



**Registration of a Charge**

Company Name: **WALWORTH INVESTMENT PROPERTIES LIMITED**

Company Number: **08422737**



Received for filing in Electronic Format on the: **15/08/2023**

XC9Y8L5F

**Details of Charge**

Date of creation: **11/08/2023**

Charge code: **0842 2737 0008**

Persons entitled: **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND AS SECURITY TRUSTEE FOR EACH OF THE SECURED PARTIES (AS DEFINED IN THE FACILITY AGREEMENT (AS DEFINED IN THE DEED OF FIXED CHARGE REGISTERED BY THIS FORM MR01)).**

Brief description: **FREEHOLD LAND BEING 110 TO 202 (EVEN) MERROW STREET, 1 TO 6 (INCLUSIVE) AYCLIFFE HOUSE, PORTLAND STREET, 1A AND 1 TO 83 (ODD) PORTLAND STREET, LONDON AND REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER TGL268101; FREEHOLD LAND BEING ON THE SOUTH-EAST SIDE OF ARNSIDE STREET, LONDON BUT EXCLUDING THE LAND SHADED BLUE ON THE TITLE PLAN AND REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER TGL379342; AND FREEHOLD LAND AND BUILDINGS AT LIVERPOOL GROVE, MERROW STREET, PORTLAND STREET, SALTWOOD GROVE AND WORTH GROVE, WALWORTH AND NOW COMPRISING ONLY 50 TO 54 SALTWOOD GROVE, WALWORTH AND REGISTERED AT THE LAND REGISTRY WITH TITLE NUMBER TGL268100.**

**Contains fixed charge(s).**

**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 TRUE COMPOSITE COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **FIONA PRENDERGAST**



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

Company number: 8422737

Charge code: 0842 2737 0008

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th August 2023 and created by WALWORTH INVESTMENT PROPERTIES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 15th August 2023 .

Given at Companies House, Cardiff on 16th August 2023

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 August

2023

WALWORTH INVESTMENT PROPERTIES LIMITED

as chargor

and

THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND

as security agent

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DEED OF FIXED CHARGE

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Herbert Smith Freehills LLP

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THIS DEED is made on  
BETWEEN:

11 August

2023

- (1) **WALWORTH INVESTMENT PROPERTIES LIMITED** a company registered in England and Wales whose registered office is at 16 Hans Road, London, SW3 1RT (Co. Regn. No. 08422737) (the "**Chargor**"); and
- (2) **THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND** 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:

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

**"Borrower"** means Dorrington Investment Holdings Plc.

**"Charged Assets"** means each and all of the assets, property, undertaking and other interests from time to time mortgaged, charged or assigned or intended to be charged or assigned pursuant to Clause 3 (*Security*) of this Deed.

**"Effective Date"** means the date on which the Agent notifies the Borrower and the Lenders that it has received the documents specified in Schedule 3 (*Conditions Precedent*) of the Supplemental Agreement in form and substance satisfactory to it, in accordance with Clause 2.3 of the Supplemental Agreement.

**"Facility Agreement"** means the £85,000,000 facility agreement dated 12 March 2020, as amended on 26 October 2021 and as amended on or about the date of this security document, between (1) the Borrower; (2) The Governor and Company of The Bank of Ireland as the Agent; (3) The Governor and Company of The Bank of Ireland as the Arranger; (4) the Security Agent and (5) the financial institution listed in Schedule 1 of the Facility Agreement as the original lender.

**"Insurance Policies"** means all present and future contracts or policies of insurance (including life policies) in which the 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 the Chargor under or pursuant to the Insurance Policies, including (without limitation) the refund of any premiums.

**"LPA"** means the Law of Property Act 1925.

**"Real Property"** means:

- (a) all of the freehold and/or leasehold property of the Chargor specified in Schedule 1 (*Real Property*);
- (b) 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 paragraph (a) above; and
- (c) 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 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 both present and future (including all rights against any trustee, nominee, fiduciary or clearing system).

**"Repeating Representations"** means each of the representations set out in Clause 5 (*Representations and Warranties*) other than Clause 5.5 (*Validity and admissibility in evidence*), Clause 5.7 (*Deduction of Tax*), Clause 5.8 (*VAT*), Clause 5.9 (*Taxes*), Clause 5.10.3 (*Information for Property Reports*), Clause 5.11.1 to 5.11.3 and 5.11.5 (*Financial statements*), Clause 5.18 (*Insolvency*), Clause 5.19 (*Anti-corruption law*), Clause 5.20 (*Anti-money laundering*) and Clause 5.21 (*Sanctions*).

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

**"Supplemental Agreement"** means the supplemental agreement dated on or about the date of this Deed, amending and restating the Facility Agreement and made between, among others, (1) the Borrower, (2) the Governor and Company of the Bank of Ireland as the Agent and (3) the Governor and Company of the Bank of Ireland as Original Lender.

**"VAT"** means (i) value added tax and any other sales or turnover tax of a similar nature imposed pursuant to any legislation applicable in the UK in force from time to time, (ii) value added tax imposed in any member state of the European Union pursuant to EU domestic legislation in force from time to time which derives from, implements or is related to the European Council Directive on the common system of value added tax (Directive 2006/112/EC), and (iii) value added tax and any other sales or turnover tax of a similar nature imposed in any other country.

- 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

The provisions of clause 1.2 (*Construction*) to 1.4 (*Third Party Rights*) of the Facility Agreement shall apply to this Deed as if they were set out in this Deed.

## 1.3 Implied Covenants for Title

The obligations of the 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 27 (*Role of the Agent, the Security Agent, the Arranger, the Servicer and the Reference Banks*) of the Facility Agreement.

**2. COVENANT TO PAY**

**2.1 Covenant to Pay Secured Liabilities**

The Chargor covenants that it shall on demand pay to the Security Agent all monies and discharge all obligations and liabilities now or after the date of this Deed due, owing or incurred by an Security Provider to the Finance Parties (or any of them) under the Finance Documents in each case when the same become due for payment or discharge in any manner and in any currency or currencies and whether such monies, obligations or liabilities are present or future, actual or contingent, joint or several, or incurred as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by any Finance Party under any Finance Document, except for any obligations which, if it were included here, would constitute unlawful financial assistance, or its equivalent in any other jurisdiction.

**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 0, cause such covenant, obligation or security to be unlawful under any applicable law.

**2.3 Limited Recourse**

Notwithstanding Clause 2.1 (*Covenant to Pay Secured Liabilities*) and any other provision of this Deed:

2.3.1 the liability of the Chargor to the Security Agent under this Deed shall be:

- (A) limited in aggregate to an amount equal to that recovered by the Security Agent as a result of the enforcement of this deed with respect to the Charged Assets; and
- (B) satisfied only from the proceeds of sale or other disposal or realisation of the Charged Assets pursuant to this deed; and

2.3.2 the Security Agent shall not have any recourse under this Clause 2 (*Covenant to Pay*) to any assets of the Chargor other than the Charged Assets.

