

MR01

Particulars of a charge

005239

1386

Laserform

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

You can use the WebFiling service to file this form online
Please go to www.companieshouse.gov.uk

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

☒ **What this form is NOT for**
You may not use this form to
register a charge where the
instrument Use form M



A04

A49QILHK

17/06/2015

#66

COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery

☒ You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original.**

1 Company details

Company number 08291908
Company name in full KCC NOMINEE 2 (MGS) LIMITED

3 For official use

→ **Filling in this form**
Please complete in typescript or in
bold black capitals
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d1 d2 m0 m6 y2 y0 y1 y5

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

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

Name BARCLAYS BANK PLC (as security trustee for the
Secured Parties)

Name

Name

Name

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

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

MR01

Particulars of a charge

4

Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument

Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument"

Please limit the description to the available space

Brief description

None

5

Other charge or fixed security

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

☒ Yes

☐ No

6

Floating charge

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

☒ Yes Continue

☐ No Go to **Section 7**

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

☒ Yes

7

Negative Pledge

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

☒ Yes

☐ No

8

Trustee statement ¹

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

☐

¹ This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X DLA Piper UK LLP X

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

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Gemma Rooney

Company name DLA Piper UK LLP

Address Victoria Square House

Victoria Square

Birmingham

Post town

County/Region

Postcode B 2 4 D L

Country

DX DX 13022 BIRMINGHAM 1

Telephone 08700 111 111



Certificate

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



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

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



Important information

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



How to pay

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

Make cheques or postal orders payable to 'Companies House'



Where to send

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

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland:

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

For companies registered in Northern Ireland:

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



Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8291908

Charge code: 0829 1908 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th June 2015 and created by KCC NOMINEE 2 (MGS) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th June 2015

df

Given at Companies House, Cardiff on 24th June 2015



Companies House



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



DLA PIPER

I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 16 June 2015

SIGNED DLA PIPER UK LLP
DLA PIPER UK LLP

Lenis Gant
Solicitor

DATED 12 JUNE 2015

(1) KCC NOMINEE 1 (FC) LIMITED, KCC NOMINEE 2 (FC) LIMITED, KCC NOMINEE 1 (G1PAV) LIMITED, KCC NOMINEE 2 (G1PAV) LIMITED, KCC NOMINEE 1 (GG) LIMITED, KCC NOMINEE 2 (GG) LIMITED, KCC NOMINEE 1 (MGS) LIMITED, KCC NOMINEE 2 (MGS) LIMITED, KCC NOMINEE 1 (WTS) LIMITED, AND KCC NOMINEE 2 (WTS) LIMITED AS CHARGORS

- and -

(2) BARCLAYS BANK PLC
as Security Agent

SECURITY AGREEMENT

CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	COVENANT TO PAY	5
3	GRANT OF SECURITY	6
4	FIXED SECURITY	6
5.	FLOATING CHARGE	6
6	CONVERSION OF FLOATING CHARGE	7
7	CONTINUING SECURITY	7
8	LIABILITY OF THE CHARGORS RELATING TO SECURITY ASSETS	8
9	ACCOUNTS	8
10	REPRESENTATIONS	8
11	UNDERTAKINGS BY THE CHARGORS.	9
12	POWER TO REMEDY	11
13	WHEN SECURITY BECOMES ENFORCEABLE.	11
14	ENFORCEMENT OF SECURITY	12
15	RECEIVER	14
16.	POWERS OF RECEIVER	14
17	APPLICATION OF PROCEEDS	16
18	SET-OFF.	17
19.	DELEGATION	18
20	FURTHER ASSURANCES	18
21	POWER OF ATTORNEY	19
22.	CURRENCY CONVERSION	19
23	CHANGES TO THE PARTIES	19
24.	MISCELLANEOUS	20
25	THIRD PARTY CLAUSES	21
26	NOTICES	23
27	PAYMENTS	23
28	COSTS AND EXPENSES	23
29	CALCULATIONS AND CERTIFICATES	24
30	PARTIAL INVALIDITY.	24
31	REMEDIES AND WAIVERS.	24
32	AMENDMENTS AND WAIVERS	24
33	COUNTERPARTS	25
34	RELEASE	25
35	GOVERNING LAW	25

SCHEDULE 1 TEMPLATE DEED OF RELEASE ..	26
EXECUTION PAGES FOR SECURITY AGREEMENT .	33

THIS SECURITY AGREEMENT is made on

12 June

2015

BETWEEN:

- (1) **KCC NOMINEE 1 (FC) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 09511088), **KCC NOMINEE 2 (FC) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 09511163), **KCC NOMINEE 1 (GIPAV) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08725506), **KCC NOMINEE 2 (GIPAV) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08725638), **KCC NOMINEE 1 (GG) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08592243), **KCC NOMINEE 2 (GG) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08592228), **KCC NOMINEE 1 (MGS) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08290840), **KCC NOMINEE 2 (MGS) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 08291908), **KCC NOMINEE 1 (WTS) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 07388134), **KCC NOMINEE 2 (WTS) LIMITED** registered in England and Wales and having its registered office at 4 Stable Street, London, N1C 4AB (registered number 07388064), (each acting for itself and not as a trustee) (the "**Chargors**"), and
- (2) **BARCLAYS BANK PLC** (as security trustee for the Secured Parties (as defined in the Facility Agreement, as defined below)) (in such capacity, the "**Security Agent**")

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed

- (a) terms defined in, or construed for the purposes of, the Facility Agreement have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed), and
- (b) the following terms have the following meanings

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

"**Assigned Assets**" means the Security Assets expressed to be assigned pursuant to clause 4.2 (*Security assignments*);

"**Charged Investments**" means the Charged Securities and all present and future Related Rights accruing to all or any of the Charged Securities,

"**Charged Securities**" means any stocks, shares, debentures, bonds, warrants, coupons, negotiable instruments, certificates of deposit or other securities or "*investments*" (as defined

in part II of schedule II to the Financial Services and Markets Act 2000 as in force at the date of this Deed) now or in future owned (legally or beneficially) by a Chargor or held by a nominee, trustee, fiduciary or clearance system on its behalf or in which such Chargor has an interest at any time,

"Default Rate" means the rate of interest determined in accordance with clause 8 4 (*Default Interest*) of the Facility Agreement except that references to an Obligor are to be construed as references to a Chargor,

