agent may require; and/or

(D) exercise (or refrain from exercising) all or any of the powers and rights conferred upon or exercisable by the legal or beneficial owner of the Investments, the Partnership Interest and the Shares.

8.7 **Liability of Security Agent**

Each Chargor agrees with the Security Agent that no Secured Party nor any nominee will have any liability for:

8.7.1 failing to present any coupon or other document relating to any Investments, the Partnership Interest or the Shares;

8.7.2 accepting or failing to accept any offer relating to any Investments, the Partnership Interest or the Shares;

8.7.3 failing to attend or vote at any meetings related to any Investments, the Partnership Interest or the Shares;

8.7.4 failing to notify a Chargor of any matters referred to in this Clause 8.7 or of any communication received in relation to any Investments, the Partnership Interest or the Shares; or

8.7.5 any loss arising out of or in connection with the exercise or non-exercise of any rights or powers attaching or accruing to the Investments, the Partnership Interest or the Shares or which may be exercised by the Security Agent or any nominee of the Security Agent under this Deed (whether or not on sale or other realisation of the Investments a better price could have or might have been obtained by either deferring or advancing the date of sale or realisation or otherwise).

8.8 **Nominees**

Each Chargor represents and warrants that it has not and undertakes to the Security Agent that it shall not appoint any nominee to exercise or enjoy all or any of its rights in relation to the Investments, the Partnership Interest or the Shares.

9. UNDERTAKINGS AS TO CHARGE OVER BOOK AND OTHER DEBTS

During the Security Period, each Chargor undertakes with reference to the Debts:

9.1 to collect the Debts in the ordinary course of its business and (prior to the payment into the account specified in Clause 9.2) to hold the proceeds of those Debts on trust for the Security Agent;

9.2 to pay into an account in accordance with the terms of the Facility Agreement or, after the occurrence of an Event of Default which is continuing, otherwise as the Security Agent may direct all monies which that Chargor may receive in respect of the Debts;

9.3 save to the extent that the Security Agent otherwise agrees in writing or as permitted by the Facility Agreement not to withdraw any amounts (whether in the nature of principal or interest) standing to the credit of the account referred to in Clause 9.2.

10. RIGHTS OF THE SECURITY AGENT

10.1 **Enforcement**

At any time on or after the occurrence of an Event of Default which is continuing, the security created pursuant to this Deed shall be immediately enforceable and the Security Agent may in its absolute discretion and without notice to any Chargor or the prior authorisation of any court:

10.1.1 enforce all or any part of the security created by this Deed and take possession of or dispose of all or any of the Charged Assets in each case at such times and upon such terms as it sees fit; and

10.1.2 whether or not it has appointed a Receiver, exercise all of the powers, authorities and discretions:

(A) conferred from time to time on mortgagees by the LPA (as varied or extended by this Deed) or by law; and

(B) granted to a Receiver by this Deed or from time to time by law.

10.2 **Restrictions on Consolidation of Mortgages**

Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Security Agent shall have the right to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time. Such power may be exercised by the Security Agent at any time on or after the occurrence of an Event of Default which is continuing. Each Chargor hereby consents to the Security Agent making an application to the Chief Land Registrar on Form CC for registration against the registered titles (if any) specified in Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real Property from time to time including a registered title) of the right to consolidate.

10.3 **Restrictions on Exercise of Power of Sale**

Section 103 of the LPA shall not apply to this Deed and the power of sale arising under the LPA shall arise on the date of this Deed (and the Secured Liabilities shall be deemed to have become due and payable for that purpose). The power of sale and other powers conferred by section 101 of the LPA as varied or extended by this Deed and those powers conferred (expressly or by reference) on a Receiver shall be immediately exercisable by the Security Agent at any time on or after the occurrence of an Event of Default which is continuing.

10.4 **Leasing Powers**

The restrictions contained in sections 99 to 100 of the LPA shall not apply to restrict the rights of the Security Agent or any Receiver under this Deed. The statutory powers of leasing may be exercised by the Security Agent upon and following the occurrence of an Event of Default which is continuing and the Security Agent and any Receiver may make any lease or agreement for lease and/or accept any surrenders of leases and/or grant options on such terms as it sees fit without the need to comply with the aforementioned restrictions.