**3. SECURITY**

**3.1 Creation of Fixed Security**

The Chargor charges to the Security Agent by way of first fixed charge (which so far as relates to freehold or leasehold property in England and Wales vested in the Chargor at the date of this Deed shall be a charge by way of first legal mortgage) with full title guarantee and as a continuing security for the payment and discharge of the Secured Liabilities all of the Chargor's 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 present and future), and all guarantees and warranties in respect of them and all Related Property Rights; and
- 3.1.3 (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**

The 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 the Chargor's rights to and title and interest from time to time in:

- 3.2.1 each Lease Document;
- 3.2.2 the Insurance Policies and the Insurance Proceeds;
- 3.2.3 all Rental Income;
- 3.2.4 each contract in respect of any disposal of any Charged Asset; and
- 3.2.5 any guarantee of Rental Income contained in or relating to any Lease Document, and all Related Property Rights in respect of the above.

## 4. **FURTHER ASSURANCE**

- 4.1 The Chargor must promptly upon request by the Security Agent and at its own expense 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 or a Receiver may reasonably require for:
  - 4.1.1 creating, perfecting and/or protecting (by registration or in any other way) the security created or intended to be created by this Deed;
  - 4.1.2 conferring upon the Security Agent such security as it may require over the assets of the 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;
  - 4.1.3 facilitating, at any time on or after the occurrence of an Event of Default, the realisation of all or any part of the assets of the Chargor; and
  - 4.1.4 exercising all powers, authorities and discretions conferred on the Security Agent or any Receiver pursuant to this Deed or by law.
- 4.2 The Chargor shall, at any time, promptly upon request, execute over all or any of the Charged Assets, 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.
- 4.3 The 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 its assets 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. The Chargor shall promptly deliver a copy of each such consent to the Security Agent.

**5. REPRESENTATIONS AND WARRANTIES**

The Chargor makes the representations and warranties set out in this Clause 5 to the Security Agent on the date of this Deed.

**5.1 Status**

5.1.1 The Chargor is a limited liability corporation, duly incorporated and validly existing under the law of its jurisdiction of incorporation.

5.1.2 It has the power to own its assets and carry on its business as it is being conducted.

**5.2 Binding obligations**

The obligations expressed to be assumed by it in this Deed are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.

**5.3 Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security do not and will not conflict with:

5.3.1 any law or regulation applicable to it;

5.3.2 its constitutional documents; or

5.3.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.

**5.4 Power and authority**

5.4.1 It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed to which it is or will be a party and the transactions contemplated by this Deed.

5.4.2 No limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities contemplated by this Deed.

**5.5 Validity and admissibility in evidence**

5.5.1 All Authorisations required:

(A) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed; and

(B) to make this Deed admissible in evidence in its Relevant Jurisdiction, have been obtained or effected and are in full force and effect.

5.5.2 All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Chargor have been obtained or effected and are in full force and effect if failure to obtain or effect those Authorisations has or is reasonably likely to have a Material Adverse Effect.

**5.6 Governing law and enforcement**

5.6.1 Subject to the Legal Reservations, the choice of English law as the governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions.

5.6.2 Subject to the Legal Reservations, any judgment obtained in relation to this Deed in the jurisdiction of the governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions.

**5.7 Deduction of Tax**

No Rental Income payable to the Chargor is subject to a requirement to make a deduction or withholding for or on account of Tax from that Rental Income.

**5.8 VAT**

If it is registered for VAT, it is not a member of any VAT Group other than a VAT Group comprising of Hanover and/or its Subsidiaries.

**5.9 Taxes**

5.9.1 It has duly and punctually paid all material Taxes applicable to, or imposed on or in relation to its business, its assets or otherwise within the time period allowed without incurring material interest or penalties and it is not materially overdue in the filing of any tax returns or filings.

5.9.2 No claims or investigations are being made or, so far as it is aware, are reasonably likely to be made or conducted against it in respect of Taxes.

5.9.3 It is resident for Tax purposes only in its jurisdiction of incorporation and it does not have a branch, agency, permanent representative or permanent establishment through which it is carrying on a trade in any other jurisdiction.

**5.10 Information for Property Reports**

5.10.1 The information supplied by it or on its behalf to the lawyers who prepared the Property Report for the purpose of that Property Report was true and accurate in all material respects as at the date of the Property Report or (if appropriate) as at the date (if any) at which it was stated to be given.

5.10.2 The information referred to in Clause 5.10.1 above was at the date it was expressed to be given complete and did not omit any information which, if disclosed, would make that information untrue or misleading in any material respect.

5.10.3 As at the Effective Date, nothing has occurred since the date of the information referred to in Clause 5.10.1 which, if disclosed, would make that information untrue or misleading in any material respect.

**5.11 Financial statements**

5.11.1 Its Original Financial Statements were prepared in accordance with GAAP consistently applied.

5.11.2 Its Original Financial Statements give a true and fair view of the operations and consolidated financial condition of the Group during the relevant financial year.

5.11.3 There has been no material adverse change in its business or consolidated financial condition of the Group since the date the Original Financial Statements were drawn up.

5.11.4 Its most recent financial statements delivered pursuant to clause 19.1 (*Financial statements*) of the Facility Agreement:

(A) have been prepared in accordance with GAAP as applied to the Original Financial Statements; and

(B) give a true and fair view of (if audited) or fairly present (if unaudited) its financial condition and operations (consolidated in the case of the Borrower) during the relevant financial year.

5.11.5 Since the date of the most recent financial statements delivered pursuant to clause 19.1 (*Financial statements*) of the Facility Agreement there has been no

material adverse change in its business, assets or financial condition (or the business or consolidated financial condition of the Group, in the case of the Borrower).

**5.12 Pari passu ranking**

Its payment obligations under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

**5.13 No proceedings pending or threatened**

5.13.1 No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which are both reasonably likely to be adversely determined and if so adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.

5.13.2 No judgment or order of a court, arbitral tribunal or other tribunal or any order or sanction of any governmental or other regulatory body which is reasonably likely to have a Material Adverse Effect has (to the best of its knowledge and belief (having made due and careful enquiry)) been made against it.

**5.14 Title to Property**

5.14.1 It will, from the Effective Date:

(A) (subject to registration of the relevant transfer under the Land Registration Act 2002) and save where otherwise indicated in SCHEDULE 1 (*Real Property*) be the legal and/or beneficial owner of the relevant Property set out beside its name in SCHEDULE 1 (*Real Property*); and

(B) have good and marketable title to that Property,

in each case free from Security (other than those created by or pursuant to the Security Documents) and restrictions and onerous covenants (other than those set out in the Property Report in relation to that Property).