"Facility Agreement" means the facility agreement dated on or around the date of this Deed and made between (amongst others) (1) KCC Nominee 1 (FC) Limited and KCC Nominee 2 (FC) Limited (acting jointly as trustees of the Fish and Coal Trust), KCC Nominee 1 (G1Pav) Limited and KCC Nominee 2 (G1Pav) Limited (acting jointly as trustees of the G1 Pavilion Trust), KCC Nominee 1 (GG) Limited and KCC Nominee 2 (GG) Limited (acting jointly as trustees of the GG Trust), KCC Nominee 1 (MGS) Limited and KCC Nominee 2 (MGS) Limited (acting jointly as trustees of the MGS Trust), and KCC Nominee 1 (WTS) Limited and KCC Nominee 2 (WTS) Limited (acting jointly as trustees of the WTS Trust), together as Borrowers, (2) Barclays Bank PLC as Arranger (3) the Original Lenders (4) Barclays Bank PLC as Original Hedge Counterparty and (5) Barclays Bank PLC as Agent and as Security Agent, pursuant to which the Original Lenders agreed to make certain facilities available to the Borrowers,

"Fish and Coal Trust" means the trust created by the Fish and Coal Trust Deed,

"Fish and Coal Trust Deed" means the declaration of trust dated on or around the date of the Facility Agreement and made between the Fish and Coal Trustees and the Limited Partnership,

"Fish and Coal Trustees" means each of KCC Nominee 1 (FC) Limited and KCC Nominee 2 (FC) Limited,

"G1 Pavilion Trust" means the trust created by the G1 Pavilion Trust Deed;

"G1 Pavilion Trust Deed" means the declaration of trust dated on or around the date of the Facility Agreement and made between the G1 Pavilion Trustees and the Limited Partnership,

"G1 Pavilion Trustees" means each of KCC Nominee 1 (G1Pav) Limited and KCC Nominee 2 (G1Pav) Limited,

"GG Trust" means the trust created by the GG Trust Deed,

"GG Trust Deed" means the declaration of trust dated on or around the date of the Facility Agreement and made between the GG Trustees and the Limited Partnership,

"GG Trustees" means each of KCC Nominee 1 (GG) Limited and KCC Nominee 2 (GG) Limited,

"Heritage Trust" means the Fish and Coal Trust, the G1 Pavilion Trust, the GG Trust, the MGS Trust and the WTS Trust,

"Heritage Trustee" means each of the Fish and Coal Trustees, the G1 Pavilion Trustees, the GG Trustees, the MGS Trustees and the WTS Trustees (together the **"Heritage Trustees"**),

"MGS Trust" means the trust created by the MGS Trust Deed,

"MGS Trust Deed" means the declaration of trust dated on or around the date of the Facility Agreement and made between the MGS Trustees and the Limited Partnership;

"MGS Trustees" means each of KCC Nominee 1 (MGS) Limited and KCC Nominee 2 (MGS) Limited,

"Party" means a party to this Deed,

"Receiver" means a receiver or receiver and manager or administrative receiver appointed by the Security Agent of the whole or any part of the Security Assets,

"Related Rights" means, in relation to any Charged Security

- (a) all dividends, distributions and other income paid or payable on the relevant Charged Security or on any asset referred to in paragraph (b) of this definition, and
- (b) all rights, monies or property accruing or offered at any time in relation to such Charged Security whether by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,

"Secured Obligations" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or alone or in any other capacity whatsoever) of each Transaction Obligor to the Secured Parties (or any of them) under or pursuant to any Finance Document (including all monies covenanted to be paid under this Deed),

"Security Assets" means all property and assets from time to time mortgaged, charged or assigned (or expressed to be mortgaged, charged or assigned) by or pursuant to this Deed; and

"Security Period" means the period beginning on the date of this Deed and ending on the date on which

- (a) all the Secured Obligations have been unconditionally and irrevocably paid and discharged in full, and
- (b) no Secured Party has any further commitment, obligation or liability under or pursuant to the Finance Documents,

"WTS Trust" means the trust created by the WTS Trust Deed,

"WTS Trust Deed" means the declaration of trust dated on or around the date of the Facility Agreement and made between the WTS Trustees and the Limited Partnership,

"WTS Trustees" means each of KCC Nominee 1 (WTS) Limited and KCC Nominee 2 (WTS) Limited

1.2 Interpretation

- (a) Unless a contrary indication appears, in this Deed the provisions of clause 1.2 (*Construction*) of the Facility Agreement (other than clause 1.2(e)) apply to this Deed as though they were set out in full in this Deed, except that references to "*this Agreement*" will be construed as references to this Deed.

- (b) Unless a contrary indication appears, any reference in this Deed to
- (i) a "Chargor", the "Security Agent" or any other "Secured Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with the Finance Documents,
 - (ii) "this Deed", the "Facility Agreement", any other "Finance Document" or any other agreement or instrument is a reference to this Deed, the Facility Agreement, that other Finance Document or that other agreement or instrument as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time (however fundamentally and even if any of the same increases the obligations of any Transaction Obligor or provides for further advances),
 - (iii) "Secured Obligations" includes obligations and liabilities which would be treated as such but for the liquidation, administration or dissolution of or similar event affecting any Transaction Obligor,
 - (iv) "reasonable endeavours" includes payment by the relevant person of all its own and any third party's reasonable costs, fees and expenses,
 - (v) "including" or "includes" means including or includes without limitation,
 - (vi) "this Security" means the Security created or evidenced by or pursuant to this Deed, and
 - (vii) the singular includes the plural and vice versa
- (c) Each undertaking of a Chargor (other than a payment obligation) contained in this Deed
- (i) must be complied with at all times during the Security Period, and
 - (ii) is given by such Chargor for the benefit of each Secured Party.
- (d) The terms of the other Finance Documents, and of any side letters between any of the parties to them in relation to any Finance Document, are incorporated in this Deed to the extent required to ensure that any disposition of the real property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989
- (e) If the Security Agent or the Agent reasonably considers that an amount paid by a Chargor to a Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Chargor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed
- (f) The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand

1.3 Joint and several

The liabilities and obligations of each Chargor under this Deed are joint and several. Each Chargor agrees to be bound by this Deed notwithstanding that any other Chargor which was intended to sign or be bound by this Deed did not so sign or is not bound by this Deed.

1.4 Inconsistency between this Deed and the Facility Agreement

If there is any conflict or inconsistency between any provision of this Deed and any provision of the Facility Agreement, the provision of the Facility Agreement shall prevail.

1.5 Trust

All Security and dispositions made or created, and all obligations and undertakings contained, in this Deed to, in favour of or for the benefit of the Security Agent are made, created and entered into in favour of the Security Agent as trustee for the Secured Parties from time to time on the terms of the Facility Agreement.

1.6 Third party rights

A person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.7 Delivery

The Parties intend this Deed to be delivered on the first date specified on page 1 of this Deed.