10.5 **No Prior Notice Needed**

The powers of the Security Agent set out in Clauses 10.2 (*Restrictions on Consolidation of Mortgages*) to 10.4 (*Leasing Powers*) may be exercised by the Security Agent without prior notice to any Chargor.

10.6 **Right of Appropriation**

10.6.1 Without prejudice to the other provisions of this Deed, to the extent that any of the Charged Assets constitute "financial collateral", and this Deed and the obligations of any of the Chargors hereunder constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Financial Collateral Arrangements (No.2) Regulations 2003 (SI 2003/3226) (the **"Regulations"**)), the Security Agent shall at any time on and after the occurrence of an Event of Default which is continuing have the right to appropriate all or any part of those Charged Assets in or towards discharge of the Secured Liabilities. For this purpose, the parties agree that the value of any such Charged Assets so appropriated shall be the market price of such Charged Assets at the time the right of appropriation is exercised as determined by the Security Agent by reference to such method or source of valuation as the Security Agent may reasonably select, including by independent valuation. The parties agree that the methods or sources of valuation provided for in this Clause, or selected by the Security Agent in accordance with this Clause shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

10.6.2 The Security Agent shall notify the Chargors as soon as reasonably practicable of the exercise of its right of appropriation as regards such of the Charged Assets as are specified in such notice.

11. **EXONERATION**

11.1 **Exoneration**

No Secured Party shall, nor shall any Receiver, by reason of it or the Receiver entering into possession of the Charged Assets, be liable to account as mortgagee in possession or be liable for any loss or realisation or for any default or omission for which a mortgagee in possession might be liable; but every Receiver duly appointed by the Security Agent under this Deed shall for all purposes be deemed to be in the same position as a receiver duly appointed by a mortgagee under the LPA save to the extent that the provisions of that Act are varied by or are inconsistent with the provisions of this Deed when the provisions of this Deed shall prevail and every such Receiver and the Security Agent shall in any event

be entitled to all the rights, powers, privileges and immunities conferred by the LPA on mortgagees and receivers duly appointed under the LPA.

11.2 **Indemnity**

The Security Agent and every Receiver, attorney, delegate, manager, agent or other person appointed by the Security Agent hereunder shall be entitled to be indemnified out of the Charged Assets or any part thereof in respect of all liabilities and expenses incurred by it or him in the execution of any of the powers, authorities or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets or any part of them. The Security Agent and any such Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

12. APPOINTMENT OF RECEIVER OR ADMINISTRATOR

12.1 **Appointment**

12.1.1 At any time on or after the occurrence of an Event of Default which is continuing, or at the request of a Chargor or its directors, the Security Agent may, without prior notice to the Chargors, in writing (under seal, by deed or otherwise under hand) appoint:

(A) a Receiver in respect of the Charged Assets or any part thereof and may in like manner from time to time (and insofar as it is lawfully able to do) remove any Receiver and appoint another in his stead; or

(B) one or more persons to be an Administrator in accordance with paragraph 14 of Schedule B1 to the Insolvency Act 1986.

12.1.2 Nothing in Clause 12.1.1 shall restrict the exercise by the Security Agent of any one or more of the rights of the Security Agent under Schedule B1 to the Insolvency Act 1986 and the rules thereunder or at common law.

12.2 **More than one Receiver**

Where more than one Receiver is appointed, each joint Receiver shall have the power to act severally, independently of any other joint Receiver, except to the extent that the Security Agent may specify to the contrary in the appointment.

12.3 **Receiver as agent**

A Receiver shall be the agent of each Chargor which shall be solely responsible for his acts or defaults and for his remuneration. No Receiver shall at any time act as agent of any Secured Party.

12.4 **Receiver's Remuneration**

A Receiver shall be entitled to remuneration for his services at a rate to be determined by the Security Agent from time to time (and without being limited to any maximum rate specified by any statute or statutory instrument).

