



Registration of a Charge

Company Name: **PLEXCROFT LIMITED**

Company Number: **08888748**



Received for filing in Electronic Format on the: **05/08/2021**

XAA9M51C

Details of Charge

Date of creation: **03/08/2021**

Charge code: **0888 8748 0006**

Persons entitled: **HSBC UK BANK PLC**

Brief description: **CHARGES BY FIRST LEGAL MORTGAGE ALL REAL PROPERTY, INCLUDING: FREEHOLD PROPERTY KNOWN AS (1) DOWNS GARAGE 48, EAST DEAN ROAD, EASTBOURNE, BN20 8EH; (2) DOWNS GARAGE, 44-48 EAST DEAN ROAD, EASTBOURNE, BN20 8EH; (3) LAND LYING TO THE NORTH OF EAST DEAN ROAD, EASTBOURNE; AND (4) LAND LYING TO THE NORTH OF EAST DEAN ROAD AND SOUTH OF LONGLAND ROAD, EASTBOURNE (ALSO KNOWN COLLECTIVELY AS BEECHWOOD GROVE, 44-48 EAST DEAN STREET, EASTBOURNE, BN20 8EH)**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **IRWIN MITCHELL LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8888748

Charge code: 0888 8748 0006

The Registrar of Companies for England and Wales hereby certifies that a charge dated 3rd August 2021 and created by PLEXCROFT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 5th August 2021 .

Given at Companies House, Cardiff on 6th August 2021

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



Companies House



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

DATED

3 AUGUST

2021

(1) THE PERSONS LISTED IN
SCHEDULE 1
(each an "Original Chargor" and together
the "Original Chargors")

AND

(2) HSBC UK BANK PLC
("Security Agent")

SECURITY AGREEMENT

CONTENTS

	Page No.
1 DEFINITIONS AND INTERPRETATION.....	1
2 COVENANT TO PAY.....	5
3 NATURE OF SECURITY CREATED	5
4 CREATION OF SECURITY.....	6
5 CONVERSION OF FLOATING CHARGE.....	9
6 POSITIVE COVENANTS	10
7 NEGATIVE COVENANTS.....	11
8 NOTICES OF ASSIGNMENT AND CHARGE	12
9 INVESTMENTS.....	13
10 ENFORCEMENT.....	15
11 APPOINTMENT AND POWERS OF RECEIVERS.....	16
12 PROTECTION OF PURCHASERS.....	18
13 PROTECTION OF THE SECURED PARTIES AND RECEIVERS.....	18
14 PRESERVATION OF SECURITY	19
15 TACKING FOR FURTHER ADVANCES.....	22
16 FURTHER ASSURANCE.....	22
17 POWER OF ATTORNEY	24
18 DISCHARGE OF SECURITY	24
19 ADDITIONAL CHARGORS.....	24
20 GOVERNING LAW	24
21 ENFORCEMENT JURISDICTION	25
SCHEDULE 1.....	26
The Chargors	26
SCHEDULE 2.....	27
Real Property Charged by way of Legal Mortgage by The Chargors	27
Part 1	27
Registered Land	27
Part 2	28
Unregistered Land	28
SCHEDULE 3.....	29
Investments	29
SCHEDULE 4.....	30
The Development Documents	30
SCHEDULE 5.....	31
Additional Powers of Receiver	31
SCHEDULE 6.....	36
Forms of Letter to and from Occupational Tenants	36

Part 1	36
Notice to Occupational Tenant	36
Part 2	37
Acknowledgement from Occupational Tenant.....	37
SCHEDULE 7	38
Forms of Letter to and from Account Bank	38
Part 1	38
Notice to Account Bank regarding the Controlled Accounts	38
Part 2	40
Acknowledgement from Account Bank regarding Controlled Accounts	40
Part 3	42
Notice to Account Bank regarding the Operating Account	42
Part 4	44
Acknowledgement from Account Bank regarding Operating Account	44
SCHEDULE 8	45
Forms of Letter for Insurances and Acknowledgement	45
SCHEDULE 9	47
Forms of Letter for Assigned Agreements and Acknowledgement.....	47
SCHEDULE 10.....	49
Form of Notice for Derivative Contracts and Acknowledgment	49
SCHEDULE 11	51
Form of Legal Mortgage	51
SCHEDULE 12	57
Form of Security Accession Deed.....	57
SCHEDULE 13.....	67
Form of Supplemental Security Agreement.....	67

THIS SECURITY AGREEMENT is made on

3 AUGUST 2021

BETWEEN:

- (1) THE PERSONS listed in Schedule 1 (each an "Original Chargor" and together the "Original Chargors"); and
- (2) HSBC UK BANK PLC as security trustee for the Secured Parties (the "Security Agent").

RECITALS

- A The Finance Parties have agreed to make credit facilities on the terms of the Facility Agreement.
- B The Chargors have agreed to provide Security to the Security Agent (as agent for the Finance Parties) to secure the payment and discharge of the Secured Liabilities.

THIS DEED WITNESSES:

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

This Security Agreement is intended to be a deed between the parties to it and is referred to here as this "Deed". Any references in this Deed to the Security Agreement is also a reference to this Deed. Words and expressions defined in the Facility Agreement have the same meanings in this Deed, unless they are expressly defined in this Deed:

"Assigned Agreements" means the Relevant Agreements and [each/the] Intra-group Loan Agreement;

"Chargors" means each Original Chargor and each company which grants Security over its assets in favour of the Security Agent by executing a Security Accession Deed in accordance with clause 19 (*Additional Chargors*);

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

"Controlled Account" means each account in the name of a Chargor held with the Account Bank over which the Security Agent has sole signing rights, and at the date of this Deed means each of the Rent Account, Deposit Account, Disposals Account and, Cure Account;

"Controlled Debt" means any debt or moneys due or owing to a Chargor, the proceeds of which, once received by that Chargor, are or will be Controlled Proceeds;

"Controlled Proceeds" means any proceeds or other moneys received by a Chargor from time to time which, under the terms of the Finance Documents, that Chargor must either:

- (a) apply in repayment or prepayment of the Secured Liabilities; or
- (b) pay into a Controlled Account;

"Default Rate" means the rate of interest specified in, and calculated in accordance with clause 10.3 (*Default interest*) of the Facility Agreement;

"Derivative Contract" means:

- (a) any Hedging Agreement; and
- (b) any other master agreement, schedule, confirmation, novation or other instrument entered into by any Chargor and a counterparty in connection with protection against or benefit from fluctuation in any rate, price or other amount;

"Development Documents" means the contracts set out in Schedule 4;

"Dividend" means all dividends, interest and other distributions paid or payable or arising from time to time in respect of any Investment;

"Early Termination Date" shall have the same meaning as it has in the Derivative Contract;

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

"Equivalent Financial Collateral" shall have the same meaning as it has in the Regulations;

"Facility Agreement" means the facility agreement dated on or around the date of this Deed between, the Chargors as Obligors, HSBC UK Bank plc as Arranger, HSBC UK Bank plc as Original Lender, HSBC Bank plc as Original Hedge Counterparty, HSBC UK Bank plc as Agent and HSBC UK Bank plc as Security Agent;

"Financial Collateral" shall have the same meaning as it has in the Regulations;

"Insurance Proceeds" means all amounts payable from time to time to under each of the Insurances and all rights in connection with those amounts including any payment by way of refund;

"Insurances" means each contract or policy of insurance to which any Chargor is a party or in which it has an interest;

"Intellectual Property Rights" means:

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

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

"Intra-group Loan" means a loan made under an Intra-group Loan Agreement;

"Intra-group Loan Agreement" means an agreement under which a company within the Group has or will make available a facility to another company within the Group;

"Investments" means:

- (a) all or any shares, debentures, stocks, bonds and securities of any kind negotiable instruments, warrants, other investments of whatever nature and any other financial instruments as defined in the Regulations; and
- (b) all Equivalent Financial Collateral; and
- (c) the shares listed in Schedule 3 (*Investments*);

"Legal Mortgage" means a charge by way of legal mortgage in respect of any Real Property by a Chargor in favour of the Security Agent substantially in the form set out in Schedule 11 (*Form of Legal Mortgage*);

"LPA" means the Law of Property Act 1925;

"Operating Account" means each account in the name of a Chargor held with the Account Bank, namely each General Account;

"Party" means a party to this Deed;

"Real Property" means:

- (a) all right, title and interest in all interests in all freehold, leasehold and commonhold property of each Chargor, from time to time situated in England and Wales;
- (b) all buildings or parts of buildings on or part of any property referred to in paragraph (a); and
- (c) all fixtures, fittings and fixed plant and machinery, including trade fixtures and fittings, from time to time, situated on or forming part of any property referred to in paragraph (a);

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

"Regulations" means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements, as amended by (i) the Financial Collateral Arrangements (No 2) Regulations 2003 (Amendment) Regulations 2009 (SI 2009/2462), and (ii) the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010 (SI2010/2993), and **"Regulation"** means any of them;

"Relevant Agreements" means:

- (a) the Development Documents; and
- (b) such agreements as may be designated as such by a Chargor and the Security Agent from time to time;

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other

capacity whatsoever) of each Chargor to any Secured Party under each Finance Document;

"Secured Property" means all of the Real Property subject to (i) any Security created by or under this Deed or (ii) any supplemental Legal Mortgage dated on or after the date of this Deed;

"Security Accession Deed" means a deed executed by a company within the Group substantially in the form set out in Schedule 12 (*Form of Security Accession Deed*), with those amendments which the Security Agent may approve or reasonably require;

"Security Assets" means all of the assets of whatever nature of each Chargor which are the subject of any Security created by or under this Deed;

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

"Supplemental Security Agreement" means a supplemental security agreement in substantially the form set out in Schedule 13 (*Form of Supplemental Security Agreement*) entered into after the date of this Deed between the Chargor and the Security Agent in accordance with clause 6.2.2.