2. COVENANT TO PAY

2.1 Covenant to pay

- (a) Each Chargor, as principal obligor and not merely as surety, covenants in favour of the Security Agent that it will pay and discharge the Secured Obligations from time to time when they fall due.
- (b) Every payment by a Chargor of a Secured Obligation which is made to or for the benefit of a Secured Party to which that Secured Obligation is due and payable in accordance with the Finance Document under which such sum is payable to that Secured Party, shall operate in satisfaction to the same extent of the covenant contained in clause 2.1(a).

2.2 Default interest

Any amount which is not paid under this Deed when due shall bear interest (both before and after judgment and payable on demand) from the due date until the date on which such amount is unconditionally and irrevocably paid and discharged in full on a daily basis.

- (a) at the rate and in the manner agreed in the Finance Document under which such amount is payable, or
- (b) (in the absence of such agreement) at the Default Rate from time to time. In such a case default interest will accrue from day to day on a year of 365 days and will be compounded at such intervals as the Security Agent (acting on the instructions of the Agent) states are appropriate.

3. GRANT OF SECURITY

3.1 Nature of security

All Security and dispositions created or made by or pursuant to this Deed are created or made

- (a) in favour of the Security Agent,
- (b) with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and
- (c) as continuing security for payment of the Secured Obligations.

3.2 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to any floating charge created by or pursuant to this Deed (and each such floating charge is a qualifying floating charge for the purposes of the Insolvency Act 1986)

4. FIXED SECURITY

4.1 Fixed charges

Each Chargor charges and agrees to charge by way of first fixed charge all of its present and future right, title and interest in and to all of its assets and undertaking which are at any time owned by it, or in which it from time to time has an interest which do not form part of the Heritage Trust to the extent not effectively assigned under clause 4.2 (*Security assignments*)

4.2 Security assignments

Each Chargor assigns and agrees to assign absolutely (subject to a proviso for reassignment on redemption) all of its present and future right, title and interest in and to all of its assets and undertaking which are at any time owned by it, or in which from time to time it has an interest which do not form part of the Heritage Trust.

4.3 Assigned Assets

The Security Agent is not obliged to take any steps necessary to preserve any Assigned Asset, to enforce any term of a contract against any person or to make any enquiries as to the nature or sufficiency of any payment received by it pursuant to this Deed

5. FLOATING CHARGE

Each Chargor charges and agrees to charge by way of first floating charge all of its present and future

- (a) assets and undertaking (wherever located) not otherwise effectively charged by way of fixed mortgage or charge or assigned pursuant to clause 4.1 (*Fixed charges*), clause 4.2 (*Security assignments*) or any other provision of this Deed, and
- (b) (whether or not effectively so charged or assigned) heritable property and all other property and assets in Scotland

6. CONVERSION OF FLOATING CHARGE

6.1 Conversion by notice

The Security Agent may, by written notice to a Chargor, convert the floating charge created under this Deed into a fixed charge as regards all or any of the assets of such Chargor specified in the notice if:

- (a) an Event of Default has occurred and is continuing, or
- (b) the Security Agent considers any Security 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.

6.2 Small companies

The floating charge created under this Deed by any Chargor shall not convert into a fixed charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Chargor

6.3 Automatic conversion

The floating charge created under this Deed shall (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge

- (a) in relation to any Security Asset which is subject to a floating charge if:
 - (i) such Chargor creates (or attempts or purports to create) any Security (other than any Security granted under a Security Document or otherwise permitted under the Facility Agreement) on or over the relevant Security Asset without the prior written consent of the Security Agent, or
 - (ii) any third party levies or attempts to levy any distress, execution, attachment or other legal process against any such Security Asset; and
- (b) over all Security Assets of a Chargor which are subject to a floating charge if an administrator is appointed in respect of such Chargor or the Security Agent receives notice of intention to appoint such an administrator (as contemplated by the Insolvency Act 1986)

6.4 Partial conversion

The giving of a notice by the Security Agent pursuant to clause 6.1 (*Conversion by notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of the Security Agent to serve similar notices in respect of any other class of assets or of any other right of the Secured Parties

7. CONTINUING SECURITY

7.1 Continuing security

This Security is continuing and will extend to the ultimate balance of the Secured Obligations regardless of any intermediate payment or discharge in whole or in part. This Deed shall remain in full force and effect as a continuing security for the duration of the Security Period

7.2 Additional and separate security

This Deed is in addition to, without prejudice to, and shall not merge with, any other right, remedy, guarantee or Security which any Secured Party may at any time hold for any Secured Obligation

7.3 Right to enforce

This Deed may be enforced against each or any Chargor without any Secured Party first having recourse to any other right, remedy, guarantee or Security held by or available to it or any of them

8. LIABILITY OF THE CHARGORS RELATING TO SECURITY ASSETS

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Security Assets. The Security Agent is under no obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation

9. ACCOUNTS

No monies at any time standing to the credit of any account (of any type and however designated) of any Chargor with any Secured Party or in which any Chargor has an interest (and no rights and benefits relating thereto) shall be capable of being assigned to any person other than a Secured Party

10. REPRESENTATIONS

10.1 General

Each Chargor in respect of itself makes the representations and warranties set out in this clause 10 to the Security Agent and to each other Secured Party

10.2 No Security Interests

No Security or Quasi-Security exists over all or any of the present or future Security Assets of the Chargor other than:

- (a) as created by this Deed, and
- (b) as permitted by the Facility Agreement

10.3 Ranking

Subject to the Legal Reservations, the Security created by this Deed has or will have first ranking priority and is not subject to any prior ranking or *pari passu* ranking Security

10.4 Ownership of Security Assets

The Chargor is the sole legal owner of all the Security Assets not subject to the Heritage Trust.