12.5 **Actions of the Administrator**

Save as provided for in statute or as otherwise agreed in writing by that Secured Party, no Secured Party shall have any liability for the acts or omissions of an Administrator.

13. RECEIVER'S POWERS

13.1 **Powers**

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

13.1.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

13.1.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;

13.1.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which any Chargor itself could do or omit to do;

13.1.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, any Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of any Chargor (whether under hand, or by way of deed or by utilisation of the company seal of any Chargor).

13.2 **Powers may be Restricted**

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Security Agent) appointing him but they shall not be restricted by any winding-up or dissolution of any Chargor.

14. PROTECTION OF PURCHASERS

14.1 **Absence of Enquiry**

No person or persons dealing with the Security Agent or any Receiver shall be concerned to enquire whether any event has happened upon which any of the powers in this Deed are or may be exercisable or otherwise as to the propriety or regularity of any exercise of such powers or of any act purporting or intended to be an exercise of such powers or whether any amount remains secured by this Deed. All the protections to purchasers and persons dealing with receivers contained in sections 104, 107 and 109(4) of the LPA shall apply to any person purchasing from or dealing with the Security Agent or any such Receiver.

14.2 **Receipt: Conclusive Discharge**

The receipt of the Security Agent or any Receiver shall be a conclusive discharge to any purchaser of the Charged Assets.

15. POWER OF ATTORNEY AND DELEGATION

15.1 **Power of Attorney: General**

Each Chargor hereby irrevocably and by way of security appoints the Security Agent and any Receiver severally to be its attorney in its name and on its behalf and as its act and deed:

15.1.1 to execute and deliver any documents or instruments which the Security Agent or such Receiver may require for perfecting the title of the Security Agent to the Charged Assets or for vesting the same in the Security Agent, its nominee or any purchaser;

15.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which any Chargor is required to enter into pursuant to this Deed;

15.1.3 otherwise generally to sign, seal, execute and deliver all deeds, assurances, agreements and documents and to do all acts and things which may be required for the full exercise of all or any of the powers conferred on the Security Agent or any Receiver under this Deed or which any Chargor is required to do pursuant to this Deed or which may be deemed expedient by the Security Agent or a Receiver in connection with any preservation, disposition, realisation or getting in

by the Security Agent or such Receiver of the Charged Assets or in connection with any other exercise of any other power under this Deed,

provided that the power of attorney granted in this Clause 15.1 shall only be exercisable: (a) if an Event of Default is continuing; or (b) following a failure by a Chargor to comply with its obligations under this Deed within any applicable grace period.

15.2 **Power of Attorney: Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 15 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause.

15.3 **General Delegation**

The Security Agent and any Receiver shall have full power to delegate the powers, authorities and discretions conferred on it or him by this Deed (including the power of attorney) on such terms and conditions as it or he shall see fit which shall not preclude exercise of those powers, authorities or discretions by it or him or any revocation of the delegation or any subsequent delegation.

16. **APPLICATION OF MONIES RECEIVED UNDER THIS DEED**

Any monies received under the powers hereby conferred shall, subject to the repayment of any claims having priority to this Deed and to any applicable statutory requirement as to (i) the payment of preferential debts or (ii) the payment of unsecured creditors in accordance with section 176A of the Insolvency Act 1986, be applied for the following purposes and in the following order of priority:

16.1 in satisfaction of all costs, charges, expenses, payments and liabilities (including payments made in accordance with paragraphs (i), (ii) and (iii) of section 109(8) of the LPA) made or incurred by the Security Agent or the Receiver (including any interest thereon at the rate set out in clause 8.4 (*Default interest*) of the Facility Agreement, both before and after judgment from the date on which they were made or incurred until the date on which they were irrevocably paid in full) and of remuneration to the Receiver in such order as the Security Agent shall in its absolute discretion decide; and

16.2 in accordance with clause 29 (*Application of proceeds*) of the Facility Agreement; and

16.3 the surplus, if any, shall be paid to the relevant Chargor or other person or persons entitled to it,

save that the Security Agent may credit any monies received under this Deed to a suspense account for so long and in such manner as the Security Agent may from time to time determine and the Security Agent may retain the same for such period as he considers appropriate.