1.2 Construction

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

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

1.2.2.1 this Deed is a reference to this Security Agreement as amended, varied, novated, supplemented and replaced from time to time;

1.2.2.2 each Chargor, the Security Agent or any other Secured Party or a Receiver includes any one or more of its assigns, transferees and successors in title (in the case of each Chargor, so far as any such is permitted); and

1.2.2.3 the Security Agent or any other Secured Party or a Receiver (except for the references in clause 17 (*Power of attorney*)), includes its duly appointed nominees, attorneys, correspondents, trustees, advisers, agents, delegates and sub-delegates.

1.2.3 Each of the mortgages, fixed charges and assignments contained in clauses 4.1 (*Real Property*) to 4.15 (*Controlled Debts*) over each category of assets and each asset specified in those clauses shall be read and construed separately, as though each such category and asset were mortgaged, charged or assigned as applicable, independently and separately of each other.

1.2.4 Where this Deed creates Security over any Security Asset which constitutes Financial Collateral, this Deed is intended to be a **security financial collateral arrangement** as defined in the Regulations.

1.3 Third party rights

1.3.1 Each Secured Party and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, principally in relation to rights and indemnities in clauses 13 (*Protection of the Secured Parties and Receivers*) of this Deed and 16.1 (*Currency indemnity*) of the Facility Agreement incorporated into this Deed by clause 1.6 (*Incorporation of terms from the Facility Agreement*), but no other person who is not a party to this Deed has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

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

1.4 Effect as a deed

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

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to any Finance Document are incorporated in this Deed, to the extent required to ensure that any purported disposition of an interest in Real Property contained in this Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Incorporation of terms from the Facility Agreement

The following clauses from the Facility Agreement are incorporated into this Deed as if set out in full, but so that references to the Facility Agreement shall be construed as references to this Deed: clause 10.3 (*Default Interest*), clause 16.1 (*Currency indemnity*), clause 18 (*Costs and expenses*), clause 32.9 (*Currency of account*), clause 32.10 (*Change of currency*), clause 34 (*Set-off*), clause 35 (*Notices*), clause 36 (*Calculations and certificates*), clause 37 (*Partial invalidity*), clause 38 (*Remedies and waivers*), and clause 43 (*Counterparts*).

1.7 Conflict

To the extent the provisions of this Deed conflict with those of the Facility Agreement, the provisions of the Facility Agreement shall prevail.

2 COVENANT TO PAY

2.1 Each Chargor shall pay and discharge the Secured Liabilities when due in accordance with the terms of the Finance Documents.

2.2 Each Chargor shall pay interest at the Default Rate on the sums payable under this Deed from the date on which the liability was incurred to the date of actual payment, both before and after judgment.

3 NATURE OF SECURITY CREATED

3.1 General

All of the Security created under this Deed is created:

- 3.1.1 in favour of the Security Agent as trustee for the Secured Parties;
- 3.1.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;
- 3.1.3 except in the case of assets which are the subject of a legal mortgage under this Deed, over all present and future assets of the kind described which are owned by each Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and
- 3.1.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.2 Security over Derivative Contracts

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

4 CREATION OF SECURITY

4.1 Real Property

Each Chargor:

- 4.1.1 charges by way of first legal mortgage all Real Property including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
- 4.1.2 charges to the extent not subject to the charge by way of legal mortgage in clause 4.1.1, by way of first fixed charge all of its Real Property which it has now or which it may subsequently acquire;
- 4.1.3 charges to the extent not subject to the assignments in clauses 4.13.2 and 4.13.3 by first fixed charge the Rental Income and any guarantee or indemnity of the Rental Income contained in or relating to any Lease Document; and
- 4.1.4 assigns absolutely, insofar as they are not charged by way of legal mortgage under clause 4.1, all its rights and interests under or in respect of:
 - 4.1.4.1 in each agreement, licence, contract, easement, option, guarantee, Security, warranty, covenant for title or other right or document relating to the use, disposal or acquisition of the property referred in the definition of Real Property or other asset or right relating to all Real Property, including the Real Property listed in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*);
 - 4.1.4.2 any Occupational Lease relating to the Real Property; and
 - 4.1.4.3 any proceeds of sale of any Real Property.

4.2 Equipment

Each Chargor charges by way of first fixed charge all Equipment insofar as it is not charged by way of legal mortgage under clause 4.1 (*Real Property*).

4.3 Controlled Accounts

- 4.3.1 Each Chargor charges by way of first fixed charge all amounts standing to the credit of each Controlled Account and all of its right, title and interest in and relating to each Controlled Account.
- 4.3.2 Subject to clause 4.3.1 and regardless of the terms on which moneys are credited to any Controlled Account, during the Security Period: no Chargor shall request, demand or claim to be entitled to withdraw any amount from any Controlled Account and shall not withdraw any amount from any Controlled Account except as permitted under the Finance Documents (without prejudice to the rights of each Secured Party under this Deed) or as the Security Agent may from time to time permit.
- 4.3.3 Clause 4.3.2 shall not apply to the extent it would prejudice any rights of any Secured Party under the Finance Documents to any amount standing to the credit of a Controlled Account, including any right of a Secured Party under the Finance Documents to make a withdrawal from a Controlled Account.

4.4 Investments

Each Chargor charges by way of first fixed charge:

- 4.4.1 all investments owned by it from time to time including those held for it by any nominee;
- 4.4.2 all allotments, accretions, offers, options, rights, moneys, property, bonuses, benefits and advantages, whether by way of conversion, exchange, bonus, redemption, preference, option rights, substitution or otherwise which at any time accrue to or are offered or arising from any Investment;
- 4.4.3 all Dividends; and
- 4.4.4 any proceeds of sale of each Investment or any right relating to it.

4.5 Intellectual Property Rights

Each Chargor charges by way of first fixed charge:

- 4.5.1 all Intellectual Property Rights;
- 4.5.2 any proceeds of sale or realisation of each Intellectual Property Right or any right relating to it;
- 4.5.3 any proceeds of any licence or right to use each Intellectual Property Right; and
- 4.5.4 all Security, guarantees, indemnities, options, agreements, rights, licences, warranties, agreement for use or other undertakings or covenants of title in respect of any Intellectual Property Right.

4.6 Goodwill

Each Chargor charges by way of first fixed charge its goodwill.

4.7 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital.

4.8 Authorisations

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

4.9 Collateral Warranties

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

4.10 Relevant Agreement

Each Chargor charges by way of first fixed charge all its rights under any Relevant Agreement to which it is a party.

4.11 Derivative Contracts

Each Chargor charges by way of first fixed charge its right to receive all moneys payable under any Derivative Contract, including any and all sums due and payable to that Chargor under the Derivative Contract following an Early Termination Date (subject always to all rights of netting and set off contained in the Derivative Contract) and all rights to require and enforce the payment of those sums.

4.12 Insurances

4.12.1 Each Chargor assigns absolutely all its rights and interests under the Insurances subject to reassignment on redemption.

4.12.2 Each Chargor charges by way of first fixed charge all its present and future right to receive the Insurance Proceeds from time to time under the Insurances.

4.13 Contractual Rights

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

4.13.1 each Lease Document;

4.13.2 all Rental Income;

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

4.13.4 each appointment of a Managing Agent;

4.13.5 each Assigned Agreement;

4.13.6 each Collateral Warranty; and

4.13.7 any other agreement to which it is a party which is not otherwise effectively assigned or charged by way of fixed charge pursuant to this clause 4, except any Derivative Contract.

4.14 Other Contractual Rights

Each Chargor charges by first fixed charge, to the extent not effectively assigned under clause 4.13 (*Contractual Rights*) all its rights and interest under and in respect of any other agreement to which it is a party or in which it has an interest.

4.15 Controlled Debts

Each Chargor charges by way of first fixed charge:

4.15.1 its Controlled Debts; and

4.15.2 all benefits, rights and Security held in respect of, or to secure the payment of, the Controlled Debts.

4.16 Floating charge over other assets

4.16.1 Each Chargor charges by way of first floating charge all its present and future business, undertaking, assets, rights and revenues which are not effectively charged by way of legal mortgage, charged by way of fixed charge or assigned under this clause 4.

4.16.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 shall apply to any floating charge created by this Deed to the extent that each floating charge shall be a 'qualifying floating charge' within the meaning of that paragraph.

4.17 Trust

If or to the extent that any assignment or charging of whatever nature, of any Security Asset is prohibited, each Chargor holds it on trust for the Security Agent.