10.5 No proceedings pending or threatened

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

10.6 Time when representations made

- (a) All the representations and warranties in this clause 10 are made by the Original Chargors on the date of this Deed and are also deemed to be made by each Chargor.
 - (i) on the date of each Utilisation Request and each Utilisation Date,
 - (ii) on the first day of each Interest Period, and
 - (iii) (in the case of a company that accedes to the terms of this Deed pursuant to an Accession Deed) on the day on which it becomes a Chargor
- (b) Each representation or warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made

11. UNDERTAKINGS BY THE CHARGORS

11.1 Negative pledge and disposals

No Chargor shall do or agree to do any of the following without the prior written consent of the Security Agent

- (a) create or permit to subsist any Security on any Security Asset except as expressly permitted under the Facility Agreement, or
- (b) sell, transfer, lease, lend or otherwise dispose of (whether by a single transaction or a number of transactions and whether related or not) the whole or any part of its interest in any Security Asset (except as expressly permitted under the Facility Agreement)

11.2 Charged Investments - protection of security

- (a) Each Chargor shall, as soon as is practicable after its acquisition of any Charged Securities, by way of security for the Secured Obligations
 - (i) deposit with the Security Agent (or as the Security Agent may direct) all certificates and other documents of title or evidence of ownership to the Charged Securities and their Related Rights, and
 - (ii) execute and deliver to the Security Agent
 - (A) instruments of transfer in respect of the Charged Securities (executed in blank and left undated), and/or
 - (B) such other documents as the Security Agent shall require to enable it (or its nominees) to be registered as the owner of or otherwise to

acquire a legal title to the Charged Securities and their Related Rights
(or to pass legal title to any purchaser)

- (b) Each Chargor shall
 - (i) promptly give notice to any custodian of any agreement with such Chargor in respect of any Charged Investment in a form the Security Agent may require; and
 - (ii) use its reasonable endeavours to ensure that the custodian acknowledges that notice in a form the Security Agent may require
- (c) Each Chargor shall promptly pay all calls or other payments which may become due in respect of its Charged Investments
- (d) No Chargor shall nominate another person to enjoy or exercise all or any specified rights of the Chargor in relation to its Charged Investments, as contemplated by section 145 of the Companies Act 2006 or otherwise
- (e) Without limiting its obligations under the Facility Agreement, each Chargor shall comply with all requests for information within its knowledge relating to the Charged Investments which are made under section 793 of the Companies Act 2006 and, if it fails to do so, the Security Agent may provide such information as it may have on behalf of such Chargor

11.3 Rights of the Parties in respect of Charged Investments

- (a) Prior to the occurrence of an Event of Default which is continuing, each Chargor shall be entitled to
 - (i) receive and retain all dividends, distributions and other monies paid on or derived from its Charged Securities; and
 - (ii) exercise all voting and other rights and powers attaching to its Charged Securities, provided that it must not do so in a manner which
 - (A) has the effect of changing the terms of such Charged Securities (or any class of them) or of any Related Rights unless permitted by the Finance Documents, or
 - (B) is prejudicial to the interests of the Security Agent and/or the other Secured Parties.
- (b) At any time following the occurrence of an Event of Default which is continuing, the Security Agent may complete the instrument(s) of transfer for all or any Charged Securities on behalf of any Chargor in favour of itself or such other person as it may select
- (c) At any time when any Charged Security is registered in the name of the Security Agent or its nominee, the Security Agent shall be under no duty to
 - (i) ensure that any dividends, distributions or other monies payable in respect of such Charged Security are duly and promptly paid or received by it or its nominee,

- (ii) verify that the correct amounts are paid or received, or
- (iii) take any action in connection with the taking up of any (or any offer of any) Related Rights in respect of or in substitution for, any such Charged Security

12. POWER TO REMEDY

12.1 Power to remedy

If at any time a Chargor does not comply with any of its obligations under the Finance Documents, the Security Agent (without prejudice to any other rights arising as a consequence of such non-compliance) shall be entitled (but not bound) to rectify that default. The relevant Chargor irrevocably authorises the Security Agent and its employees and agents by way of security to do all such things (including entering the property of such Chargor) which are necessary or desirable to rectify that default.

12.2 Mortgagee in possession

The exercise of the powers of the Security Agent under this clause 12 shall not render it, or any other Secured Party, liable as a mortgagee in possession.

12.3 Monies expended

The relevant Chargor shall pay to the Security Agent on demand any monies which are expended by the Security Agent in exercising its powers under this clause 12, together with interest at the Default Rate from the date on which those monies were expended by the Security Agent (both before and after judgment) and otherwise in accordance with clause 2.2 (*Default interest*).

13. WHEN SECURITY BECOMES ENFORCEABLE

13.1 When enforceable

This Security shall become immediately enforceable upon the occurrence of an Event of Default and shall remain so for so long as such Event of Default is continuing.

13.2 Statutory powers

The power of sale and other powers conferred by section 101 of the Act (as amended or extended by this Deed) shall be immediately exercisable upon and at any time after the occurrence of any Event of Default and for so long as such Event of Default is continuing.

13.3 Enforcement

After this Security has become enforceable in accordance with this clause 13, the Security Agent may in its absolute discretion enforce all or any part of this Security in such manner as it sees fit.

14. ENFORCEMENT OF SECURITY

14.1 General

For the purposes of all rights and powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed. Sections 93 and 103 of the Act shall not apply to this Security.

14.2 Powers of leasing

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 section 99 or 100 of the Act

14.3 Powers of Security Agent

- (a) At any time after this Security becomes enforceable (or if so requested by any Chargor by written notice at any time), the Security Agent may without further notice (unless required by law)
 - (i) appoint any person (or persons) to be a receiver, receiver and manager or administrative receiver of all or any part of the Security Assets and/or of the income of the Security Assets, and/or
 - (ii) appoint or apply for the appointment of any person who is appropriately qualified as administrator of a Chargor, and/or
 - (iii) exercise all or any of the powers conferred on mortgagees by the Act (as amended or extended by this Deed) and/or all or any of the powers which are conferred by this Deed on a Receiver, in each case without first appointing a Receiver or notwithstanding the appointment of any Receiver, and/or
 - (iv) exercise (in the name of any Chargor and without any further consent or authority of such Chargor) any voting rights and any powers or rights which may be exercised by any person(s) in whose name any Charged Investment is registered or who is the holder of any of them
- (b) The Security Agent is not entitled to appoint a Receiver in respect of any Security Assets of any Chargor which are subject to a charge which (as created) was a floating charge solely by reason of a moratorium being obtained under the Insolvency Act 2000 (or anything done with a view to obtaining such a moratorium) in respect of such Chargor

14.4 Redemption of prior mortgages

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 holder of any prior Security and any accounts so settled and passed shall be conclusive and binding on each Chargor

All principal, interest, costs, charges and expenses of and incidental to any such redemption and/or transfer shall be paid by the relevant Chargor to the Security Agent on demand

14.5 Privileges

- (a) Each Receiver and the Security Agent is entitled to all the rights, powers, privileges and immunities conferred by the Act on mortgagees and receivers when such receivers have been duly appointed under the Act, except that section 103 of the Act does not apply
- (b) To the extent that the Security Assets constitute "*financial collateral*" and this Deed and the obligations of the Chargors 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) (SI 2003 No 3226) each Receiver and the Security Agent shall 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 Obligations.
- (c) For the purpose of clause 14.5(b), the value of the financial collateral appropriated shall be
 - (i) in the case of cash, the amount standing to the credit of each account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised, and
 - (ii) in the case of Charged Investments, if the financial collateral is traded on a recognised exchange, the market price determined by the Security Agent by reference to a public index or, in any other case, such amount as the Security Agent reasonably determines, select, including independent valuation having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it

14.6 No liability

- (a) Neither the Security Agent, any other Secured Party nor any Receiver shall be liable (A) in respect of all or any part of the Security Assets or (B) for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, its or his respective powers (unless such loss or damage is caused by its or his gross negligence or wilful misconduct)
- (b) Without prejudice to the generality of clause 14.6(a), neither the Security Agent, any other Secured Party nor any Receiver shall 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

14.7 Protection of third parties

No person (including a purchaser) dealing with the Security Agent or any Receiver or Delegate will be concerned to enquire.