17. **RELEASE OF SECURITY**

17.1 **Release**

At the end of the Security Period, the Security Agent shall, at the request and reasonable cost of each Chargor, execute (or procure the execution by its nominee) (in each case in a form acceptable to the Security Agent) and do all such deeds, acts and things as are necessary to release and/or reassign the Charged Assets from the security created by or in accordance with this Deed.

17.2 **Avoidance of Payments**

17.2.1 No amount paid, repaid or credited to a Secured Party shall be deemed to have been irrevocably paid if the Security Agent considers that the payment or credit of such amount is capable of being avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws.

17.2.2 If any amount paid, repaid or credited to a Secured Party is avoided or reduced because of any laws applicable on bankruptcy, insolvency, liquidation or any similar laws then any release, discharge or settlement between that Secured Party and the Chargors shall be deemed not to have occurred and the Security Agent shall be entitled to enforce this Deed subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made.

18. AMOUNTS PAYABLE

All monies received or held by a Secured Party or a Receiver under this Deed in a currency other than the currency in which the Secured Liabilities are denominated may from time to time be sold for such one or more of the currencies in which the Secured Liabilities are denominated. Each Chargor shall indemnify each Secured Party against the full cost (including all costs, charges and expenses) incurred in relation to such sale. No Secured Party nor any Receiver shall have any liability to any Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such sale.

19. POWER OF SEVERANCE

In the exercise of the powers conferred by this Deed, the Security Agent or any Receiver may sever and sell plant, machinery or other fixtures separately from the property to which they may be annexed and the Security Agent or any Receiver may apportion any rent or other amount without the consent of the Chargors.

20. NEW ACCOUNTS

If a Secured Party receives notice of any subsequent charge or other interest affecting any part of the Charged Assets (the date of receipt of such notice being the **"Notice Date"**) it may, without prejudice to its rights under this Deed, open a fresh account or accounts with each Chargor and continue any existing account in the name of any Chargor and may appropriate to any such fresh account any monies paid in, received or realised for the credit of any Chargor after that time without being under any obligation to apply the same or any part of them in discharge of any of the Secured Liabilities. If a Secured Party fails to open a fresh account it will be deemed to have done so and any monies received or realised after the Notice Date will not reduce the Secured Liabilities outstanding on the Notice Date.

21. MISCELLANEOUS

21.1 The Chargors

This Deed is binding on the successors and assigns of each Chargor in respect of the Charged Assets (other than any assets which: (a) are subject only to the floating charge created by Clause 4.1 (*Creation of Floating Charge*) and which have been disposed of in accordance with the Finance Documents; or (b) have been released and/or reassigned by the Security Agent from the security created by or in accordance with this Deed).

21.2 Assignment and Transfer

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed. The Security Agent may assign and transfer all or any part of its rights and obligations under this Deed to a replacement security agent appointed pursuant to the terms of the Facility Agreement. Such replacement security agent will, from the date of such assignment or transfer, be the security agent for the Secured Parties under this Deed instead of the previous security agent.

21.3 Property

This Deed is and will remain the property of the Security Agent.

21.4 **Continuing Security**

This Deed shall be a continuing security and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

21.5 **Additional Security**

This Deed shall be in addition to and not be affected by any other security or guarantee now or hereafter held by a Secured Party for all or any part of the Secured Liabilities nor shall any such other security or guarantee of liability to a Secured Party of or by any person not a party to this Deed be in any way impaired or discharged by this Deed nor shall this Deed in any way impair or discharge such other security or guarantee.

21.6 **Variation of Security**

This Deed shall not in any way be affected or prejudiced by a Secured Party at any time dealing with, exchanging, releasing, varying or abstaining from perfecting or enforcing any security or guarantee referred to in Clause 21.5 (*Additional Security*) or any rights which a Secured Party may at any time have or giving time for payment or granting any indulgence or compounding with any person whatsoever.