5 CONVERSION OF FLOATING CHARGE

5.1 Automatic conversion

Each floating charge created by this Deed will convert automatically into a fixed charge:

5.1.1 if the Security Agent receives notice of an intention to appoint an administrator to any Chargor;

5.1.2 if any steps are taken, (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of any Chargor over all or any part of its assets, or if such person is appointed;

5.1.3 if any Chargor creates or attempts to create Security over all or any of the Security Assets, other than any Permitted Security;

5.1.4 on the crystallisation of any other floating charge over any of the Security Assets;

5.1.5 if any person seizes, attaches, charges, takes possession of or sells any Security Asset under any form of distress, sequestration, execution or other process, or attempts to do so; and

5.1.6 in any other circumstances prescribed by law.

5.2 Conversion on notice

Subject to clause 5.3 (*Limitation*), the Security Agent may, by notice to each Chargor at any time during the Security Period, convert the floating charges created by this Deed into fixed charges in respect of any Security Asset of such Chargor specified in that notice if:

5.2.1 an Event of Default is continuing; or

5.2.2 the Security Agent considers that Security Asset to be in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process or otherwise to be in jeopardy.

5.3 Limitation

Clause 5.2 (*Conversion on notice*) shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.

6 POSITIVE COVENANTS

The undertakings in this clause 6 remain in force from the date of this Deed until the expiry of the Security Period.

6.1 Preservation of the Security Assets

Each Chargor, subject to the terms of the Facility Agreement:

6.1.1 shall notify the Security Agent of any action commenced by a third party to seize, attach, charge, take possession of or sell any Security Asset which (to the best of its knowledge and belief) has been started or threatened and at its own cost, defend such proceedings; and

6.1.2 shall preserve, maintain, exploit and renew as and when necessary all Intellectual Property Rights which form part of the Security Assets.

6.2 Assigned Agreements, Derivative Contracts and Insurances

6.2.1 Each Chargor which is the borrower of an Intra group Loan acknowledges receipt of notice of assignment under clause 4.13.5 (*Contractual Rights*) of the relevant Intra group Loan Agreement.

6.2.2 If, after the date of this Deed, the Chargor enters into any Collateral Warranties or any other agreement as permitted under the Finance Documents, it shall:

6.2.2.1 at the cost of the Chargor, on the date of that Collateral Warranty, Relevant Agreement or any other agreement, deliver to the Security Agent:

6.2.2.1.1 a Supplemental Security Agreement duly executed by the Chargor in respect of such agreement; and

6.2.2.1.2 such other supporting documentation as the Security Agent may require, in such form as the Security Agent may require; and

6.2.2.2 without prejudice to clause 16 (*Further assurance*), take such other steps as the Security Agent may reasonably require to create and/or perfect the Security over such agreement.

6.3 Payments without deduction

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

7 NEGATIVE COVENANTS

The undertakings in this clause 7 remain in force from the date of this Deed until the expiry of the Security Period:

7.1 Disposals

No Chargor shall enter into a single transaction or a series of transactions (whether related or not, and whether voluntary or involuntary), dispose of any Security Asset or part of any Security Asset, or enter into an agreement to make any disposal, except as permitted under the terms of the Facility Agreement.

7.2 Negative pledge

No Chargor shall create or permit to subsist any Security over any Security Asset except as permitted under the terms of the Facility Agreement.

7.3 Preservation of Security Assets

Unless permitted under the Finance Documents, no Chargor shall, without the prior written consent of the Security Agent:

7.3.1 enter into any onerous obligation or restriction affecting any of its Security Assets; or

7.3.2 in relation to any Secured Property, shall not:

7.3.2.1 part with possession of it, confer on any other person any right or licence to occupy it or grant any licence to assign, sub let or create any Security over it;

7.3.2.2 exercise any of the powers conferred by sections 99 (Lease of powers of mortgages and mortgage in possession) and 100 (Powers of mortgagor in possession to accept surrenders of leases) of the LPA of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases;

7.3.2.3 vary, assign or otherwise dispose of or allow to be forfeited any leasehold interest;

7.3.2.4 agree any rent review except as permitted under the terms of the Facility Agreement;

7.3.2.5 make any structural or material alteration, or do or allow anything to be done which falls within the definition of development in section 55 of the Town and Country Planning Act 1990;

7.3.2.6 allow any person other than itself to be registered under the Land Registration Act 2002 as proprietor, or create or permit to arise any interest which overrides under the Land Registration Act 2002 (and each Chargor shall reimburse the Security Agent for its reasonable costs of lodging (a) a caution against first registration

of the title to that Real Property or (b) if that Real Property is unregistered, a land charge);

- 7.3.2.7 make an application, consent to or acquiesce in the application by any third party, to the Land Registry to enter any matter on the register of title; or
- 7.3.3 in relation to any uncalled capital of each Chargor, call it up or receive it in advance of calls unless the Security Agent otherwise directs, nor apply it, when paid, otherwise than in payment of the Secured Liabilities or as the Security Agent otherwise directs;
- 7.3.4 issue any new shares or stock except from the issue of any new shares by a Chargor to its current shareholder provided that such shareholder grants a charge over those shares in favour of the Security Agent (and form and substance acceptable to the Security Agent);
- 7.3.5 vary the classes of its shares in existence as at the date of this Deed;
- 7.3.6 amend, or agree to the amendment of its Constitutional Documents; or
- 7.3.7 take any Security in connection with its liability under this Deed from any guarantor of, or provider of Security for, any of the Secured Liabilities.

8 NOTICES OF ASSIGNMENT AND CHARGE

- 8.1 Each Chargor shall promptly if requested by the Security Agent following the occurrence of an Event of Default which is continuing:
 - 8.1.1 serve the following notices substantially in the forms set out in the relevant Schedule referred to in this clause,
 - 8.1.2 deliver to the Security Agent a certified copy of each notice; and
 - 8.1.3 use reasonable endeavours to procure that the recipient of such notice acknowledges that notice in writing substantially in the form set out in the relevant Schedule referred to in this clause:
 - 8.1.3.1 in respect of Occupational Leases, notice of assignment, set out in Part 1 of Schedule 6 (*Forms of letter to and from Occupational Tenants*) on each tenant of each Secured Property, and acknowledgement set out in Part 2 of Schedule 6 (*Forms of letter to and from Occupational Tenants*);
 - 8.1.3.2 in respect of each Controlled Account notice to the Account Bank of the fixed charge set out in Part 1 of Schedule 7 (*Forms of letter to and from Account Bank*) and acknowledgment set out in Part 2 of Schedule 7 (*Forms of letter to and from Account Bank*);
 - 8.1.3.3 in respect of each Operating Account, notice to the Account Bank of the floating charge set out in Part 3 of Schedule 7 (*Forms of letter to and from Account Bank*) and acknowledgment set out in Part 4 of Schedule 7 (*Forms of letter to and from Account Bank*);
 - 8.1.3.4 in respect of Insurances, notice of the assignment to each insurer and acknowledgement each set out in Schedule 8 (*Forms of letter for Insurances and acknowledgement*);

- 8.1.3.5 In respect of any Collateral Warranties, notice of assignment to the counterparties and acknowledgements each set out in Schedule 9 (*Forms of letter for assigned agreements and acknowledgement*) as applicable;
- 8.1.3.6 In respect of any Assigned Agreements, notice of assignment to the counterparties and acknowledgements each set out in Schedule 9 (*Forms of letter for assigned agreements and acknowledgement*) as applicable;
- 8.1.3.7 In respect of any other assigned contracts, notice of assignment to the counterparties and acknowledgements each set out in Schedule 9 (*Forms of letter for assigned agreements and acknowledgement*) as applicable; and
- 8.1.3.8 In respect of Derivative Contracts, notice of fixed charge to the counterparties to the Derivative Contracts and acknowledgement each set out in Schedule 10 (*Form of notice for Derivative Contracts and acknowledgement*).

8.2 Exercise of rights

Subject to the terms of the Facility Agreement, and to the terms of any such notice or acknowledgement given or received under clause 8 (*Notices of assignment and charge*), while no Event of Default is continuing each Chargor may:

- 8.2.1 exercise its rights in respect of the agreements assigned pursuant to clauses 4.12 (*Insurances*) and 4.13 (*Contractual Rights*); and
- 8.2.2 deal with the relevant counterparties in respect of those agreements.

9 INVESTMENTS

9.1 Undertakings, Dividends and Voting rights etc

- 9.1.1 Each Chargor which has granted a charge over any Investment under this Deed, shall:
 - 9.1.1.1 comply with all obligations in relation to the Investments including, without limitation, the prompt payment of all calls, instalments and other payments which may be made or become due in respect of the Investment (or, in respect of any Investment of which the Security Agent is the legal owner, promptly pay to the Security Agent on demand such amounts as the Security Agent may require to make those payments, together with interest at the Default Rate from the date of payment by the Security Agent to the date of payment by such Chargor under this clause, both before and after judgment);
 - 9.1.1.2 not acquire any additional Investments after the date of this Deed unless they are fully paid and shall procure that the Obligor whose shares are subject to the Security created by this Deed shall not issue any additional shares after the date of this Deed except from the issue of any new shares or stock by the Obligor to its current shareholder provided that such shares are subject to the Security created by this Deed in favour of the Security Agent (in a manner acceptable to the Security Agent);
 - 9.1.1.3 procure that the Obligor whose shares are subject to the Security created by this Deed shall not make any amendments to its

Constitutional Documents or to the rights attaching to the Investments (or any class of Investments) without the prior consent of the Security Agent;

- 9.1.1.4 comply with any notice served on it, under the Companies Act 2006 or pursuant to its articles of association or any other constitutional document, in respect of or in connection with the Investments or any of them, and will promptly provide to the Security Agent a copy of that notice.