- (a) whether the Secured Obligations have become payable,

- (b) whether any power which the Security Agent or the Receiver is purporting to exercise has become exercisable;
- (c) whether any money remains due under any Finance Document, or
- (d) how any money paid to the Security Agent or to the Receiver is to be applied

15. RECEIVER

15.1 Removal and replacement

The Security Agent may from time to time remove any Receiver appointed by it (subject, in the case of an administrative receivership, to section 45 of the Insolvency Act 1986) and, whenever it may deem appropriate, may appoint a new Receiver in the place of any Receiver whose appointment has terminated

15.2 Multiple Receivers

If at any time there is more than one Receiver of all or any part of the Security Assets and/or the income of the Security Assets, each Receiver shall have power to act individually (unless otherwise stated in the appointment document).

15.3 Remuneration

Any Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent (or, failing such agreement, to be fixed by the Security Agent)

15.4 Payment by Receiver

Only monies actually paid by a Receiver to the Security Agent in relation to the Secured Obligations shall be capable of being applied by the Security Agent in discharge of the Secured Obligations

15.5 Agent of Chargors

Any Receiver shall be the agent of the Chargor in respect of which it is appointed. Such Chargor shall (subject to the Companies Act 2006 and the Insolvency Act 1986) be solely responsible for his acts and defaults and for the payment of his remuneration. No Secured Party shall incur any liability (either to such Chargor or to any other person) by reason of the appointment of a Receiver or for any other reason

16. POWERS OF RECEIVER

16.1 General powers

Any Receiver shall have

- (a) all the powers which are conferred on the Security Agent by clause 14.3 (*Powers of Security Agent*),
- (b) all the powers which are conferred by the Act on mortgagees in possession and receivers appointed under the Act,

- (c) (whether or not he is an administrative receiver) all the powers which are listed in schedule 1 of the Insolvency Act 1986; and
- (d) all powers which are conferred by any other law conferring power on receivers

16.2 Additional powers

In addition to the powers referred to in clause 16.1 (*General powers*), a Receiver shall have the following powers

- (a) to take possession of, collect and get in all or any part of the Security Assets and/or income in respect of which he was appointed,
- (b) to manage the Security Assets and the business of any Chargor as he thinks fit,
- (c) to redeem any Security and to borrow or raise any money and secure the payment of any money in priority to the Secured Obligations for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise,
- (d) to sell or concur in selling, leasing or otherwise disposing of all or any part of the Security Assets in respect of which he was appointed without the need to observe the restrictions imposed by section 103 of the Act, and, without limitation,
 - (i) fixtures may be severed and sold separately from the real property containing them, without the consent of any Chargor,
 - (ii) the consideration for any such transaction may consist of cash, debentures or other obligations, shares, stock or other valuable consideration (and the amount of such consideration may be dependent upon profit or turnover or be determined by a third party), and
 - (iii) any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit,
- (e) to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which any Chargor was concerned or interested before his appointment (being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of any building or land),
- (f) to carry out any sale, lease or other disposal of all or any part of the Security Assets by conveying, transferring, assigning or leasing the same in the name of the relevant Chargor and, for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, such Chargor;
- (g) to take any such proceedings (in the name of any of the relevant Chargors or otherwise) as he shall think fit in respect of the Security Assets and/or income in respect of which he was appointed (including proceedings for recovery of rent or other monies in arrears at the date of his appointment),
- (h) to enter into or make any such agreement, arrangement or compromise as he shall think fit,

- (i) to insure, and to renew any insurances in respect of, the Security Assets as he shall think fit (or as the Security Agent shall direct),
- (j) to appoint and employ such managers, officers and workmen and engage such professional advisers as he shall think fit (including, without prejudice to the generality of the foregoing power, to employ his partners and firm),
- (k) to form one or more Subsidiaries of any Chargor and to transfer to any such Subsidiary all or any part of the Security Assets,
- (l) to operate any rent review clause in respect of any real property in respect of which he was appointed (or any part thereof) and to apply for any new or extended lease, and
- (m) to
 - (i) give valid receipts for all monies and to do all such other things as may seem to him to be incidental or conducive to any other power vested in him or necessary or desirable for the realisation of any Security Asset,
 - (ii) exercise in relation to each Security Asset all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Security Assets, and
 - (iii) use the name of any Chargor for any of the above purposes

17. APPLICATION OF PROCEEDS

17.1 Application

All monies received by the Security Agent or any Receiver after this Security has become enforceable shall (subject to the rights and claims of any person having a security ranking in priority to this Security) be applied in the following order

- (a) *first*, in satisfaction of, or provision for, any sums owing to the Security Agent, any Receiver or any Delegate,
- (b) *secondly*, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Agent or any other Secured Party in connection with any realisation or enforcement of this Security taken in accordance with the terms of any Finance Document;
- (c) *thirdly*, in or towards satisfaction of the remaining Secured Obligations in accordance with clause 17.3 (*Appropriation and suspense account*), and
- (d) *fourthly*, in payment of any surplus to any Chargor or other person entitled to it

17.2 Contingencies

If this Security is enforced at a time when no amounts are due under the Finance Documents (but at a time when amounts may become so due), the Security Agent or a Receiver may pay the proceeds of any recoveries effected by it into a blocked suspense account (bearing interest at such rate (if any) as the Security Agent may determine)

17.3 Appropriation and suspense account

- (a) Subject to clause 17.1 (*Application*), the Security Agent shall apply all payments received in respect of the Secured Obligations in reduction of any part of the Secured Obligations in any order or manner which it may determine
- (b) Any such appropriation shall override any appropriation by any Chargor.
- (c) All monies received, recovered or realised by the Security Agent under or in connection with this Deed may at the discretion of the Security Agent be credited to a separate interest-bearing suspense account for so long as the Security Agent determines (with interest accruing thereon at such rate (if any) as the Security Agent may determine) without the Security Agent having any obligation to apply such monies and interest or any part of it in or towards the discharge of any of the Secured Obligations