21.7 **Enforcement of Other Security**

No Secured Party shall be obliged to enforce any other Security it may hold for the Secured Liabilities before enforcing any of its rights under this Deed.

21.8 **Redemption of Prior Incumbrances**

The Security Agent may redeem or take a transfer of any prior Security over the Charged Assets and may agree the accounts of prior incumbrancers. An agreed account shall be conclusive and binding on the Chargors. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Chargors to the Security Agent and until such payment shall form part of the Secured Liabilities.

21.9 **Costs and Expenses**

Each Chargor shall, within three Business Days of demand, reimburse each Secured Party and any Receiver, attorney, manager, agent or other person appointed by the Security Agent under this Deed for all costs and expenses (including legal fees):

21.9.1 reasonably incurred by that Secured Party, Receiver, attorney, manager, agent or other person in connection with the completion of the transactions and perfection of the security created or contemplated by this Deed; and

21.9.2 incurred by that Secured Party, Receiver, attorney, manager, agent or other person in connection with the enforcement or attempted enforcement of the security created or contemplated by, or the preservation of any rights under, this Deed,

in each case with any applicable VAT.

21.10 **Obligations Joint and Several**

The obligations of the Chargors under this Deed are joint and several.

21.11 **Further Advances**

21.11.1 Each Lender must perform its obligations under the Facility Agreement (including any obligation to make available further advances).

21.11.2 Each Chargor hereby consents to the Security Agent making an application to the Chief Land Registrar on Form CH2 for the registration against the registered titles (if any) specified in Schedule 2 (*Real Property*) (and any unregistered properties subject to compulsory first registration at the date of this Deed and any other Real

Property from time to time including a registered title) of the obligation to make further advances.

21.12 **Non-competition on enforcement**

Unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under this Deed or enforcement of the Security created by this Deed:

21.12.1 to be indemnified by any Transaction Obligor (including any rights it may have by way of subrogation);

21.12.2 to claim any contribution from any guarantor of any Transaction Obligor of the obligations under the Finance Documents;

21.12.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any right of the Security Agent or any of the other Secured Parties under any Finance Document or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents;

21.12.4 to claim, rank, prove or vote as a creditor of any Transaction Obligor or its estate in competition with the Security Agent or any of the other Secured Parties; and/or

21.12.5 receive, claim or have the benefit of any payment, distribution or security from or on account of any Transaction Obligor, or exercise any right of set-off against any Transaction Obligor.

22. **LAW**

This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including any non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

IN WITNESS whereof this Deed has been duly executed and delivered as a deed on the date first above written.

SCHEDULE 1

CHARGORS

Name	Country of incorporation/formation	Registered number
KC (B2 & B4) Limited Partnership (acting by its general partner KC (B2&B4) GP Limited)	England and Wales	LP015093
KC (B2&B4) GP Limited	England and Wales	08136668
KCC Nominee 1 (B2) Limited	England and Wales	08137578
KCC Nominee 2 (B2) Limited	England and Wales	08136054
KCC Nominee 1 (B4) Limited	England and Wales	08136385
KCC Nominee 2 (B4) Limited	England and Wales	08136493

SCHEDULE 2

REAL PROPERTY

Legal Owner	Beneficial Owner	Address	Title Number
KCC Nominee 1 (B2) Limited and KCC Nominee 2 (B2) Limited	KC (B2&B4) Limited Partnership (acting by its general partner KC (B2&B4) GP Limited)	The leasehold property known as Building B2, Block B, King's Cross, London N1 as demised by and more particularly described in a lease dated 18 December 2012 and made between King's Cross Central (Trustee No. One) Limited and King's Cross Central (Trustee No. Two) Limited and KCC Nominee 1 (B2) Limited and KCC Nominee 2 (B2) Limited.	NGL931386
KCC Nominee 1 (B4) Limited and KCC Nominee 2 (B4) Limited	KC (B2&B4) Limited Partnership (acting by its general partner KC (B2&B4) GP Limited)	The leasehold property known as Building B4, Block B, King's Cross, London N1 as demised by and more particularly described in a lease dated 18 December 2012 and made between King's Cross Central (Trustee No. One) Limited and King's Cross Central (Trustee No. Two) Limited and KCC Nominee 1 (B4) Limited and KCC Nominee 2 (B4) Limited.	NGL931387