9.1.2 Each Chargor shall promptly, on the reasonable request of the Security Agent:

- 9.1.2.1 provide to the Security Agent a copy of all other notices, reports, accounts and circulars in respect of or in connection with any of the Investments; and

- 9.1.2.2 transfer all or any of the Investments to the Security Agent.

9.1.3 Each Chargor shall, if any Investments are in, or are converted into, uncertificated form, promptly notify the Security Agent and:

- 9.1.3.1 act on any instructions given by the Security Agent, and give such directions as the Security Agent may require to protect and preserve the Security Agent's Security in respect of those Investments; and

- 9.1.3.2 transfer those Investments which are or become uncertificated to an escrow account, in respect of which it has named as escrow agent the Security Agent or any nominee or agent of the Security Agent, notified to the relevant Chargor or any other person approved in writing by the Security Agent.

9.2 Before an Event of Default or demand

Until an Event of Default occurs and is continuing, each Chargor having granted a charge over Investments under this Deed, may:

- 9.2.1 receive and retain Dividends, and exercise all voting and other rights and powers attached to the Investments; or

- 9.2.2 in respect of any Investments of which the Security Agent is the legal owner, direct the Security Agent to pay over the Dividends to it, and exercise all such voting and other rights and powers.

but, in each case, only in a manner consistent with this Deed and not to prejudice the value of or the ability of the Security Agent to enforce the Security or other rights created under this Deed.

9.3 After an Event of Default or demand

After the Security Agent so demands or an Event of Default occurs and is continuing:

- 9.3.1 each Chargor shall promptly pay over to the Security Agent all Dividends which it may receive, and apply such moneys according to clause 10.4 (*Application of moneys*), and exercise all voting and other rights and powers attached to the Investments in any manner which the Security Agent may direct; or

- 9.3.2 in respect of Investments of which the Security Agent is the legal owner, the Security Agent may receive and retain all Dividends and apply them in any manner permitted by this Deed, and may exercise all such voting and other rights and powers in such manner as it determines,

except that in the exercise of any such rights referred to in this clause 9.3 (*After an Event of Default demand*), the Security Agent shall only do so for the purpose of preserving or enforcing the Security created over the Investments pursuant to this Deed.

9.4 PSC Register Regime

- 9.4.1 Each Chargor shall comply with all notices it receives pursuant to Part 21A of the Companies Act 2006 ("**PSC Register Regime**") and provide the Security Agent with copies of any such notices.
- 9.4.2 Each Chargor whose shares are being charged in favour of the Security Agent pursuant to this Deed shall not issue any restrictions notice in accordance with the PSC Register Regime unless required by law.

10 ENFORCEMENT

10.1 When Security becomes enforceable

The Security created by this Deed shall become immediately enforceable:

- 10.1.1 on the occurrence of an Event of Default which is continuing; or
- 10.1.2 if any Chargor so requests.

10.2 Powers on enforcement

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

- 10.2.1 exercise all the powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 (Regulation of exercise of power of sale) or 109(1) (Appointment, powers, remuneration and duties of receiver) of the LPA;
- 10.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Security Asset, without the restrictions imposed by sections 99 (Leasing powers of mortgagor and mortgagee in possession) and 100 (Powers of mortgagor and mortgagee in possession to accept surrenders of leases) of the LPA;
- 10.2.3 to the extent that any Security Asset constitutes Financial Collateral, appropriate it and transfer the title to it to the Security Agent insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18 (Duty to value collateral and account for any difference in value on appropriation);
- 10.2.4 value any Security Asset which constitutes Financial Collateral, at the time of appropriation as referred to in the Regulations, as the market price of the relevant Security Asset, as determined by the Security Agent by reference to such method or source, (including an independent valuation), as the Security Agent may determine, and which shall constitute a 'commercially reasonable manner' for the purposes of the Regulations;

10.2.5 subject to clause 11.1 (*Method of appointment and removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Security Assets;

10.2.6 appoint an administrator to each and any of the relevant Chargers; and

10.2.7 if it has not done so, serve notices substantially in the forms referred to in clause 8 (*Notices of assignment and charge*).

10.3 Disposal of the Security Assets

In exercising the powers referred to in clause 10.2 (*Powers on enforcement*), the Security Agent or any Receiver may sell or dispose of all or any of the Security Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

10.4 Application of moneys

10.4.1 The Security Agent or any Receiver shall apply moneys received by them under this Deed after the Security created under this Deed has become enforceable in the following order:

10.4.1.1 **first**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid costs and expenses of the Security Agent and any Receiver under this Deed or which are incidental to any Receiver's appointment, together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

10.4.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of the Security Agent and any Receiver;

10.4.1.3 **thirdly**, in or towards the discharge of all liabilities having priority to the Secured Liabilities;

10.4.1.4 **fourthly**, in or towards the discharge of the Secured Liabilities in accordance with the Facility Agreement; and

10.4.1.5 **fifthly**, in the payment of any surplus to each relevant Chargor or other person entitled to it,

and section 109(8) (Appointment, powers, remuneration and duties of receiver) of the LPA shall not apply.

10.4.2 Clause 10.4.1 will override any appropriation made by a Chargor.

11 APPOINTMENT AND POWERS OF RECEIVERS

11.1 Method of appointment and removal

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

11.1.2 Every appointment or removal of a Receiver, of any delegate or of any other person by the Security Agent pursuant to this Deed may be made in writing under the hand of any officer or manager of the Security Agent (subject to

any requirement for a court order in the removal of an administrative receiver).

11.2 Powers of Receiver

Every Receiver shall have all the powers:

- 11.2.1 of the Security Agent under this Deed;
- 11.2.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA;
- 11.2.3 which are specified in Schedule 1 (*Powers of Administrator or Administrative Receiver*) of the Insolvency Act 1986 in relation to, and to the extent applicable to, the Security Assets or any of them (whether or not the Receiver is an administrative receiver within the meaning of the Insolvency Act 1986) together with the additional powers set out in Schedule 5 (*Additional powers of Receiver*);
- 11.2.4 in relation to any Security Asset, which he would have if he were its only absolute legal and beneficial owner;
- 11.2.5 to use the name of each Chargor in relation to any of its powers or actions under this Deed; and
- 11.2.6 to do whatever, in the opinion of the Receiver it:
 - 11.2.6.1 considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them, including bringing or defending proceedings in the name or on behalf of any Chargor or the Security Agent and entering into and executing documents and taking any action in the name of that Chargor or the Security Agent;
 - 11.2.6.2 considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
 - 11.2.6.3 considers necessary or desirable to undertake as agent of each Chargor.

11.3 Joint or several

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

11.4 Receiver as agent

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

11.5 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Security Agent and the maximum rate specified in section 109(6) (Appointment, powers, remuneration and duties of receiver) of the LPA shall not apply.

12 PROTECTION OF PURCHASERS

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

- 12.1 to see or enquire whether the right of the Security Agent or any Receiver to exercise any of the powers conferred by this Deed has arisen or not;
- 12.2 with the propriety of the exercise or purported exercise of those powers; or
- 12.3 with the application of any moneys paid to the Security Agent, to any Receiver or to any other person.

13 PROTECTION OF THE SECURED PARTIES AND RECEIVERS

13.1 Exclusion of liability

None of the Secured Parties, or any of their respective officers or employees shall have any responsibility or liability:

- 13.1.1 for any action taken, or any failure to take any action, in relation to all or any of the Security Assets, in particular for any failure:
 - 13.1.1.1 to notify or send to each Chargor any notice, report or other letter received by it concerning any Security Asset;
 - 13.1.1.2 to accept or decline any offer relating to any Security Asset;
 - 13.1.1.3 to make any payment in any form relating to any Security Asset;
 - 13.1.1.4 to enquire about the nature and amount of any payment relating to any Security Asset;
 - 13.1.1.5 to take any step to enforce payment of any moneys due in respect of any Security Asset;
- 13.1.2 to account as mortgagee in possession or for any loss upon realisation of any Security Asset;
- 13.1.3 for any loss resulting from any fluctuation in exchange rates in connection with any purchase of currencies as referred to in the Facility Agreement;
- 13.1.4 for the loss or destruction of, or damage to, any of the Security Assets, or to any documents of or evidencing title to them, which are in the possession or held to the order of any such person (and which will be held by such persons at the expense and risk of any Chargor); or
- 13.1.5 for any other default or omission in relation to all or any of the Security Assets for which a mortgagee in possession might be liable,

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

13.2 General indemnity

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

- 13.2.1 any act or omission by any of them in relation to all or any of the Security Assets, including, but not limited to, any act or omission by any of them on the directions of any Chargor in relation to any Investment which is a Security Asset;
- 13.2.2 any payment relating to or in respect of all or any of the Security Assets which becomes payable at any time by any of them;
- 13.2.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed or any Security created under it;
- 13.2.4 carrying out or purporting to carry out any of the rights, powers, authority and discretions conferred on them by, or permitted under, this Deed; and
- 13.2.5 any breach by any Chargor of any of its undertakings or other obligations to the Security Agent or any other Secured Party,

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

13.3 Indemnity out of the Security Assets

Each Secured Party and their respective officers and employees shall be entitled to be indemnified out of the Security Assets or any part of them in respect of the indemnities referred to in clause 13.2 (*General indemnity*) and may retain and use monies received by it under this Deed towards payment of any sums under those indemnities.