5.14.2 From the Effective Date except as disclosed in the Property Report relating to a Property:

(A) no breach of any law, regulation or covenant is outstanding which materially adversely affects or would be reasonably likely to materially adversely affect the value, saleability or use of that Property;

(B) there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever which materially adversely affects that Property or would be reasonably likely to materially adversely affect that Property;

(C) nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over that Property which has or is reasonably likely to have a Material Adverse Effect;

(D) no facility necessary for the enjoyment and use of any Property (including those necessary for the carrying on of its business at the Property) is enjoyed by any person on terms entitling any person to terminate or curtail its use or which conflict with or restrict its use of that Property where such termination, curtailment, conflict or restriction has or is reasonably likely to have a Material Adverse Effect;

- (E) the Chargor has not received any notice of any adverse claim by any person in respect of the ownership of that Property or any interest in it which might reasonably be expected to be determined in favour of that person (where any such adverse claim materially adversely affects that Property or would be reasonably likely to materially adversely affect that Property), nor has any acknowledgement been given to any such person in respect of that Property in respect of any matter that materially adversely affects that Property or would be reasonably likely to materially adversely affect that Property; and
  - (F) that Property is held by the Chargor free from any lease or licence (other than those entered into in accordance with this Deed).
- 5.14.3 All deeds and documents necessary to show good and marketable title to Chargor's interest in a Property will from the Effective Date be:
  - (A) in possession of the Agent;
  - (B) held at the applicable Land Registry; or
  - (C) held to the order of the Agent by a firm of solicitors approved by the Agent for that purpose.
- 5.15 **No other business**  
 The Chargor has not traded or carried on any business since the date of its incorporation except for the ownership and management of its interests in property.
- 5.16 **Centre of main interests and establishments**  
 For the purposes of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**Recast Insolvency Regulation**") and The Cross-Border Insolvency Regulations 2006, its centre of main interest (as that term is used in Article 3(1) of the Recast Insolvency Regulation) is situated in England and Wales or its Original Jurisdiction and it has no "**establishment**" (as that term is used in Article 2(10) of the Recast Insolvency Regulation) in any other jurisdiction.
- 5.17 **Ranking of Security**  
 Following the Effective Date, subject to the Legal Reservations, the security conferred by this Deed will constitute a first priority security interest of the type described, over the assets referred to, in this Deed and those assets are not subject to any prior or pari passu Security.
- 5.18 **Insolvency**  
 No:
  - 5.18.1 corporate action, legal proceedings or other procedure or step described in clause 23.7 (*Insolvency proceedings*) of the Facility Agreement; or
  - 5.18.2 creditors' process described in clause 23.8 (*Creditors' process*) of the Facility Agreement,
 has been taken or, to the knowledge of the Chargor threatened; and none of the circumstances described in clause 23.6 (*Insolvency*) of the Facility Agreement apply.

**5.19 Anti-corruption law**

The Chargor has conducted its businesses in compliance with applicable anti-corruption laws and has instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

**5.20 Anti-money laundering**

The Chargor has not (directly or indirectly) engaged in any activity which would violate any applicable laws, rules or regulations regarding anti-corruption or anti-money laundering and no director, officer or (to the best of its knowledge) Affiliate of the Chargor has engaged in any activity or conduct which would violate any applicable laws, rules or regulations regarding anti-corruption or anti-money laundering.

**5.21 Sanctions**

The Chargor is not in breach of or is the target of any Sanctions and no director, officer or (to the best of its knowledge) Affiliate of Chargor, is in breach of or the target of any Sanctions.

**5.22 Repetition**

The Repeating Representations are deemed to be made by the Chargor by reference to the facts and circumstances then existing on the Effective Date and the first day of each Interest Period.

**6. GENERAL UNDERTAKINGS WITH RESPECT TO CHARGED ASSETS**

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

**6.1 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;

**6.2 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;

**6.3 Subsequent Charges**

subject to Clause 6.1 (*Negative Pledge*), it shall procure that any Security created by it in respect of the Charged Assets after the date of this Deed (otherwise than in favour of the Security Agent) shall be expressed to be subject to this Deed; and

**6.4 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 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:

6.4.1 by the Security Agent; or

6.4.2 to the order of the Security Agent by a firm of solicitors approved by the Security Agent for that purpose; or

6.4.3 at the applicable Land Registry to the order of the Security Agent.

## **6.5 Authorisations**

6.5.1 The Chargor shall promptly:

- (A) obtain, comply with and do all that is necessary to maintain in full force and effect; and
- (B) if requested by the Security Agent, supply certified copies to the Security Agent of,  
any Authorisation required under any applicable law or regulation of its Relevant Jurisdiction to enable it to:
- (C) perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation of this Deed; or
- (D) own its assets and carry on its business as it is being conducted.

6.5.2 A breach of Clause 6.5.1 will only arise in respect of this Deed to the extent that a breach would be reasonably likely to have a Material Adverse Effect.

## **6.6 Compliance with laws**

The Chargor shall comply in all respects with all laws to which it may be subject, if failure so to comply has or is reasonably likely to have a Material Adverse Effect.

## **6.7 Pari passu ranking**

The Chargor shall ensure that at all times any unsecured and unsubordinated claims of the Security Agent against it under this Deed rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors except those creditors whose claims are mandatorily preferred by laws of general application to companies.

## **6.8 Lending and guarantees**

6.8.1 The Chargor may not be the creditor in respect of any loan or any form of credit to any person other than any loan or any form of credit to any member of the Group or Hanover and/or its wholly owned subsidiaries.

6.8.2 The Chargor may not give or allow to be outstanding any guarantee or indemnity to or for the benefit of any person in respect of any obligation of any other person or enter into any document under which the Chargor assumes any liability of any other person other than any guarantee or indemnity given under the Finance Documents or given in respect of the obligations of any other member of the Group.

## **6.9 Merger**

The Chargor shall not enter into any amalgamation, demerger, merger or corporate reconstruction.

## **6.10 Change of business**

The Chargor may not carry on any business other than the ownership and management of its interests in property.

## **6.11 VAT group**

6.11.1 The Chargor may not be a member of a VAT Group other than a VAT Group comprising of Hanover and/or its Subsidiaries.

6.11.2 The Chargor shall promptly notify the Security Agent if it exercises any option to tax under Part 1 of Schedule 10 of the Value Added Tax Act 1994 or a relevant associate or a relevant group member exercises any option to tax in respect of any the Properties (as those expressions are defined for the purposes of that Part).