SCHEDULE 3

NOTICES

PART A

NOTICE TO ACCOUNT BANK

[On the letterhead of relevant Chargor]

To: [Account Bank]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

We hereby give you notice that under the Security Agreement we have charged (by way of a first fixed charge) in favour of [DekaBank Deutsche Girozentrale] (the **"Security Agent"**) all our rights in respect of any amount moneys standing to the credit of any account maintained by us with you (the **"Accounts"**).

We irrevocably instruct and authorise you to:

(a) disclose to the Security Agent any information relating to any Account requested from you by the Security Agent;

(b) comply with the terms of any written notice or instruction relating to any Account (other than the General Account, unless and until you have received notice in writing from the Security Agent that an Event of Default is continuing under the Facility Agreement) received by you from the Security Agent; and

(c) pay or release any sum standing to the credit of any Account (other than the General Account, unless and until you have received notice in writing from the Security Agent that an Event of Default is continuing under the Facility Agreement) in accordance with the written instructions of the Security Agent.

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 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 [DekaBank Deutsche Girozentrale, Mainzer Landstrasse 16, 60325 Frankfurt, Germany], Attention: [Dirk Scheinig, Transaction Management Europe] with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[relevant Chargor]

PART B

ACKNOWLEDGEMENT OF ACCOUNT BANK

[On the letterhead of the Account Bank]

To: [DekaBank Deutsche Girozentrale, Mainzer Landstrasse 16, 60325 Frankfurt, Germany],

Attention: [Dirk Scheinig, Transaction Management Europe]

Copy: [relevant Chargor]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

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

We confirm that we:

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

(b) have not received notice of the interest of any third party in any Account;

(c) have neither claimed nor exercised, nor will claim or exercise, any security interest, set-off, counter-claim or other right in respect of any Account; and

(d) will not permit any amount to be withdrawn from any Account without your prior written consent (or in the case of the Account designated the General Account if you notify us that an Event of Default is continuing under the Facility Agreement (as defined in the Security Agreement)).

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]

PART C

NOTICE TO COUNTERPARTY TO HEDGING ARRANGEMENT

[on the letterhead of relevant Chargor]

To: [Counterparty]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

This letter constitutes notice to you that under the Security Agreement we assigned (by way of security) to [DekaBank Deutsche Girozentrale] (the **"Security Agent"**) all our rights under any hedging arrangements between you and us (the **"Hedging Arrangements"**).

We irrevocably instruct and authorise you to:

(a) disclose to the Security Agent without any reference to or further authority from us and without any inquiry by you as to the justification for the disclosure, any information relating to the Hedging Arrangements which the Security Agent may request from you; and

(b) pay any sum payable by you under the Hedging Arrangements to our account with the Security Agent at [ ], Sort Code [ ], Account No. [ ] (the Rent Account).

We will also remain entitled to exercise all our rights, powers and discretions under the Hedging Arrangements, and you should continue to give notices under the Hedging Arrangements to us, unless and until you receive notice from the Security Agent to the contrary stating that an Event of Default is continuing under the Facility Agreement (as defined in the Security Agreement). In this event, all the rights, powers and discretions will be exercisable by, and notices given to the Security Agent or as it directs.

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 enclosed acknowledgement to the Security Agent with a copy to us.

Yours faithfully,

.....

(Authorised signatory)

[relevant Chargor]

PART D

ACKNOWLEDGEMENT OF COUNTERPARTY TO HEDGING ARRANGEMENT

To: [DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16
60325 Frankfurt
Germany]

Attention: [Dirk Scheinig, Transaction Management Europe]

Copy: [relevant Chargor]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

We confirm receipt from [*name of relevant Chargor*] (the **"Chargor"**) of a notice dated [ ] (the **"Notice"**) of an assignment upon the terms of the Security Agreement of all the Chargor's rights under the Hedging Arrangements (as defined in the Notice).