14 PRESERVATION OF SECURITY

14.1 Reinstatement

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

- 14.1.1 the liabilities of that Chargor and the Security created by this Deed shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- 14.1.2 the Secured Parties shall be entitled to recover the value or amount of that Security or payment from that Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

14.2 Waiver of defences

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

- 14.2.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 14.2.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;

- 14.2.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or other person or any non presentation or non observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;
- 14.2.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 14.2.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any 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 any Finance Document or other document or Security;
- 14.2.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Finance Document or any other document; or
- 14.2.7 any insolvency, liquidation, administration or similar proceedings.

14.3 Chargor intent

Without prejudice to the generality of clause 14.2 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following:

- 14.3.1 acquisitions of any nature;
- 14.3.2 increasing working capital;
- 14.3.3 enabling distributions to be made;
- 14.3.4 carrying out restructurings;
- 14.3.5 refinancing existing facilities;
- 14.3.6 refinancing any other indebtedness;
- 14.3.7 making facilities available to new borrowers;
- 14.3.8 any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and
- 14.3.9 any fees, costs and/or expenses associated with any of the foregoing.

14.4 Immediate recourse

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

14.5 Appropriations

During the Security Period each Secured Party may:

- 14.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to clause 10.4 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and no Chargor shall be entitled to the benefit of the same; and
- 14.5.2 hold in an interest bearing suspense account any moneys received from a Chargor or on account of the Secured Liabilities.

14.6 Deferral of a Chargor's rights

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

- 14.6.1 to receive or claim payment from, or be indemnified by an Obligor;
- 14.6.2 to claim any contribution from any guarantor of, or party who has granted Security in respect of, any Obligor's obligations under the Finance Documents;
- 14.6.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under any Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;
- 14.6.4 to exercise any right of set off against any Obligor; and/or
- 14.6.5 to claim or prove as a creditor of any Obligor in competition with any Secured Party.

If a Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent as the Security Agent may direct for application in accordance with this Deed and the Facility Agreement.

14.7 Additional Security

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

14.8 New accounts

If any subsequent Security is granted over or affects all or any of the Security Assets, the Security Agent or any other Secured Party may open a new account or accounts in the name of the relevant Chargor from the date it receives notice of such Security or the date it is deemed to have received such notice. If it does not do so, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice of that subsequent Security. As from that time, all payments made by or on behalf of the relevant Chargor to that Secured Party:

14.8.1 shall be credited or be treated as having been credited to the new account of that Chargor; and

14.8.2 shall not operate to reduce the Secured Liabilities.

15 TACKING FOR FURTHER ADVANCES

For the purposes of section 94(1) (Tacking and further advances) of the LPA and section 49(3) (Tacking and further advances) of the Land Registration Act 2002, the Security Agent confirms on behalf of the Lenders that the Lenders shall perform their obligations under the Finance Documents, including any obligation to make further advances to the Chargors.

16 FURTHER ASSURANCE

16.1 Application to Land Registrar

The Chargors shall apply to the Land Registry in Form RX1 and consent to the registration against the registered titles specified in Schedule 2 (*Real Property charged by way of legal mortgage by the Chargors*) of:

16.1.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [date of this Deed] in favour of [insert name of Security Agent] referred to in the charges register or their conveyancer. (Form P)"; and

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

16.2 Further action

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

16.2.1 give effect to the requirements of this Deed;

16.2.2 create, protect, preserve and perfect the Security intended to be created by or under this Deed;

16.2.3 protect and preserve the ranking of the Security intended to be created by or under this Deed;

16.2.4 facilitate the realisation of all or any of the Security Assets, or the exercise of any rights, powers and discretions by the Security Agent, any Receiver or any administrator or any delegate, agent or employee in connection with all or any of the Security Assets, including but not limited to executing and delivering all documentation necessary to transfer legal title to any Security Asset to the Security Agent, its nominee or any third party; and

16.2.5 while any Event of Default is continuing, assign any Collateral Warranty capable of assignment to any person nominated by the Security Agent or any Receiver,

and any such document may disapply section 93 (Restriction on consolidation of mortgages) of the LPA.

16.3 Future Property

16.3.1 If a Chargor acquires any Real Property after the date of this Deed, it must:

- 16.3.1.1 at its own expense, on the date that such Chargor acquires the Real Property, execute and deliver to the Security Agent a legal mortgage substantially in the form set out in Schedule 11 (*Form of Legal Mortgage*);
- 16.3.1.2 if the title to that Real Property is registered at the Land Registry, or required to be so registered, make an application to the Land Registry for a restriction against the registered titles in the terms set out in clause 16.1 (*Application to Land Registrar*); and
- 16.3.1.3 if applicable, ensure that this Deed is correctly noted in the Register of Title against that title at the Land Registry.
- 16.3.1.4 If the consent of the landlord in whom the reversion of a lease is vested is required for a Chargor to execute a legal mortgage over it, that Chargor will not be required to perform that obligation until it has obtained the landlord's consent. The relevant Chargor must use its reasonable endeavours to obtain the landlord's consent.

16.4 Deposit of documents

Each Chargor shall promptly, on the date of this Deed and at all times during the Security Period, and if the Security Agent so requests, deposit with the Security Agent:

- 16.4.1 all deeds, certificates and other documents of or evidencing title for the Security Assets;
- 16.4.2 signed undated transfers of the Investments charged under clause 4.4 (*Investments*), completed in blank and, if the Security Agent so requires, pre stamped; and
- 16.4.3 any other documents which the Security Agent may from time to time require for perfecting its title, or the title of any purchaser.

16.5 Law of Property (Miscellaneous Provisions) Act 1994

The covenant set out in section 2(1)(b) (Right to dispose and further assurance) of the Law of Property (Miscellaneous Provisions) Act 1994 shall extend to the provisions set out in this clause 16.

17 POWER OF ATTORNEY

- 17.1 Following an Event of Default which is continuing, each Chargor by way of security, irrevocably and severally, appoints each of the Security Agent, any Receiver, and any of its delegates or sub delegates, or other person nominated in writing by, an officer of the Security Agent or Receiver jointly and severally as its attorney, in the name of that Chargor, on its behalf and in such manner as the attorney may in its or his absolute discretion think fit to take any action, sign or execute any documents which that Chargor is obliged to take, sign or execute under with this Deed.
- 17.2 Each Chargor ratifies and confirms, and agrees to ratify and confirm, all such actions taken and documents signed or executed or purported to be done by any attorney under its appointment under this Deed, provided such acts were not carried out negligently, fraudulently or in default of the provisions of this Deed.

18 DISCHARGE OF SECURITY

At the end of the Security Period, unless any third party has any subrogation or other rights in respect of the Security created by this Deed at that time, the Security Agent shall, or shall procure that its appointees will, at the request and cost of the relevant Chargor:

- 18.1 release the Security Assets or any part of them from the Security created by or under this Deed; and
- 18.2 re assign to the relevant Chargor those Security Assets that have been assigned to the Security Agent by or under this Deed.

Section 93 (Restriction on consolidation of mortgages) of the LPA shall not apply to this Deed.

19 ADDITIONAL CHARGORS

19.1 Delivery of Security Accession Deed

19.1.1 The Borrower shall procure that each Additional Guarantor becomes a Chargor (each a "New Chargor").

19.1.2 A New Chargor shall become a Chargor if:

- 19.1.2.1 the Borrower and the New Chargor deliver to the Security Agent a duly completed and executed Security Accession Deed; and
- 19.1.2.2 the Borrower confirms that no Default is continuing or would occur as a result of the New Chargor becoming a Chargor.

19.2 Repetition of representations

Delivery of a Security Accession Deed constitutes confirmation by the New Chargor that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

20 GOVERNING LAW

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

21 ENFORCEMENT JURISDICTION

- 21.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity and termination of this Deed or any non contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- 21.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- 21.3 This clause is for the benefit of the Security Agent only. As a result the Security Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Agent may take concurrent proceedings in a number of jurisdictions.

EXECUTED as a deed and delivered on the date appearing at the beginning of this Deed.