18. SET-OFF

18.1 Set-off rights

- (a) Each Secured Party may (but shall not be obliged to) set off any obligation which is due and payable by any Chargor and unpaid (whether under the Finance Documents or which has been assigned to the Secured Party by any other Chargor) against any obligation (whether or not matured) owed by the Security Agent or such other Secured Party to such Chargor, regardless of the place of payment, booking branch or currency of either obligation
- (b) At any time after this Security has become enforceable (and in addition to its rights under clause 18.1(a)), each Secured Party may (but shall not be obliged to) set-off any contingent liability owed by a Chargor under any Finance Document against any obligation (whether or not matured) owed by the Secured Party to such Chargor, regardless of the place of payment, booking branch or currency of either obligation.
- (c) If the obligations are in different currencies, the Secured Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off
- (d) If either obligation is unliquidated or unascertained, the Secured Party may set off in an amount estimated by it in good faith to be the amount of that obligation

18.2 Time deposits

Without prejudice to clause 18.1 (*Set-off*), if any time deposit matures on any account which any Chargor has with any Secured Party at a time within the Security Period when:

- (a) this Security has become enforceable, and
- (b) no Secured Obligation is due and payable,

such time deposit shall automatically be renewed for such further maturity as the Secured Party in its absolute discretion considers appropriate unless the Secured Party otherwise agrees in writing

19. DELEGATION

Each of the Security Agent and any Receiver may delegate, by power of attorney (or in any other manner) to any person, any right, power or discretion exercisable by them under this Deed upon any terms (including power to sub-delegate) which it may think fit. Neither the Security Agent nor any Receiver shall be in any way liable or responsible to any Chargor for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

20. FURTHER ASSURANCES

20.1 Further action

Each Chargor shall at its own expense, promptly do all acts and execute all documents as the Security Agent or a Receiver may reasonably specify (and in such form as the Security Agent or a Receiver may reasonably require) for

- (a) creating, perfecting or protecting the Security intended to be created by this Deed or any other Security Document,
- (b) facilitating the realisation of any Security Asset,
- (c) facilitating the exercise of any rights, powers and remedies exercisable by the Security Agent, any other Secured Party or any Receiver or any Delegate in respect of any Security Asset or provided by or pursuant to the Finance Documents or by law, or
- (d) creating and perfecting Security in favour of the Security Agent or the other Secured Parties over any property and assets of that Chargor located in any jurisdiction outside England and Wales equivalent or similar to the Security intended to be created by or pursuant to this Deed or any other Security Document.

This includes

- (i) the re-execution of this Deed or such Security Document,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment, assignation or assurance of any property, whether to the Security Agent or to its nominee, and
- (iii) 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 think necessary

20.2 Finance Documents

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

20.3 Specific security

Without prejudice to the generality of clause 20.1 (*Further action*), each Chargor will immediately upon request by the Security Agent execute any document contemplated by that clause over any Security Asset which is subject to or intended to be subject to any fixed security under this Deed (including any fixed security arising or intended to arise pursuant to clause 6 (*Conversion of floating charge*))

21. POWER OF ATTORNEY

Each Chargor, by way of security, irrevocably and severally appoints the Security Agent, each Receiver and any Delegate to be its attorney to take any action which such Chargor is obliged to take under this Deed, including under clause 20 (*Further assurances*). Each Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause

22. CURRENCY CONVERSION

22.1 Conversion

All monies received or held by the Security Agent or any Receiver under this Deed may be converted from their existing currency into such other currency as the Security Agent or the Receiver considers necessary or desirable to cover the obligations and liabilities comprised in the Secured Obligations in that other currency at the Agent's spot rate of exchange. Each Chargor shall indemnify the Security Agent against all costs, charges and expenses incurred in relation to such conversion. Neither the Security Agent 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 conversion

22.2 Currency indemnity

No payment to the Security Agent (whether under any judgment or court order or in the liquidation, administration or dissolution of the Chargor or otherwise) shall discharge the obligation or liability of any Chargor in respect of which it was made, unless and until the Security Agent shall have received payment in full in the currency in which the obligation or liability was incurred and, to the extent that the amount of any such payment shall on actual conversion into such currency fall short of such obligation or liability expressed in that currency, the Security Agent shall have a further separate cause of action against such Chargor and shall be entitled to enforce the Security to recover the amount of the shortfall

23. CHANGES TO THE PARTIES

23.1 Chargors

No Chargor may assign any of its rights or obligations under this Deed

23.2 Security Agent

The Security Agent may assign or transfer all or any part of its rights under this Deed pursuant to the resignation or removal of the Security Agent in accordance with the Facility Agreement. Each Chargor shall, immediately upon being requested to do so by the Security Agent, enter into such documents as may be necessary to effect such assignment or transfer

24. MISCELLANEOUS

24.1 New accounts

- (a) If any Secured Party receives, or is deemed to be affected by, notice, whether actual or constructive, of any subsequent Security (other than any Security granted under a Security Document or otherwise permitted under the Facility Agreement) affecting any Security Asset and/or the proceeds of sale of any Security Asset or any guarantee under the Finance Documents ceases to continue in force, it may open a new account or accounts for any Chargor. If it does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received such notice.
- (b) As from that time all payments made to such Secured Party will be credited or be treated as having been credited to the new account and will not operate to reduce any amount of the Secured Obligations.

24.2 Tacking

- (a) Each Finance Party shall perform its obligations under the Facility Agreement (including any obligation to make available further advances).
- (b) This Deed secures advances already made and further advances to be made

24.3 Land Registry

- (a) Each Chargor shall apply to the Chief Land Registrar (and consents to such an application being made by or on behalf of the Security Agent) for a restriction in the following terms to be entered on the Register of Title relating to any property registered at the Land Registry (or any unregistered land subject to first registration) and against which this Deed may be noted

"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 [♦] 20[♦] in favour of Barclays Bank PLC referred to in the charges register or their conveyancer "

- (b) Each Chargor
 - (i) authorises the Security Agent to make any application which the Security Agent deems appropriate for the designation of this Deed, the Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003,
 - (ii) shall use its reasonable endeavours to assist with any such application made by or on behalf of the Security Agent, and
 - (iii) shall notify the Security Agent in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Facility Agreement or any other Finance Document following its designation as an exempt information document

- (c) No Chargor shall make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document
- (d) Each Chargor shall promptly make all applications to and filings with the Land Registry which are necessary or desirable under the Land Registration Rules 2003 to protect this Security