We confirm that we:

(a) have not received notice of the interest of any third party in the Hedging Arrangements;

(b) must pay any amount payable by us under the Hedging Arrangements to the Chargor's account with you at [ ], Sort Code [ ], Account No. [ ], (the Rent Account);

(c) must accept your instructions in relation to the Chargor's rights under the Hedging Arrangements following a confirmation that an Event of Default is continuing under the Facility Agreement (as defined in the Security Agreement); and

(d) will not agree to any amendment, waiver or variation of the terms of the Hedging Arrangements without your prior written consent.

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

Yours faithfully,

.....

(Authorised signatory)

[Counterparty]

PART E

NOTICE TO OCCUPATIONAL TENANT

[On the letterhead of relevant Chargor]

To: **[Occupational tenant]**

[Date]

Dear Sir or Madam,

Re: [Property]

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (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 assigned (by way of security) in favour of [DekaBank Deutsche Girozentrale] (the **"Security Agent"**) 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 with [ ] at [ ], Account No. [ ], Sort Code [ ] (the **"Rent 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 [DekaBank Deutsche Girozentrale, Mainzer Landstrasse 16, 60325 Frankfurt, Germany], Attention: [Dirk Scheinig, Transaction Management Europe].

Yours faithfully,

For

[relevant Chargor]

PART F

ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: [DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16
60325 Frankfurt
Germany]

Attention: [Dirk Scheinig, Transaction Management Europe]

[Date]

Dear Sir or Madam,

Re: [Property]

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

We confirm receipt from [*name of relevant 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);

(b) must pay all rent and all other monies payable by us under the Lease into the Rent Account (as defined in the Notice); and

(c) must continue to pay those monies into the Rent Account 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

[Tenant]

PART G

NOTICE TO INSURER

To: [Insurer]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

We hereby give you notice that under the Security Agreement we assigned to [DekaBank Deutsche Girozentrale] (the **"Security Agent"**) all our rights to and title and interest from time to time in, to and under insurance policy number[s] [●] effected by us or whomsoever in relation to the properties listed in the Schedule hereto (including all moneys payable thereunder, proceeds of all claims, awards and judgments) and all other insurances entered into supplemental to or in replacement of such policy[ies] of insurance (the **"Policy[ies]"**).

We irrevocably instruct and authorise you to pay all payments under or arising under the Policy[ies] in excess of £250,000 to the account called [Chargor – Insurance Proceeds Account], at [Bank], account number [●] sort code [●]. It is very important that you make all immediate arrangements for all such sums payable by you under the Policy[ies] to be paid to this account.

Please note that:

1. all remedies provided for under the Policy[ies] or available at law or in equity are exercisable by the Security Agent;
2. all rights to compel performance of the Policy[ies] are exercisable by the Security Agent; and
3. all rights, interests and benefits whatsoever accruing to or for our benefit arising under the Policy[ies] belong to the Security Agent.

We will remain liable to perform all our obligations under the Policy[ies] and the Security Agent is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by us to perform our obligations under the Policy[ies].

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 [DekaBank Deutsche Girozentrale, Mainzer Landstrasse 16, 60325 Frankfurt, Germany], Attention: [Dirk Scheinig, Transaction Management Europe].

Yours faithfully,

.....

(Authorised signatory)

[relevant Chargor]

SCHEDULE

PROPERTIES

PART H

ACKNOWLEDGEMENT OF INSURER

To: [DekaBank Deutsche Girozentrale
Mainzer Landstrasse 16
60325 Frankfurt
Germany]

Attention: [Dirk Scheinig, Transaction Management Europe]

[Date]

Dear Sir or Madam,

Security Agreement dated [ ] between [ ] and others and DekaBank Deutsche Girozentrale (the "Security Agreement")

We confirm receipt from [*name of relevant Chargor*] (the **"Chargor"**) of a notice dated [●] of an assignment upon the terms of the Security Agreement to [DekaBank Deutsche Girozentrale] (the **"Security Agent"**) of the Chargor's right, interests and benefit in, to and under the Policy[ies] (as specified in that notice) to which we are a party.