## **6.12 Taxes**

- 6.12.1 The Chargor must pay all material Taxes due and payable by it prior to the accrual of any fine or penalty for late payment, unless (and only to the extent that):
- (A) payment of those Taxes is being contested in good faith and adequate reserves are being maintained for those Taxes and the costs required to contest them; or
  - (B) failure to pay those Taxes is not reasonably likely to have a Material Adverse Effect.
- 6.12.2 The Chargor must materially comply, within all applicable time limits, with all material requirements to make, deliver or amend returns and/or filings required to be made by it to any Tax authority.
- 6.12.3 The Chargor must ensure that its residence for Tax purposes is in the jurisdiction of its incorporation.
- 6.12.4 The Chargor must ensure that neither the Managing Agent nor any tenant in respect of any of the Properties is required under any law to make any deduction or withholding for or on account of Tax from any Rental Income provided that if the Chargor completes all procedural formalities within its sole control, the Chargor shall have no obligation pursuant to this Clause 6.12.4.

## **6.13 Anti-Terrorism Laws**

The Chargor agrees (to the extent applicable to it):

- 6.13.1 to comply with all applicable anti-terrorism laws in all material respects;
- 6.13.2 immediately to notify the Security Agent if it obtains knowledge that it or any of its Affiliates has become or been listed on the SDN List or has been charged with or has engaged in any violation of any applicable anti-terrorism law;
- 6.13.3 to exclude any funds which to its knowledge were derived from any person on the SDN List or from any person or entity involved in the violation of any applicable anti-terrorism law from being used to pay debt service or any other amounts owing under the Finance Documents;
- 6.13.4 not to acquire, directly or indirectly, ownership interest of any kind in any person listed on the SDN List or any person or entity that it has, to its best knowledge (based upon reasonable inquiry by it) been involved in the violation of any applicable anti-terrorism law, not to form any partnership or joint venture with any such person and not to act, directly or indirectly, as the agent or representative of any such person; and
- 6.13.5 to indemnify the Security Agent for any costs incurred by any of them as a result of any violation of an applicable anti-terrorism law by it or any Affiliate.

## **6.14 Anti-corruption law**

- 6.14.1 To the extent such legislation is applicable to the Chargor, the Chargor shall not directly or indirectly use the proceeds of the Facility for any purpose which would breach the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.
- 6.14.2 The Chargor shall conduct its businesses in compliance with applicable anti-corruption laws maintain policies and procedures designed to promote and achieve compliance with such laws.

## **6.15 Sanctions**

- 6.15.1 The Chargor will ensure that none of the proceeds of the Loan will, directly or indirectly, be used or paid for the purposes of any transaction related to either:



- (A) any person which is listed on the SDN List, or is owned or controlled, directly or indirectly, by any person listed on the SDN List; or
  - (B) any country or territory which is the subject of sanctions by any Authority.
- 6.15.2 The Chargor shall not engage in any conduct in breach of Sanctions by any Authority.

**6.16 People with significant control regime**

The Chargor shall:

- 6.16.1 within the relevant timeframe, comply with any notice it receives pursuant to Part 21A of the Companies Act 2006 from any company incorporated in the United Kingdom whose shares are the subject of the Transaction Security; and
- 6.16.2 promptly provide the Security Agent with a copy of that notice.

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

- 6.17.1 The Chargor shall following the occurrence of an Event of Default which is continuing, give notice to each tenant of the Real Property in the form set out in Part A of Schedule 2 (*Notices*) and use its reasonable endeavours to procure that each such tenant acknowledges such notice to the Security Agent in the form set out in Part B of Schedule 2 (*Notices*).
- 6.17.2 The Chargor shall immediately give notice to any insurer of the Real Property in the form set out in Part C of Schedule 2 (*Notices*) and use its reasonable endeavours to procure that each such insurer acknowledges such notice to the Security Agent in the form set out in Part D of Schedule 2 (*Notices*).
- 6.17.3 The Chargor shall deliver to the Security Agent and serve on any debtor or other person as 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 use its reasonable endeavours to procure that each notice is acknowledged by any debtor specified by the Security Agent; and
  - (B) notices of charge in respect of any of the assets charged pursuant to this Deed and use its reasonable endeavours to procure that each notice is acknowledged by any debtor specified by the Security Agent.
- 6.17.4 The notices of charge and/or assignment and/or acknowledgement referred to in Clause 6.17.2 shall be in a form substantially similar to those contained in Schedule 2 (*Notices*) or such other form as the Security Agent may require.

**7. REAL PROPERTY UNDERTAKINGS**

**7.1 Statutory Power of Leasing**

In relation to Real Property, the 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 grant or accept surrenders of leases without restriction.

**7.2 Registration and Notifications**

The Chargor shall:

- 7.2.1 without prejudice to clause 21.5 (*Disposals*) or clauses 22.2 (*Occupational Leases*) or 22.3 (*Headleases*) of the Facility Agreement, immediately notify the Security Agent of any contract, conveyance, transfer or other disposition for the acquisition by the 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 1 *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 is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date] in favour of The Governor and Company of the Bank of Ireland referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer."
- 7.3 **Title**
- 7.3.1 The Chargor must exercise its rights and comply in all material respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.
- 7.3.2 The Chargor may not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property.
- 7.3.3 The Chargor must promptly take all such steps as may be necessary or desirable to enable the Security created by the Security Documents to be registered, where appropriate, at the applicable Land Registry.
- 7.4 **Occupational Leases**
- 7.4.1 The Chargor may not without the consent of the Security Agent:
- (A) enter into any Agreement for Lease;
  - (B) other than under an Agreement for Lease, grant or agree to grant any new Occupational Lease;
  - (C) agree to any amendment, supplement, extension, waiver, surrender or release in respect of any Lease Document (other than in respect of any non-material amendments of an administrative nature);
  - (D) exercise any right to break, determine or extend any Lease Document;
  - (E) commence any forfeiture or irritancy proceedings in respect of any Lease Document;
  - (F) grant any licence or right to use or occupy any part of a Property;
  - (G) consent to any sublease or assignment of any tenant's interest under any Lease Document;
  - (H) agree to any change of use under, or (except where required to do so under the terms of the relevant Lease Document) rent review in respect of, any Lease Document; or
  - (I) serve any notice on any former tenant under any Lease Document (or on any guarantor of that former tenant) which would entitle it to a new lease or tenancy.