SCHEDULE 1

The Chargors

Name of Chargor	Registration Number
Oakland Propco A Limited	13357591
Oakland Primecare Limited	10127904
Loughton Care Centre Limited	07861667
Plexcroft Limited	08888748
Longprime2 Ltd	10542171
Oakland Wantage Care Home Limited	11137479
Oakland Enfield Limited	10666603

SCHEDULE 2

Real Property Charged by way of Legal Mortgage by The Chargers

Part 1

Registered Land

Name of Chargor	Description address	Title number(s)
Loughton Care Centre Limited	Freehold property known as Loughton Sports Hall, Rectory Lane, Loughton IG10 3RY (also known as Woodland Grove, Rectory Lane, Loughton)	EX873988
Oakland Primecare Limited	Leasehold property known as Woodland Grove, Rectory Lane, Loughton, IG10 3RU	EX957505
Plexcroft Limited	Freehold property known as (1) Downs Garage 48, East Dean Road, Eastbourne, BN20 8EH; (2) Downs Garage, 44-48 East Dean Road, Eastbourne, BN20 8EH; (3) Land lying to the north of East Dean Road, Eastbourne; and (4) Land lying to the north of East Dean Road and south of Longland Road, Eastbourne (also known collectively as Beechwood Grove, 44-48 East Dean Street, Eastbourne BN20 8EH)	ESX147893, ESX233747, EB1589 and EB10919
Oakland Primecare Limited	Leasehold property known as Beechwood Grove Care Home, 44-48 East Dean Road, Eastbourne, BN20 8EH.	ESX392071
Longprime2 Ltd	Freehold property known as Woodview, Lambourne Road, Chigwell, IG7 6HX (also known as Lambwood Heights, 244 Lambourne Road, Chigwell IG7 6HX)	EX951212
Oakland Primecare Limited	Leasehold property known as Lambwood Heights, 244 Lambourne Road, Chigwell, IG7 6HX	AA11583
Oakland Wantage Care Home Limited	Freehold property known as land on the east side of Grove Road, Wantage (also known as Elmbrook Court, Grove Road, Wantage OX12 7BY)	ON346091

Oakland Primecare Limited	Leasehold property known as Elmbrook Court, Grove Road, Wantage, OX12 7BY	ON365012
Oakland Enfield Limited	Freehold property known as 1 Forty Hill, Enfield, EN2 9HT (also known as Elysing House, 1 Forty Hill, Enfield, EN2 9HT)	MX475989
Oakland Primecare Limited	Leasehold Property known as 1 Forty Hill, Enfield, EN2 9HT	AGL528132

Part 2

Unregistered Land

Name of Chargor	Description address

SCHEDULE 3**Investments**

Name of Chargor	Shares	Securities	Other Investments
Oakland Propco A Limited	1 ordinary share in Oakland Primecare Limited	N/A	N/A
Oakland Propco A Limited	100 ordinary shares in Plexcroft Limited	N/A	N/A
Oakland Propco A Limited	1 ordinary share in Loughton Care Centre Limited	N/A	N/A
Oakland Propco A Limited	100 ordinary shares in Longprime2 Ltd	N/A	N/A
Oakland Propco A Limited	100 ordinary shares in Oakland Wantage Care Home Limited	N/A	N/A
Oakland Propco A Limited	100 ordinary shares in Oakland Enfield Limited	N/A	N/A

SCHEDULE 4

The Development Documents

Contract	Parties	Date
The Wantage Property		
Building Contract	(1) Oakland Wantage Care Home Limited (2) Stepnell Limited	09.08.2019
Principal Designer's Appointment	(1) Oakland Wantage Care Home Limited (2) ADG Architects Limited	27.08.2019
The Enfield Property		
Building Contract	(1) Oakland Enfield Limited (2) Building Construction Partnership Limited	27.06.2019
Architect Appointment	(1) Oakland Enfield Limited (2) ADG Architects Limited	27.06.2019
Principal Designer's Appointment	(1) Oakland Enfield Limited (2) ADG Architects Limited	27.06.2019
Employer's Agent Appointment	(1) Oakland Enfield Limited (2) Aedifice Limited	29.10.2019
The Chigwell Property		
Building Contract	(1) Longprime2 Ltd (2) Dalton Homes (North East) Limited	24.04.2018
Architect Appointment (up to stage 1-3 employer appointed)	(1) Longprime2 Ltd (2) ADG Architects Limited	24.04.2018
Principal Designer Appointment	(1) Longprime2 Ltd (2) ADG Architects Limited	24.04.2018
Employer's Agent Appointment	(1) Longprime 2 Ltd (2) Aedifice Limited	24.04.2018

SCHEDULE 5

Additional Powers of Receiver

Each Receiver appointed to a Chargor ("Relevant Chargor") or in relation to all or any of the Security Assets of a Relevant Chargor, shall have:

- 1 the powers conferred by the LPA on receivers and mortgagees in possession;
- 2 the powers conferred by 11.2 (Powers of Receiver); and
- 3 the powers set out in this Schedule.

1 SECURITY ASSETS

- 1.1 To enter into, take immediate possession of, collect and get in the Security Assets.
- 1.2 To take all such action and execute all such documentation as the Receiver may consider necessary or desirable for the management, operation or realisation of all or any part of the Security Assets.

2 SALE AND DISPOSAL OF SECURITY ASSETS

To sell, exchange, surrender, renounce, deal with, convert into money, dispose of and realise the Security Assets or any of them or part of the Security Assets:

- 2.1 in any manner;
- 2.2 subject to any exceptions, reservations, covenants and obligations; and
- 2.3 with or without consideration, such consideration taking the form of cash, debentures, shares, securities, other assets or obligations or other valuable consideration, payable in a lump sum or instalments over a period of time;

in each case as the Receiver may consider necessary or desirable.

3 MANAGE THE BUSINESS

To continue, commence, manage, develop, amalgamate, diversify or undertake any business of the relevant Chargor.

4 COLLECT MONEYS

To collect and get in all moneys or proceeds in any way arising from the Security Assets or any document or right affecting the Security Assets whether directly or indirectly.

5 APPORTION PAYMENTS

To apportion any Rental Income and any financial liabilities.

6 REAL PROPERTY RIGHTS

- 6.1 To acquire, renew, extend, grant, vary or otherwise deal with such easements, servitudes, rights, privileges and/or licences as the Receiver considers necessary or desirable.
- 6.2 To construct or complete:

- 6.2.1 any building, development and repair to the Secured Property whether or not it is in accordance with the development planned or being carried on at any Secured Property; and
- 6.2.2 any roads, access ways and services.
- 6.3 To carry out any work involving furnishing or fitting out or the installation or provision of any Equipment on any part of any of the Secured Property.
- 6.4 To dedicate any part or parts of the Secured Property as a highway where to do so is desirable in order that any Secured Property may more conveniently be developed.
- 6.5 To make any change or arrangement as to boundaries of any Secured Property with adjoining owners and neighbours so as to resolve any dispute or to facilitate development.
- 6.6 To make any application for, and maintain any planning consent, building regulations approval or similar consent or licence relating to any of the Secured Property.
- 6.7 Provided this does not result in a breach of the terms of the Headlease or any Occupational Lease, to effect and maintain Insurances, against including but not limited to:
 - 6.7.1 fire and other physical risks;
 - 6.7.2 loss of rent;
 - 6.7.3 third party or public liability;
 - 6.7.4 structural or latent defect;
 - 6.7.5 indemnities of any kind; or
 - 6.7.6 other matters as the Receiver considers necessary or desirable,
 and to make, prove, negotiate, adjust or enforce any claim on any Insurances whether effected by the Relevant Chargor or the Receiver.

7 LEASES

- 7.1 To grant any lease or tenancy for any term, at any or no rent, with or without any premium on such terms as the Receiver considers necessary or desirable.
- 7.2 To accept the surrender or renunciation of any lease or tenancy, whether or not for the purpose of enabling a new lease to be granted on such terms as the Receiver considers necessary or desirable, including any payment to the tenant on such surrender or renunciation.
- 7.3 To give an effectual receipt for any premium payable on any grant, surrender or renunciation of any lease or tenancy.
- 7.4 To exercise, observe and perform any or all of the powers, obligations or duties conferred or imposed on any owner or occupier of any Secured Property, whether as landlord and/or tenant, at common law or by statute.
- 7.5 To initiate, oppose, negotiate, participate in, compromise or conclude any review or revision of any rent payable in respect of any lease or tenancy.

8 EQUIPMENT

8.1 To sever and sell, or dispose of separately from any Secured Property containing it, any Equipment other than landlord's fixtures without the consent of the relevant Chargor.

8.2 To substitute, repair or improve the Equipment or any part of it.

9 VAT

To exercise any option or right of election available in law to the Relevant Chargor or the Receiver to waive exemption so that the supplies shall be supplies chargeable or taxable for VAT purposes at the standard or other applicable rate of tax.

10 ENTER INTO, VARY AND EXECUTE DOCUMENTS

10.1 To sign, seal using the company seal of the Relevant Chargor, execute, deliver, complete and perfect all notices and documents, whether agreements or deeds for exercising, observing and performing any of the powers, obligations or duties conferred or imposed on the Relevant Chargor by this Deed or by any law in respect of the Security Assets, all as the Receiver considers necessary or desirable.

10.2 To agree any variation, modification or determination of any existing deeds or agreements and enter into, make or obtain any new agreement or deeds as the Receiver considers may be necessary or desirable.

11 RECEIPTS

To give valid receipts for all moneys or realisation proceeds in respect of any Security Asset.

12 BOOK DEBTS

To sell or assign or otherwise dispose of book debts in any manner and on the terms the Receiver considers necessary or desirable.

13 DEALINGS WITH A COMPANY

To promote, incorporate, manage or wind up, either alone or with others, any company, which may or may not be a Subsidiary of the Relevant Chargor, either for the purposes of:

13.1 disposing of any Security Asset to that company;

13.2 undertaking works on or providing services to the occupiers of any Security Asset; and/or

13.3 realising any Security Asset,

as the Receiver considers necessary or desirable.