We confirm that we have not received notice of any other assignment or charge of or over any of the rights, title and interests specified in such notice and will make all payments in accordance with the terms of the notice to the account specified in that notice.

We further confirm that:

1. no termination of such rights, interests or benefits will be effective unless we have given the Security Agent at least [30] days' written notice of the proposed termination and specifying the action necessary to avoid such termination;
2. the Chargor will remain liable to perform all of its obligations under the Policy[ies] and the Security Agent is under no obligation of any kind whatsoever under the Policy[ies] nor under any liability whatsoever in the event of any failure by the Chargor to perform its obligations under the Policy[ies]; and
3. as the Security Agent is named as composite insured, no breach or default on the part of the Chargor of any of the terms of such Policy[ies] will be deemed to have occurred unless we have given notice of such breach to the Security Agent specifying how to make good such breach.

We unconditionally and irrevocably waive all rights of set-off, lien, counter-claim and other similar rights (however described) which we may have now or in the future to the extent that such rights relate to amounts owed to us by the Chargor (and the proceeds thereof) and we will send you copies of all statements, orders and notices given by us relating to such debt.

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]

THE CHARGORS

The Borrower

KC (B2&B4) GP LIMITED as general partner of **KC (B2&B4) LIMITED PARTNERSHIP**

EXECUTED AS A DEED by)
KC (B2&B4) GP LIMITED)
)
acting by)
DAVID PARTRIDGE)
(*Print name*))
in the presence of:)

[redacted]
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS

Address of witness

4.4 STABLE STREET
LONDON
N1C 4AB.

The General Partner

EXECUTED AS A DEED by)
KC (B2&B4) GP LIMITED)
)
acting by)
DAVID PARTRIDGE)
(*Print name*))
in the presence of:)

[redacted]
.....
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS

Address of witness

% 4 STABLE STREET
LONDON
NIC 4AB.

KCC Nominee 1 (B2) Limited

EXECUTED AS A DEED by)
KCC NOMINEE 1 (B2) LIMITED)
)
acting by)
MICHAEL LIGHTBOUND)
(*Print name*))
in the presence of:)

[redacted]
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS

Address of witness

74 STABLE STREET
LONDON
NIC 4AB

KCC Nominee 2 (B2) Limited

EXECUTED AS A DEED by)
KCC NOMINEE 2 (B2) LIMITED)
)
acting by)
MICHAEL LIGHTBOUND)
(*Print name*))
in the presence of:)

[redacted]
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS

Address of witness

C/O 4 STABLE STREET
LONDON
NIC 4AB.

KCC Nominee 1 (B4) Limited

EXECUTED AS A DEED by)
KCC NOMINEE 1 (B4) LIMITED)
)
acting by)
MICHAEL LIGHTBOUND)
.....)
(*Print name*))
in the presence of:)

[redacted]
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS
.....

Address of witness

C/O 4 STABLE STREET
.....
LONDON
.....
NIC 4AB.
.....
.....

KCC Nominee 2 (B4) Limited

EXECUTED AS A DEED by)
KCC NOMINEE 2 (B4) LIMITED)
)
acting by)
MICHAEL LIGHTBOUND)
.....)
(*Print name*))
in the presence of:)

[redacted]
Director

Signature of witness:

[redacted]

Name of witness
(in BLOCK CAPITALS)

YVONNE ANDREWS.
.....

Address of witness

9.4 STABLE STREET
.....
LONDON
.....
N1C 4AB.
.....

.....

THE SECURITY AGENT

SIGNED as a **DEED** on behalf of **DEKABANK DEUTSCHE GIROZENTRALE** (a company incorporated in Germany) by)

and)

being persons who, in accordance with the laws of that territory, are acting under the authority of that company)

Authorised Signatory: [redacted] Dirk Scheinio

Authorised Signatory: [redacted] Andrea Hotz