- 7.4.2 The Security Agent's consent will not be required in relation to Clause 7.4.1, in relation to any Occupational Lease:
- (A) entered into on arms lengths and market terms; and
  - (B) for a market rent or licence fee (as applicable) of less than £100,000 per annum in relation to an Occupational Lease relating to a residential property, and less than £300,000 per annum in relation to an Occupational Lease relating to a commercial property.
- 7.4.3 The Chargor must use all reasonable endeavours to:
- (A) diligently collect or procure to be collected all Rental Income;
  - (B) exercise its rights and comply with its obligations under each Lease Document; and
  - (C) ensure that each tenant complies with its obligations under each Lease Document,
- in a proper and timely manner.
- 7.4.4 In relation to any Property used for commercial purposes only, the Chargor must supply to the Security Agent each Lease Document, each amendment, supplement or extension to a Lease Document and each document recording any rent review in respect of a Lease Document promptly upon entering into the same (or if these documents are being held in accordance with Clause 5.14.3(C) (*Title to Property*), the Chargor shall procure that certified copies are provided as soon as reasonably practicable).
- 7.4.5 The Chargor must use its reasonable endeavours to find tenants for any vacant lettable space in the Properties with a view to granting a Lease Document with respect to that space.
- 7.4.6 In relation to any Property used for commercial purposes only, the Chargor may not grant or agree to grant any Lease Document without including in the alienation covenant (when reasonable to do so) a provision for the proposed assignor on any assignment to guarantee the obligations of the proposed assignee until that assignee is released as tenant under the terms of the Landlord and Tenant (Covenants) Act 1995.

## 7.5 Headleases

- 7.5.1 If applicable, the Chargor must:
- (A) exercise its rights and comply with its obligations under each Headlease where failure to do so could reasonably be expected to be prejudicial to the Finance Parties under the Finance Documents;
  - (B) use its reasonable endeavours to ensure that each landlord complies with its obligations under each Headlease; and
  - (C) if so required by the Security Agent, apply for relief against forfeiture of any Headlease,
- in a proper and timely manner.
- 7.5.2 If applicable, the Chargor may not:
- (A) agree to any material amendment, supplement, waiver, surrender or release of any Headlease without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed);
  - (B) exercise any right to break, determine or extend any Headlease without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed);

- (C) agree to any rent review in respect of any Headlease without the prior written consent to the Security Agent (such consent not to be unreasonably withheld or delayed); or
- (D) do or allow to be done any act as a result of which any Headlease may become liable to forfeiture or otherwise be terminated without the prior written consent of the Security Agent (such consent not to be unreasonably withheld or delayed).

## 7.6 Maintenance

The Chargor must, unless otherwise agreed in writing by the Security Agent and subject to the terms of the Lease Documents, ensure that all buildings, plant, machinery, fixtures and fittings on its Property (to the extent they are not the responsibility of third party tenants or occupiers under a Lease Document) are maintained in:

- 7.6.1 good and substantial repair and condition and, as appropriate, in good working order; and
- 7.6.2 such repair, condition and order as to enable them to be let in accordance with all applicable laws and regulations; for this purpose, a law or regulation will be regarded as applicable if it is either:
  - (A) in force; or
  - (B) it is expected to come into force and a prudent property owner in the same business as the Chargor would ensure that its buildings, plant, machinery, fixtures and fittings were in such condition, repair and order in anticipation of that law or regulation coming into force.

## 7.7 Development

- 7.7.1 The Chargor may not (without the consent of the Security Agent (not to be unreasonably withheld)) carry out, or allow to be carried out, any demolition, construction, structural alterations or additions, development or other similar operations in respect of any part of its Property.
- 7.7.2 Clause 7.7.1 shall not apply to:
  - (A) the maintenance of the buildings, plant, machinery, fixtures and fittings in accordance with this Deed; or
  - (B) the carrying out of non-structural improvements or alterations which affect only the interior of any building on a Property in the ordinary course of business.
- 7.7.3 The Chargor shall not implement any planning permission obtained or enter or agree to enter into any agreement or undertaking under section 106 of the Town and Country Planning Act 1990 or section 33 of the Local Government (Miscellaneous Provisions) Act 1982 or sections 38 or 278 of the Highways Act 1980 or any other similar act or acts without the prior written consent of the Agent (such consent not to be unreasonably withheld).
- 7.7.4 The Chargor must comply in all material respects with all planning laws, permissions, agreements and conditions to which its Property may be subject.

## 7.8 Notices

The Chargor must, within 14 days after the receipt by it of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Property (or any part of it):

- 7.8.1 deliver a copy to the Security Agent; and
- 7.8.2 inform the Security Agent of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

**7.9 Investigation of title**

The Chargor must grant the Security Agent or its lawyers on reasonable request all facilities within the power of it to enable the Security Agent or its lawyers to:

- 7.9.1 carry out investigations of title to any Property; and
- 7.9.2 make such enquiries in relation to any part of any Property as a prudent mortgagee might carry out.

**7.10 Power to remedy**

7.10.1 If the Chargor (having been given a reasonable opportunity and period of time in which to remedy the same) fails to perform any obligations under Clauses 7.4 to 7.9 (inclusive) the Security Agent or its agents and contractors shall be entitled:

- (A) to enter any part of its Property;
- (B) to comply with or object to any notice served on the Chargor in respect of its Property; and
- (C) to take any action that the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of any such term or to comply with or object to any such notice.

7.10.2 The Chargor must immediately on request by the Security Agent pay the costs and expenses of the Security Agent or its agents and contractors incurred in connection with any action taken by it under this Clause.

7.10.3 The Security Agent shall not be obliged to account as mortgagee in possession as a result of any action taken under this Clause.

**7.11 Managing Agents**

7.11.1 The Chargor may not:

- (A) appoint any Managing Agent (unless such new Managing Agent meets the requirements set out in the definition of Managing Agent in the Facility Agreement and the Chargor immediately notifies the Agent in writing on such appointment);
- (B) amend, supplement, extend or waive the terms of appointment of any Managing Agent (save for any amendments which are administrative or mechanical in nature); or
- (C) terminate the appointment of any Managing Agent (unless such Managing Agent is immediately replaced by a Managing Agent appointed in accordance with Clause 7.11.1),

without the prior consent of, and on terms approved by, the Agent (save that in respect of Clause 7.11.1(B) such consent shall not be unreasonably withheld).

7.11.2 The Chargor must ensure that the Managing Agent of any Property:

- (A) enters into a Duty of Care Agreement with the Security Agent in form and substance satisfactory to the Agent;
- (B) acknowledges to the Security Agent that it has notice of the Security created by the Finance Documents; and
- (C) agrees to pay all Net Rental Income received by it into the General Account without any withholding, set-off or counterclaim.

7.11.3 If a Managing Agent is in default of its obligations under its management agreement and, as a result, the Chargor is entitled to terminate that management agreement, then, if the Agent so requires, the Chargor must promptly use all reasonable endeavours to:

- (A) terminate the management agreement; and
- (B) appoint a new Managing Agent in accordance with this Clause.