25. THIRD PARTY CLAUSES

25.1 Waiver of defences

The obligations of any Chargor under this Deed shall not be discharged, impaired or otherwise affected by an act, omission, matter or thing which, but for this clause 25.1, would reduce, release or prejudice any of its obligations, or the Security intended to be granted, under this Deed (without limitation and whether or not known to it or any Secured Party) including

- (a) any time, waiver or consent granted to, or composition with, any Transaction Obligor or other person;
- (b) the release of any Transaction Obligor, any other surety or any other person under the terms of any composition or arrangement with any creditor of any Obligor or such other surety or other person,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any Transaction Obligor, any other surety or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members, name or status or constitution of the Chargor, any Transaction Obligor, any Secured Party or any other person,
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Finance Document or any other document or Security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Finance Document or other document or Security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or Security, or
- (g) any insolvency, administration or similar proceedings

25.2 Chargor intent

Without prejudice to the generality of clause 25.1 (*Waiver of defences*), each Chargor expressly confirms that it intends that this Security shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: property acquisitions of any nature; carrying out restructurings, refinancing existing facilities, refinancing any other

indebtedness, making facilities available to new borrowers; any other variations or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

25.3 Immediate recourse

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

25.4 Application

Until the Secured Obligations have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may refrain from applying or enforcing any other monies, Security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same.

25.5 Deferral of Chargors' rights

Until the end of the Security Period and unless the Agent otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by it of its obligations under this Deed.

- (a) to be indemnified by a Transaction Obligor,
- (b) to claim any contribution from any guarantor of any Transaction Obligor's obligations under the Finance Documents or any other person giving Security for the Secured Obligations under the Finance Documents,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- (d) to bring legal or other proceedings for an order requiring any Transaction Obligor to make any payment, or perform any obligation, in respect of which the Chargor has given Security under this Deed,
- (e) to exercise any right of set-off against any Transaction Obligor, and/or
- (f) to claim or prove as a creditor of any Transaction Obligor in competition with any Secured Party.

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

26. NOTICES

26.1 Facility Agreement

- (a) clause 35 of the Facility Agreement (*Notices*) (other than clause 35 3(c) and 35 5 (*Electronic communication*)) is incorporated into this Deed as if fully set out in this Deed (except that references to a Party in that clause are to be construed as references to a party to this Deed); and
- (b) the address of each Party for all communications or documents given under or in connection with this Deed are those identified with its name in the execution pages to this Deed or subsequently notified from time to time by the relevant Party for the purposes of the Facility Agreement or this Deed

27. PAYMENTS

27.1 Payments

Subject to clause 27 2 (*Gross-up*), all payments to be made by each Chargor in respect of this Deed shall be made

- (a) in immediately available funds to the credit of such account as the Security Agent may designate, and
- (b) without (and free and clear of, and without any deduction for or on account of)
 - (i) any set-off or counterclaim, or
 - (ii) except to the extent compelled by law, any deduction or withholding for or on account of Tax

27.2 Gross-up

If any Chargor is compelled by law to make any deduction or withholding from any sum payable under this Deed to the Security Agent or any other Secured Party, the sum so payable by such Chargor shall be increased so as to result in the receipt by the Security Agent or such other Secured Party of a net amount equal to the full amount expressed to be payable under this Deed

27.3 Conformity with Facility Agreement

A payment shall not be increased under clause 27 2 (*Gross-up*) above where the payment would not be increased under clause 12 (*Tax Gross Up and Indemnities*) of the Facility Agreement, had the payment been made pursuant to the Facility Agreement

28. COSTS AND EXPENSES

28.1 Transaction and amendment expenses

Each Chargor shall promptly on demand pay to the Security Agent and each other Secured Party the amount of all costs, charges and expenses (including, without limitation, legal fees, valuation, accountancy and consultancy fees (and any VAT or similar Tax thereon)) incurred by the Security Agent or any other Secured Party in connection with

- (a) the negotiation, preparation, printing, execution, registration, perfection and completion of this Deed, the Security or any document referred to in this Deed, or
- (b) any actual or proposed amendment or extension of, or any waiver or consent under, this Deed

28.2 Enforcement and preservation costs

Each Chargor shall promptly on demand pay to the Security Agent, each other Secured Party and any Receiver the amount of all costs, charges and expenses (including, without limitation, legal fees (and any VAT or similar Tax thereon)) incurred by any of them in connection with the enforcement, exercise or preservation (or the attempted enforcement, exercise or preservation) of any of their respective rights under this Deed or any document referred to in this Deed or the Security (including all remuneration of the Receiver)

28.3 Default interest

Any amount demanded under clause 28.1 (*Transaction and amendment expenses*) or 28.2 (*Enforcement and preservation costs*) shall bear interest at the Default Rate (both before and after judgment) from the day on which those costs, charges or expenses were paid, incurred or charged by the relevant person and otherwise in accordance with clause 2.2 (*Default interest*).

29. CALCULATIONS AND CERTIFICATES

Any certificate of or determination by a Secured Party, the Security Agent or the Agent specifying the amount of any Secured Obligation due from the Chargors (including details of any relevant calculation thereof) is, in the absence of manifest error, conclusive evidence against the Chargors of the matters to which it relates

30. PARTIAL INVALIDITY

All the provisions of this Deed are severable and distinct from one another and if at any time any provision is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of any of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired

31. REMEDIES AND WAIVERS

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

32. AMENDMENTS AND WAIVERS

Any provision of this Deed may be amended only if the Security Agent and the Chargors so agree in writing and any breach of this Deed may be waived before or after it occurs only if the Security Agent so agrees in writing. A waiver given or consent granted by the Security Agent under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given

33. COUNTERPARTS

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

34. RELEASE

34.1 Release

- (a) Upon the expiry of the Security Period (but not otherwise) the Security Agent shall, at the request and cost of the Chargors, take whatever action is necessary to release or re-assign (without recourse or warranty) the Security Assets from the Security, including (if requested by the relevant Chargor) executing a deed of release in the form set-out at schedule 1 (*Template Deed of Release*)
- (b) Where the Security Agent has provided its written consent to a disposal of any real property by a Guarantor, the Security Agent shall, at the request and reasonable cost of each Chargor, take whatever action is necessary to release or re-assign (without recourse or warranty) that real property from the Security, including (if requested by the relevant Chargor) executing a deed of release in the form set-out at schedule 1 (*Template Deed of Release*)

34.2 Reinstatement

Where any discharge (whether in respect of the obligations of any Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise (without limitation), the liability of the Chargors under this Deed shall continue as if the discharge or arrangement had not occurred. The Security Agent may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration

35. GOVERNING LAW

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

IN WITNESS of which this Deed has been duly executed by each Chargor as a deed and duly executed by the Security Agent and has been delivered on the first date specified on page 1 of this Deed

SCHEDULE 1: TEMPLATE DEED OF RELEASE

DATED

20[◆]

**(1) BARCLAYS BANK PLC
as Security Agent**

in favour of

(2) THE ENTITIES LISTED IN SCHEDULE 1 AS CHARGORS

**DEED OF RELEASE [OF PART]
OF SECURITY**

THIS DEED is made on

20[◆]

BETWEEN:

- (1) **BARCLAYS BANK PLC** in its capacity as security agent for the Secured Parties under (and as defined in) the Security Agreement referred to below (the "**Security Agent**"),
- in favour of
- (2) **THE ENTITIES** listed in schedule 1 (each, a "**Chargor**" and together the "**Chargors**")

BACKGROUND:

- A The Chargors have requested that the Security Agent release [certain of the] [all] Security provided under or pursuant to the Security Agreement (as defined below)
- B The Security Agent has agreed to release [certain of] the undertaking, property and assets of the Chargors on the terms and conditions of this Deed

IT IS AGREED:

1. DEFINITIONS

In this Deed terms defined in the Security Agreement (as defined below) have the same meaning when used in this Deed (including in the recitals to this Deed) unless they are otherwise defined in this Deed and the following terms have the following meanings

"**Released Assets**" means [all of the undertaking, property and assets, present and future of the Chargor[s] which are subject to the Security created by, under or pursuant to the Security Agreement] [those assets listed in schedule 2 (*Released Assets*) to this Deed],

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect, and

"**Security Agreement**" means the security agreement dated [◆] and entered into between, inter alios, (1) the Chargors and (2) the Security Agent

2. DISCHARGE

- (a) The Security Agent surrenders, releases, reassigns and reconveys all the Chargor[s] right, title and interest in and to the Released Assets to the Chargor[s] free and clear of all Security constituted by the Security Agreement[and discharges all present and future obligations of the Chargor[s] to the Security Agent (whether actual, contingent, sole, joint and/or several or otherwise) under the Security Agreement]
- (b) [The Lender confirms that as at the date of this Deed it has not taken any action to crystallise and is not aware of any event that has occurred which might cause the crystallisation of any floating charge contained in the Security Documents ¹]

¹ To be included on a partial release

(c) Each release and discharge pursuant to this clause 2 is given without recourse or any representation or warranty by the Security Agent

(d) This Deed is subject to clause 34 2 (*Reinstatement*) of the Security Agreement

3. [CONTINUING LIABILITY

Nothing in this Deed shall prejudice or affect

(e) the continuing nature of the security constituted by the Security Agreement as regards all other property referred to in the Security Agreement, or

(f) the obligations of the Chargor[s] or the rights of the Security Agent under the Security Agreement which shall continue to apply and remain in full force and effect]

4. COSTS AND EXPENSES

The Borrower shall promptly on demand and on a full indemnity basis pay to the Security Agent the amount of all costs and expenses (including legal fees and all out-of-pocket expenses and any VAT on such costs and expenses) which are incurred by the Security Agent in connection with the negotiation, preparation, execution and delivery of this Deed

5. FURTHER ASSURANCE

The Security Agent shall, at the request and cost of the Chargor[s], do or execute or procure to be done or executed all things which are necessary to give effect to the provisions of this Deed

6. THIRD PARTY RIGHTS

A person who is not party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act

7. COUNTERPARTS

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

8. GOVERNING LAW

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

IN WITNESS of which this Deed has been duly executed by the Security Agent as a deed and has been delivered on the first date specified on page 1 of this Deed

[SCHEDULE 1: THE CHARGORS]

[SCHEDULE 2: RELEASED ASSETS]

EXECUTION BLOCKS FOR TEMPLATE DEED OF RELEASE ONLY

THE SECURITY AGENT

Signed as a deed, but not delivered until the)
first date specified on page 1, by)
BARCLAYS BANK PLC by its attorney)
_____ acting pursuant to)
a power of attorney dated 20)
in the presence of)

as attorney for
BARCLAYS BANK PLC

Witness signature _____

Witness name _____

Witness address _____

Address: BARCLAYS BANK PLC
5 The North Colonnade
Canary Wharf
London
E14 4BB

Telephone No: +44 (0)20 3134 1949

Attention: Paul Branwhite,
European Loans Agency

THE CHARGOR[S]

Executed as a deed, but not delivered until the first date specified on page 1, by [NAME OF CHARGOR] acting by

Director

Witness signature

Witness name

Witness address

EXECUTION PAGES FOR SECURITY AGREEMENT

THE CHARGORS

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 1 (FC) LIMITED acting by)

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 1 (FC) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 2 (FC) LIMITED acting by)

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 2 (FC) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 1 (G1PAV) LIMITED acting by)

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 1 (G1Pav) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the
first date specified on page 1 by KCC
NOMINEE 2 (G1PAV) LIMITED acting by

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 2 (G1Pav) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 1 (GG) LIMITED acting by)

Director

Witness signature

Witness name

Witness address

Address: KCC Nominee 1 (GG) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the
first date specified on page 1 by KCC
NOMINEE 2 (GG) LIMITED acting by

Director

Witness signature

Witness name

Witness address

Address: KCC Nominee 2 (GG) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 1 (MGS) LIMITED acting by)

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 1 (MGS) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the
first date specified on page 1 by KCC
NOMINEE 2 (MGS) LIMITED acting by

Director

Witness signature

Witness name:

Witness address

RUTH WILSON

Address: KCC Nominee 2 (MGS) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the)
first date specified on page 1 by KCC)
NOMINEE 1 (WTS) LIMITED acting by:)

Director

Witness signature

Witness name:

Witness address

RUTH WILSON

Address: KCC Nominee 1 (WTS) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

Executed as a deed, but not delivered until the
first date specified on page 1 by KCC
NOMINEE 2 (WTS) LIMITED acting by

Director

Witness signature

Witness name

Witness address

RUTH WILSON

Address: KCC Nominee 2 (WTS) Limited
4 Stable Street
London N1C 4AB

Telephone No: +44 20 3664 0200

Attention: Company Secretary and Finance Partner

THE SECURITY AGENT

Signed by _____ for)
and on behalf of **BARCLAYS BANK PLC**)
)

Signature _____

Address: BARCLAYS BANK PLC
5 The North Colonnade
Canary Wharf
London E14 4BB

Telephone No: +44 (0)20 3134 1949

Attention: Paul Branwhite,
European Loans Agency