14 USE OF MONEYS

To utilise any moneys received to finance any expenditure from time to time incurred in connection with, the powers set out in this Schedule in advance of any other payments.

15 BORROW

To borrow, raise or secure the payment of money which may be required for the exercise of any of the powers conferred by this Deed, to create Security over any of the Security Assets in whatever form, or provide collateral, which may be granted in priority to the Security

created by this Deed and the Permitted Security, as the Receiver considers necessary or desirable.

16 LEND

To lend money and make available any facility to the Relevant Chargor, any Obligor or to such other person as the Receiver considers necessary or desirable.

17 UNCALLED CAPITAL

To make calls of whatever nature on the members of the Relevant Chargor for uncalled capital and to request payment of such uncalled capital and enforce such payment in accordance with the constitutional documents of the Relevant Chargor.

18 VOTING RIGHTS

To exercise all voting rights which the Relevant Chargor may exercise as a member of a company, other corporate or legal entity.

19 AUTHORISATIONS

To obtain, renew, extend, amend or otherwise deal with Authorisations relating to (i) the Security Assets, (ii) its business, (iii) trade and (iv) ordinary activities as the Receiver considers necessary or desirable.

20 EMPLOYEES AND CONTRACTORS

20.1 To employ or appoint staff, solicitors, accountants, architects, surveyors, quantity surveyors, estate agents, insurance brokers, contractors, builders, workmen, security staff, watchmen, building managers, managers, officers, agents and other personnel or professional advisers on the terms and at such remuneration as the Receiver considers necessary or desirable.

20.2 To discharge any such person or persons referred to in paragraph 20.1 appointed by the relevant Chargor, officer or delegate of the relevant Chargor.

21 PROCEEDINGS

To take, defend, appeal, enforce, abandon or otherwise join in any proceedings (including any arbitration or determination of any issue or dispute by an independent expert) concerning or incidental to the Security Assets, any claims in relation to the relevant Chargor, or any of the powers set out in this Schedule.

22 COMPROMISE

To make any arrangement, settlement, compromise, or enter into any contract, or refer to arbitration any claim or dispute by any person who is a creditor or the relevant Chargor or in relation to any of the Security Assets which the Receiver considers necessary or desirable.

23 REDEEM PRIOR SECURITY

To redeem any prior Security and settle any liabilities outstanding for which that Security had been granted.

24 DELEGATION

To delegate all or any power or action of a Receiver under this Deed.

25 INCIDENTAL POWERS

To take any other actions which the Receiver:

- 25.1 considers necessary or desirable to realise, protect, exploit, maintain or increase the value of the Security Assets or any of them;
- 25.2 considers incidental or conducive to any right, power, function, discretion or authority of the Receiver under this Deed or by law; and
- 25.3 may undertake as agent of the Relevant Chargor.

SCHEDULE 6

Forms of Letter to and from Occupational Tenants

Part 1

Notice to Occupational Tenant¹

To: [Occupational tenant]

[date]

Dear Sirs

Re: *[Insert a description of the Real Property]*

SECURITY AGREEMENT DATED [] BETWEEN *[INSERT NAME OF THE RELEVANT CHARGOR]* AND *[SECURITY AGENT]* ("SECURITY AGREEMENT")

We refer to the lease dated [] and made between [] and [] ("Lease") in respect of the real property known as title number [] and located at *[insert the address]*.

This letter constitutes notice to you that under the Security Agreement we have assigned (by way of security) to *[Security Agent]* (as trustee for itself and certain other banks and financial institutions, 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 at [], Account No. [], Sort Code [] ("Account") *[insert details of the Rent Account]*.²

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 is governed by English law.

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

Yours faithfully

For *[Insert name of relevant Chargor]*

¹ On the notepaper of the relevant Chargor.

² Check this is the correct payment instruction for the rent.

Part 2

Acknowledgement from Occupational Tenant

To: [Security Agent]

Attention: []

[Date]

Dear Sirs

Re: *[Insert a description of the Real Property]*

SECURITY AGREEMENT DATED [] BETWEEN [INSERT NAME OF RELEVANT CHARGOR] AND [SECURITY AGENT] ("SECURITY AGREEMENT")

We confirm receipt from [insert name of relevant Chargor] (the "Chargor") of a notice dated [] (the "Notice") in relation to the Lease (as defined in the Notice) in respect of the real property known as [], title number [] and located at *[insert the address]*.

We accept the instructions contained in the Notice.

We confirm that we:

- 1 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; and
- 2 will pay all rent and all other monies payable by us under the Lease into the Account as defined in the Notice until we receive your written instructions to the contrary.

This letter is governed by English law.

Yours faithfully

For *[Insert name of occupational tenant]*

SCHEDULE 7

Forms of Letter to and from Account Bank

Part 1

Notice to Account Bank regarding the Controlled Accounts³

To: [insert name and address of Account Bank]

[Date]

Dear Sirs

SECURITY AGREEMENT DATED [] BETWEEN [INSERT NAME OF RELEVANT CHARGOR] AND [SECURITY AGENT] ("SECURITY AGREEMENT")

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

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

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

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

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

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

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

This letter is governed by English law.

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

Yours faithfully

³ On notepaper of the relevant Chargor.

.....
For [Insert name of relevant Chargor]

copy: [Security Agent]

Part 2

Acknowledgement from Account Bank regarding Controlled Accounts⁴

To: [insert name and address of Security Agent] (as security trustee for certain banks and financial institutions, "Security Agent")

Attention: [**]

[Date]

Dear Sirs

SECURITY AGREEMENT DATED [] BETWEEN [INSERT NAME OF RELEVANT CHARGOR] AND [SECURITY AGENT] ("SECURITY AGREEMENT")

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

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

We confirm that:

- 1 we acknowledge receipt of the Notice and accept the authorisations and instructions contained in the Notice and we undertake to comply with its terms;
- 2 we have not received notice of:
 - 2.1 any other assignment of, security, or encumbrance over any Deposit or Controlled Account; or
 - 2.2 any interest, claim or right in or to either of them by any third party,and we shall promptly give you notice of any such actual, potential or asserted assignment, security, encumbrance, interest, claim or right of which we become aware;
- 3 we do not, and will not, hold or otherwise have the benefit of any Security or other encumbrance over any Controlled Account or any Deposit other than in our capacity as Security Agent for the Secured Parties referred to in the Security Agreement; and
- 4 we will not exercise any right of combination, consolidation, merger or set off which we may have in respect of any Controlled Account or any Deposit.

We are aware that you are relying on this letter in connection with your rights under the Security. This letter is governed by English law.

Yours faithfully

For and on behalf of [Account Bank]

⁴ On Account Bank's notepaper.

copy: *[Insert name of the relevant Chargor]*

Part 3

Notice to Account Bank regarding the Operating Account⁵

To: **[insert name and address of Account Bank]**

[Date]

Dear Sirs

SECURITY AGREEMENT DATED [] BETWEEN [INSERT NAME OF RELEVANT CHARGOR] AND [SECURITY AGENT] ("SECURITY AGREEMENT")

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

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

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

This letter is governed by English law.

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

⁵ On notepaper of relevant Chargor.

Yours faithfully

[relevant Chargor]

[Security Agent]

Part 4

Acknowledgement from Account Bank regarding Operating Account

To: **[insert name and address of Security Agent]** (as security trustee for certain banks and financial institutions, the Security Agent)

Attention: []

[Date]

Dear Sirs

SECURITY AGREEMENT DATED [] BETWEEN [INSERT NAME OF RELEVANT CHARGOR] AND [SECURITY AGENT] ("SECURITY AGREEMENT")

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

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

We confirm that:

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

We are aware that you are relying on this letter in connection with your rights under the Security. This letter is governed by English law.

Yours faithfully

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

SCHEDULE 8

Forms of Letter for Insurances and Acknowledgement⁸

To: [insert name and address of insurance company]

Attention: []

[Date]

Dear Sirs

NOTICE OF ASSIGNMENT

- 1 We refer to the [specify the relevant insurance policy] dated [] between us and you (the "Policy").
- 2 We notify you that:
 - 2.1 under a Security Agreement dated [] between us and [Security Agent] (the "Security Agent") we have:
 - 2.1.1 assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the Secured Parties) all our right, title and interest in and to, and all benefits accruing under, the Policy; and
 - 2.1.2 charged by way of fixed charge for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, the Secured Parties) all our right to receive all amounts payable to it under the Policy and all our rights in connection with those amounts as security for certain obligations owed to the Secured Parties;
 - 2.2 we may not agree to amend or terminate the Policy without the prior written consent of the Security Agent;
 - 2.3 until you receive written notice to the contrary from the Security Agent that an Event of Default has occurred, you may continue to deal with us in relation to the Policy and credit all moneys to which we are entitled under the Policy to the following account in our name: [insert details of relevant Controlled Account];
 - 2.4 after receipt of written notice in accordance with paragraph 2.3 we will cease to have any right to deal with you in relation to the Policy and from that time you should deal only with the Security Agent; and
 - 2.5 you are authorised to disclose information relating to the Policy to the Security Agent on request of the Security Agent.
- 3 We request that you:
 - 3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Policy are credited to any account of the Security Agent specified by the Security Agent (and are not paid to us);
 - 3.2 immediately note on the Policy the Security Agent's security under the Security Agreement; and

⁸ On notepaper of the relevant Chargor.