## 7.12 Insurances

7.12.1 The Chargor must, to the extent that such Insurance is available in the market, ensure that at all times from the Effective Date Insurances are maintained in full force and effect, which:

- (A) insure the Chargor in respect of its interests in each Property and the plant and machinery on each Property (including fixtures and improvements) for their full replacement value (being the total cost of entirely rebuilding, reinstating or replacing the relevant asset if it is completely destroyed, together with all related fees and demolition costs) and to:
  - (1) provide cover against loss or damage by fire, storm, flood, earthquake, lightning, explosion, impact, aircraft and other aerial devices and articles dropped from them, riot, civil commotion and malicious damage, bursting or overflowing of water tanks, apparatus or pipes and all other normally insurable risks of loss or damage;
  - (2) provide cover for site clearance, shoring or propping up, professional fees and value added tax together with adequate allowance for inflation;
  - (3) provide cover against acts of terrorism to the full reinstatement value of the Property, including any third party liability arising from such acts subject to a limit of £10,000,000 in respect of liability claims; and
  - (4) provide cover for loss of rent (in respect of a period of not less than three years or, if longer, the minimum period required under the Lease Documents) including provision for any increases in rent during the period of insurance; and
- (B) include property owners' liability insurance;
- (C) insure such other risks as a prudent company in the same business as the Chargor would insure; and
- (D) in each case are in an amount, and in form, and with an insurance company or underwriters, acceptable at all times to the Security Agent.

7.12.2 The Chargor must procure that the Security Agent (as security trustee for the Secured Parties) is named as co-insured under each of the Insurances (other than property owners liability insurances) but without:

- (A) any liability on the part of the Security Agent or any other Finance Party for any premium in relation to those Insurances (unless the Security Agent has expressly and specifically requested to be made liable in respect of any increase in premium or unpaid premium in respect of any of those Insurances or the Security Agent becomes mortgagee in possession); or
- (B) any obligation on the part of the Security Agent or any other Finance Party to make any disclosure to any insurer or any insurance broker in relation to those Insurances unless and until the Security Agent becomes a mortgagee in possession of the Property, in which circumstance an obligation shall apply on the part of the Security Agent or any other Finance Party to make disclosure to any insurer or any insurance broker in relation to the Insurance or Insurances in respect of the Property pursuant to the terms of that Insurance or those Insurances.

- 7.12.3 The Chargor must procure that the Insurances comply with the following requirements:
- (A) each of the Insurances must contain:
    - (1) a non-invalidity and non-vitiating clause under which the Insurance will not be vitiated or avoided as against any insured party as a result of any circumstances beyond the control of that insured party or any misrepresentation, non-disclosure, or breach of any policy term or condition, on the part of any other insured party or any agent of any other insured party;
    - (2) a waiver of the rights of subrogation of the insurer as against the Chargor, each Secured Party and the tenants of each Property other than any such rights arising in connection with any fraud or criminal offence committed by any of those persons in respect of any Property or any Insurance or any such rights as against a tenant arising in connection with the obligation of that tenant to contribute to insurance premia or to pay for any damages to a Property caused by any wilful misconduct of that tenant; and
    - (3) a loss payee clause under which the Security Agent is named as first loss payee in respect of any claim or series of connected claims in excess of £250,000 (other than property owners liability insurance);
  - (B) the insurers must:
    - (1) give at least 30 days' notice to the Security Agent if any insurer proposes to:
      - (a) repudiate, rescind or cancel any Insurance (but the insurers shall not be obliged to advise of any non-renewal); or
      - (b) treat any Insurance as avoided in whole or in part or treat any Insurance as expired or decline any claim due to non-payment of premium provided that the insurer must, in the notice, give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period to avoid cancellation of cover; and
    - (2) as soon as reasonably practicable notify the Security Agent if any insurer:
      - (a) proposes to treat any Insurance as avoided in whole or in part; or
      - (b) declines any claim in excess of £250,000, for any reason (other than that referred to in Clause 7.12.3(B)(1)(b) above) provided such notification does not prejudice such insurer's rights.
  - (C) the Chargor must be free to assign or otherwise grant Security over all amounts payable to it under each of its Insurances and all its rights in connection with those amounts in favour of the Security Agent.
- 7.12.4 The Chargor must use all reasonable endeavours to ensure that the Security Agent receives copies of the Insurances and any information in connection with the insurances and claims under them which the Security Agent may reasonably require.
- 7.12.5 The Chargor must promptly notify the Security Agent of:
- (A) the proposed terms of any future renewal of any of the Insurances;

- (B) any material amendment, material supplement, material extension, termination, avoidance or cancellation of any of the Insurances made or, to its knowledge, threatened or pending;
- (C) any claim, and any actual or threatened refusal of any claim, under any of the Insurances in excess of £250,000; and
- (D) any event or circumstance which has led or may lead to a breach by the Chargor of any term of this Clause.

7.12.6 The Chargor must:

- (A) comply with the terms of the Insurances;
- (B) not do or permit anything to be done which may make void or voidable any of the Insurances; and
- (C) comply with all reasonable risk improvement requirements of its insurers.

7.12.7 The Chargor must ensure that:

- (A) each premium for the Insurances is paid promptly and in any event prior to the commencement of the period of insurance for which that premium is payable; and
- (B) all other things necessary are done so as to keep each of the Insurances in force.

7.12.8 If the Chargor fails to comply with any material term of this Clause, the Security Agent may, at the expense of the Chargor (as applicable) effect any insurance and generally do such things and take such other action as the Security Agent may reasonably consider necessary or desirable to prevent or remedy any breach of this Clause.

7.12.9 Except as provided below, the proceeds of any Insurances must, if the Security Agent so requires, be paid into the Disposals Account for application in accordance with clause 17.3 (*Disposals Account*) of the Facility Agreement:

- (A) to the extent required by the basis of settlement under any Insurances or under any Lease Document, the Chargor must apply moneys received under any Insurances in respect of a Property towards replacing, restoring or reinstating that Property;
- (B) the proceeds of any loss of rent insurance will be treated as Rental Income and applied in such manner as the Security Agent (acting reasonably) requires to have effect as if it were Rental Income received over the period of the loss of rent;
- (C) moneys received under liability policies held by the Chargor which are required by the Chargor to satisfy established liabilities of the Chargor to third parties must be used to satisfy these liabilities;
- (D) the Security Agent's discretion to require insurance proceeds to be paid into the Disposals Account shall not apply in relation to Excluded Insurance Proceeds provided the Excluded Insurance Proceeds are applied as soon as reasonably practicable in making good the relevant loss or damage.

7.12.10 To the extent that insurances in respect of any leasehold Property owned by the Chargor are administered by the landlord of such leasehold Property, then provided that the Chargor comply with their obligations to contribute to the costs of such insurance incurred by the landlord, then the Chargor shall be deemed to be in compliance with this Clause 7.12 (*Insurances*).

## 7.13 Environmental matters

7.13.1 The Chargor must:



- (A) comply and ensure that any relevant third party complies with all Environmental Law;
- (B) obtain, maintain and ensure compliance with all requisite Environmental Permits applicable to it or to a Property; and
- (C) implement procedures to monitor compliance with and to prevent liability under any Environmental Law applicable to it or a Property,

where failure to do so has or is reasonably likely to have a Material Adverse Effect or result in any liability for a Finance Party.

7.13.2 The Chargor must, promptly upon becoming aware, notify the Security Agent of:

- (A) any Environmental Claim started, or to its knowledge, threatened;
- (B) any circumstances reasonably likely to result in an Environmental Claim which is reasonably likely to result on any such claim or notice which, if substantiated, would reasonably be expected to have a Material Adverse Effect; or
- (C) any suspension, revocation or notification of any Environmental Permit.

7.13.3 The Chargor must indemnify each Finance Party against any loss or liability which:

- (A) that Finance Party incurs as a result of any actual or alleged breach of any Environmental Law by any person; and
- (B) would not have arisen if a Finance Document had not been entered into, unless it is caused by that Finance Party's gross negligence or wilful misconduct.

## 8. RIGHTS OF THE SECURITY AGENT

### 8.1 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 the Chargor or the prior authorisation of any court:

- 8.1.1 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
- 8.1.2 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.

### 8.2 Restrictions on Consolidation of Mortgages

Section 93 of the LPA shall not apply to this Deed. 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. The 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 1 *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.

### 8.3 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.

### 8.4 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 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.

### 8.5 No Prior Notice Needed

The powers of the Security Agent set out in Clauses 8.2 (*Restrictions on Consolidation of Mortgages*) to 8.4 (*Leasing Powers*) may be exercised by the Security Agent without prior notice to the Chargor.

### 8.6 Right of Appropriation

8.6.1 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 the Chargor 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 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.

8.6.2 The Security Agent shall notify the Chargor 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.

## 9. 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.

## **10. APPOINTMENT OF RECEIVER OR ADMINISTRATOR**

### **10.1 Appointment**

10.1.1 At any time on or after the occurrence of an Event of Default, or at the request of the Chargor or its directors, the Security Agent may, without prior notice to the Chargor, 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.

10.1.2 Nothing in Clause 10.1.1 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.

### **10.2 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.

### **10.3 Receiver as agent**

A Receiver shall be the agent of the 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.

### **10.4 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).

### **10.5 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.

## **11. RECEIVER'S POWERS**

### **11.1 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):

- 11.1.1 all of the powers, rights and discretions of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);
- 11.1.2 all of the powers, rights and discretions conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;
- 11.1.3 all the powers, rights and discretions of a legal and beneficial owner and the power to do or omit to do anything which the Chargor itself could do or omit to do;
- 11.1.4 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, the 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 the Chargor (whether under hand, or by way of deed or by utilisation of the company seal of the Chargor).

**11.2 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 the Chargor.

**12. PROTECTION OF PURCHASERS**

**12.1 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.

**12.2 Receipt: Conclusive Discharge**

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

**13. POWER OF ATTORNEY AND DELEGATION**

**13.1 Power of Attorney: General**

The 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:

- 13.1.1 to execute and deliver any documents or instruments which the Security Agent or such Receiver and any of their respective delegates or sub delegates 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;
- 13.1.2 to sign, execute, seal and deliver and otherwise perfect any further security document which the Chargor is required to enter into pursuant to this Deed;
- 13.1.3 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 the 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 13.1 shall only be exercisable: (a) if a Default is continuing; or (b) following a failure by the Chargor to comply with its obligations under this Deed.

**13.2 Power of Attorney: Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm all acts and things which any attorney mentioned in this Clause 13 (*Power of Attorney and Delegation*) does or purports to do in exercise of the powers granted by this Clause.

**13.3 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.

**14. 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:

- 14.1 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 8.3 (*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;
- 14.2 in accordance with clause 28 (*Application of Proceeds*) of the Facility Agreement; and
- 14.3 the surplus, if any, shall be paid to the 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.

**15. RELEASE OF SECURITY**

**15.1 Release**

At the end of the Security Period, the Security Agent shall, at the request and cost of the 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.

**15.2 Avoidance of Payments**

- 15.2.1 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.
- 15.2.2 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 Chargor, 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.

**16. 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. The 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 the Chargor in respect of any loss resulting from any fluctuation in exchange rates after any such sale.

**17. 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 the Chargor and continue any existing account in the name of the Chargor and may appropriate to any such fresh account any monies paid in, received or realised for the credit of the 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.

**18. 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 Chargor.

**19. MISCELLANEOUS**

**19.1 The Chargor**

This Deed is binding on the successors and assigns of the Chargor.

**19.2 Assignment and Transfer**

The Chargor may not 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.

**19.3 Remedies and Waivers Cumulative**

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

**19.4 Partial Invalidity**

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

enforceability of such provision under the law of any other jurisdiction, will in any way be affected or impaired.

#### **19.5 Continuing Security**

The Security created by or pursuant to this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities unless and until discharged by the Security Agent in writing and shall not be discharged by any intermediate payment or satisfaction of the whole or any part of the Secured Liabilities.

#### **19.6 Waiver of defences**

The obligations of the Chargor under this Deed will not be affected by an act, omission, matter or thing which, but for this Clause 19.6, would reduce, release or prejudice any of its obligations under this Deed (without limitation and whether or not known to any Secured Party) including:

- 19.6.1 any time, waiver or consent granted to, or composition with, the Borrower or other person;
- 19.6.2 the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower;
- 19.6.3 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, the Chargor, the Borrower 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;
- 19.6.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person;
- 19.6.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of the Facility Agreement or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under the Facility Agreement or other document or security;
- 19.6.6 any unenforceability, illegality or invalidity of any obligation of any person under the Facility Agreement or any other document or Security; or
- 19.6.7 any insolvency or similar proceedings.

#### **19.7 Chargor intent**

Without prejudice to the generality of Clause 19.6 (*Waiver of defences*), the Chargor expressly confirms that it intends that the Security created under this Deed and the rights and remedies arising thereunder, shall extend from time to time to any (however fundamental and of whatsoever nature, and whether or not more onerous) variation, increase, extension or addition of or to the Facility Agreement and/or any facility or amount made available under the Facility Agreement for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

## 19.8 Immediate recourse

The Chargor waives any right it may have of first requiring any Secured Party to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of the Facility Agreement to the contrary.

## 19.9 Deferral of rights

19.9.1 Until the Security Period has ended, each Secured Party (or any trustee or agent on its behalf) may refrain from applying or enforcing any other moneys, security or rights held or received by it in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same.

19.9.2 Until the end of the Security Period, the Chargor will not 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:

- (A) to be indemnified by the Borrower (including any rights it may have by way of subrogation);
- (B) to claim any contribution from any guarantor of the Borrower of the obligations under the Facility Agreement;
- (C) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Security Agent or any of the other Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Facility Agreement;
- (D) to claim, rank, prove or vote as a creditor of the Borrower or its estate in competition with the Security Agent or any of the other Secured Parties; and/or
- (E) receive, claim or have the benefit of any payment, distribution or security from or on account of the Borrower, or exercise any right of set-off against the Borrower.

19.9.3 The Chargor shall hold on trust for and immediately pay or transfer to the Security Agent any payment or distribution or benefit of security received by it contrary to this Clause 19 or as the Security Agent may direct for application in accordance with Clause 14 (*Application of Moneys received under this Deed*).

## 19.10 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.

## 19.11 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 19.9.3 (

*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.



**19.12 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 Chargor. Any amount paid in connection with such redemption or transfer (including expenses) shall be paid on demand by the Chargor to the Security Agent and until such payment shall form part of the Secured Liabilities.

**19.13 Costs and Expenses**

19.13.1 The Chargor shall within three Business Days of demand pay to each Secured Party the amount of all costs and expenses (including legal fees) reasonably incurred by that Secured Party (such costs and expenses to be pre-agreed where reasonably possible) in connection with the negotiation, preparation, printing, execution and perfection of this Deed and any other documents referred to in this Deed.

19.13.2 The Chargor shall, within three Business Days of demand, pay to each Secured Party the amount of all costs and expenses (including legal fees) incurred by that Secured Party in connection with the enforcement of, or the preservation of any rights under, this Deed and with any proceedings initiated by or against that Secured Party as a consequence of entering into this Deed taking or holding the Security, or enforcing those rights.

**19.14 Further advances**

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

19.14.2 The 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 1 (*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.

**20. 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**  
**REAL PROPERTY**

<b>Address</b>	<b>Legal Owner</b>	<b>Tenure</b>	<b>Title Number</b>
110 to 202 (even) Marrow Street, 1 to 6 (inclusive) Aycliffe House, Portland Street, 1a and 1 to 83 (odd) Portland Street, London	Walworth Investment Properties Limited (company number 08422737)	Freehold	TGL268101
Land being on the south- east side of Arnside Street, London but excluding the land shaded blue on the title plan	Walworth Investment Properties Limited (company number 08422737)	Freehold	TGL379342
Land and buildings at Liverpool Grove, Marrow Street, Portland Street, Saltwood Grove and Worth Grove, Walworth and now comprising only 50 to 54 Saltwood Grove, Walworth	Walworth Investment Properties Limited (company number 08422737)	Freehold	TGL268100

SCHEDULE 2

PART A

NOTICE TO OCCUPATIONAL TENANT

[On the letterhead of the Chargor]

To: [Occupational tenant]

[Date]

Dear Sir or Madam,

Re: [Property]

**Security Agreement dated [ ] between Walworth Investment Properties Limited and The Governor And Company Of The Bank Of Ireland (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 The Governor And Company Of The Bank Of Ireland (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 [ ], Attention: [ ].

Yours faithfully,

For

WALWORTH INVESTMENT PROPERTIES LIMITED

PART B

ACKNOWLEDGEMENT OF OCCUPATIONAL TENANT

To: The Security Agent  
Attention: [ ]

[Date]

Dear Sir or Madam,

Re: [Property]

**Security Agreement dated [ ] between Walworth Investment Properties Limited and The Governor And Company Of The Bank Of Ireland (the "Security Agreement")**

We confirm receipt from Walworth Investment Properties Limited (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 C**  
**NOTICE TO INSURER**

To: [Insurer]

[Date]

Dear Sir or Madam,

**Security Agreement dated [ ] between Walworth Investment Properties Limited and The Governor And Company Of The Bank Of Ireland (the "Security Agreement")**

We hereby give you notice that under the Security Agreement we assigned to The Governor And Company Of The Bank Of Ireland (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 hereby irrevocably and unconditionally authorise and instruct you:

- 1 without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Security Agent relating to the Policy[ies] (or any of them) to the extent of the Property specified in the attached schedule; and
- 2 to pay all sums payable by you under the Policy[ies] (or any of them) in relation to any of the Property specified in the attached schedule directly to the Security Agent at such account as the Security Agent may specify from time to time.

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 [ ], Attention [ ].

Yours faithfully,

.....  
(Authorised signatory)

WALWORTH INVESTMENT PROPERTIES LIMITED

**SCHEDULE  
PROPERTIES**

<b>Address</b>	<b>Legal Owner</b>	<b>Tenure</b>	<b>Title Number</b>
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**PART D**

**ACKNOWLEDGEMENT OF INSURER**

To: The Security Agent

Attention: [ ]

[Date]

Dear Sir or Madam,

**Security Agreement dated [ ] between Walworth Investment Properties Limited and The Governor And Company Of The Bank Of Ireland (the "Security Agreement")**

We confirm receipt from Walworth Investment Properties Limited (the "**Chargor**") of a notice dated [●] of an assignment upon the terms of the Security Agreement to The Governor And Company Of The Bank Of Ireland (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:

- (a) there has been no amendment, waiver or release of any rights or interests in any Policy[ies] since the date of such policy;
- (b) we have noted the Security Agent's interest as composite insured in respect of its own separate insurable interest and as first loss payee on [the]/[each] Policy[ies] in relation to those properties specified in the schedule to the Notice;
- (c) we shall act in accordance with the notice;
- (d) as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in [the]/[any] Policy or the proceeds of [the]/[any] Polic[ies] in favour of any other person; and
- (e) we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to [the]/[any] Polic[ies].

We have not claimed or exercised any rights of set-off, lien, counter-claim and other similar rights (however described) relating to the Policy[ies] which we may have 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 Chargor**

EXECUTED as a DEED by WALWORTH INVESTMENT  
PROPERTIES LIMITED

acting by Michael Jenkins

in the presence of:



Director

Signature of witness

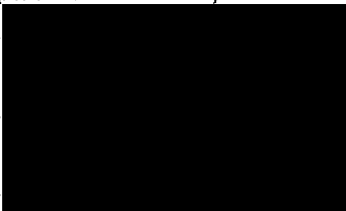


Name of witness

(in BLOCK CAPITALS)

KARUNA HURDAY

(Address of witness)



**The Security Agent**

SIGNED BY

for and on behalf of THE GOVERNOR AND COMPANY  
OF THE BANK OF IRELAND

.....

Authorised Signatory

.....

Authorised Signatory



**The Chargor**

EXECUTED as a DEED by WALWORTH INVESTMENT  
PROPERTIES LIMITED

acting by

in the presence of:

.....  
**Director**

**Signature of witness**

.....

**Name of witness**

**(in BLOCK CAPITALS)**

.....

**(Address of witness)**

.....

.....

.....

**The Security Agent**

SIGNED BY

SCOTT MURDOCH

for and on behalf of THE GOVERNOR AND COMPANY  
OF THE BANK OF IRELAND

.....

**Authorised Signatory**

XAVIER BEYLERIAN

.....

**Authorised Signatory**