- 3.3 give the Security Agent not less than 30 days' written notice of you terminating the Policy or allowing the Policy to lapse.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent at *[insert Security Agent's address]* (with a copy to us) to confirm that you:
- 4.1 agree to the terms of this notice and to act in accordance with its provisions;
- 4.2 have not received notice that we have assigned our rights under the Policy or charged by way of fixed charge our rights to receive all amounts payable to it under the Policy and all our rights in connection with those amounts] to a third party or created any other interest (whether by way of security or otherwise) in the Policy in favour of a third party; and
- 4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set off, counter claim or other right relating to the Policy.

The provisions of this notice are governed by English law.

Yours faithfully

.....
For and on behalf of *[insert name of relevant Chargor]*

Copy to: Security Agent

[On acknowledgement copy]

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

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

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

.....
For and on behalf of *[insert name of insurance company]*

Date: []

SCHEDULE 9

Forms of Letter for Assigned Agreements and Acknowledgement

To: [insert name and address of counterparty]

Attention: []

[Date]

Dear Sirs

NOTICE OF ASSIGNMENT

- 1 We refer to the [specify the relevant assigned agreement] dated [] between us and you (the "Agreement").
- 2 We notify you that:
 - 2.1 under a Security Agreement dated [] between, among others, us and [Security Agent] (the "Security Agent") we have assigned to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, "Secured Parties") all our right, title and interest in and to, and all benefits accruing under, the Agreement as security for certain obligations owed to the Secured Parties;
 - 2.2 we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent;
 - 2.3 until you receive written notice to the contrary from the Security Agent that an Event of Default has occurred, you may continue to deal with us in relation to the Agreement and credit all moneys to which we are entitled under the Agreement to the following account in our name: [insert details of relevant Controlled Account];
 - 2.4 after receipt of written notice in accordance with paragraph 2.3 we will cease to have any right to deal with you in relation to the Agreement and from that time you should deal only with the Security Agent; and
 - 2.5 you are authorised to disclose information relating to the Agreement to the Security Agent on request of the Security Agent.
- 3 We request that you:
 - 3.1 after receipt of written notice in accordance with paragraph 2.3, ensure that all moneys to which we are entitled under the Agreement are credited to the account of the Security Agent specified in that notice (and are not paid to us);
 - 3.2 give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and
 - 3.3 give the Security Agent not less than 30 days' written notice of you terminating the Agreement.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent at [insert Security Agent's address] (with a copy to us) to confirm that you:
 - 4.1 agree to the terms of this notice and to act in accordance with its provisions;

4.2 have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party; and

4.3 have not claimed or exercised, nor do you have any outstanding right to claim or exercise against us, any right of set off, counter claim or other right relating to the Agreement.

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

Yours faithfully

.....
For and on behalf of [insert name of relevant Chargor]

Copy to: Security Agent

[On acknowledgement copy]

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

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

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

.....
For and on behalf of [insert name of counterpart]

Date: []

SCHEDULE 10

Form of Notice for Derivative Contracts and Acknowledgment⁷

To: [insert name and address of counterparty]

Attention: []

Date: []

Dear Sirs

NOTICE OF CHARGE

- 1 We refer to the [specify the relevant Derivative Contract] dated [] between us and you (the "Agreement").
- 2 We notify you that:
 - 2.1 under a Security Agreement dated [] between, among others, us and [insert name of Security Agent] (the "Security Agent") we have granted to the Security Agent for the benefit of itself and certain other banks and financial institutions (together with the Security Agent, "Secured Parties") a fixed charge over our right to receive all moneys payable under the Agreement, including any and all sums due and payable to us under the Agreement following an Early Termination Date as defined in the Agreement and (subject always to all rights of netting and set off contained in the Agreement) all rights to require and enforce the payment of those sums, as security for certain obligations owed to the Secured Parties;
 - 2.2 we may not agree to amend or terminate the Agreement without the prior written consent of the Security Agent; and
 - 2.3 you are authorised to disclose information relating to the Agreement to the Security Agent on request.
- 3 We request that you:
 - 3.1 ensure that all moneys payable to us under the Agreement are credited to an account nominated by the Security Agent (and are not paid to us);
 - 3.2 give the Security Agent written notice of any breach of the Agreement as soon as you become aware of it; and
 - 3.3 give the Security Agent not less than [30] days' written notice from the earlier of you terminating or giving notice to terminate the Agreement.
- 4 Please sign and return the enclosed copy of this notice to the Security Agent (with a copy to us) to confirm that you:
 - 4.1 agree to the terms of this notice and to act in accordance with its provisions; and
 - 4.2 have not received notice that we have assigned our rights under the Agreement to a third party or created any other interest (whether by way of security or otherwise) in the Agreement in favour of a third party.
- 5 The provisions of this notice are governed by English law.

⁷ On notepaper of relevant Chargor.

Yours faithfully

.....
For and on behalf of [insert name of relevant Chargor]

Copy to: Security Agent

[On acknowledgement copy]

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

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

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

.....
For and on behalf of [insert name of counterpart]

Date: []

SCHEDULE 11
Form of Legal Mortgage

DATED

20[•]

(1) [CHARGOR]
("Chargor")

AND

(2) [SECURITY AGENT]
("Security Agent")

FORM OF LEGAL MORTGAGE

IM, irwinmitchell

THIS DEED is made on

20[•]

BETWEEN:

- (1) [CHARGOR] a company incorporated under the laws of [England and Wales] with registered number [] having its registered office at [] (the "Chargor"); and
- (2) [SECURITY AGENT] of [] as trustee for the Secured Parties (the "Security Agent").

THIS DEED WITNESSES as follows

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

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

"Facility Agreement" means the facility agreement dated [] [on or around the date of this Deed] [on or around that date of the Security Agreement] between, among others, the Chargor and others as Obligors, the Arranger, the Original Lender, the Original Hedge Counterparty, the Agent and the Security Agent; and

"Security Agreement" means the security agreement dated [] [on or about the date of this Deed] [on or about the date of the Facility Agreement] between the Chargor and others and the Security Agent.

1.2 Interpretation

This Mortgage takes effect as a deed even if it is signed under hand on behalf of the Security Agent.

2 INCORPORATION OF PROVISIONS INTO EACH LEGAL MORTGAGE

Clauses 1.2 (Construction), 1.3 (Third party rights), 1.6 (Incorporation of terms from the Facility Agreement), 6 (Positive covenants), 7 (Negative covenants), 10 (Enforcement), 11 (Appointment and powers of Receivers), 12 (Protection of purchasers), 13 (Protection of the Secured Parties and Receivers), 14 (Preservation of Security), 15 (Tracking for further advances), 16 (Further assurance), 17 (Power of attorney), 18 (Discharge of Security), 20 (Governing law) and 21 (Enforcement) of the Security Agreement are deemed to form part of this Deed as if expressly incorporated into this Deed and as if references in those clauses to (a) the Security Agreement were references to this Deed and (b) the Security Assets were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Security Agent by or pursuant to this Deed.

3 NATURE OF SECURITY CREATED

All of the Security created under this Mortgage is created:

- 3.1 in favour of the Security Agent as trustee for the Secured Parties;
- 3.2 as a continuing security to secure the payment and discharge of all of the Secured Liabilities;
- 3.3 (except in the case of assets which are the subject of a legal mortgage under this Mortgage) over all present and future assets of the kind described which are owned

by the Chargor and, to the extent that it does not own those assets, shall extend to any right or interest which it may have in them; and

- 3.4 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4 FIXED SECURITY

The Chargor:

- 4.1 charges by way of first legal mortgage its Real Property including those listed in the Schedule (*Real Property charged by way of legal mortgage*);
- 4.2 charges, to the extent not subject to the charge by way of legal mortgage in clause 4.1, by way of first fixed charge its Real Property which it has now or which it owns and which it may subsequently acquire;
- 4.3 assigns absolutely, insofar as they are not charged by way of legal mortgage under clause 4.1 above, all its rights and interests under or in respect of:
- 4.3.1 the Rental Income and any guarantee or indemnity of the Rental Income contained in or relating to any Lease Document;
- 4.3.2 each agreement, licence, contract, easement, option, guarantee, Security, warranty, covenant for title or other right or document relating to the use, disposal or acquisition of the property referred in the definition of Real Property or other asset or right relating to all Real Property, including the Real Property listed in the Schedule (*Real Property charged by way of legal mortgage*);
- 4.3.3 any Occupational Lease relating to the Real Property; and
- 4.3.4 any proceeds of sale of any Real Property.

5 APPLICATION TO LAND REGISTRAR

The Chargor shall apply to the Land Registry in Form RX1 and consents to the registration against the registered titles specified in the Schedule (*Real Property charged by way of legal mortgage*) of:

- 5.1 a restriction in the following terms:

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [the date of this Mortgage] in favour of [insert name of Security Agent] referred to in the charges register or their conveyancer. (Form P)"; and

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

6 NEGATIVE PLEDGE

The Chargor shall not create or permit to subsist any Security over any Security Asset except for Permitted Security.

7 GOVERNING LAW

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

EXECUTED as a deed and delivered on the date appearing at the beginning of this Deed.

SCHEDULE

Real Property charged by way of legal mortgage

Description address	Title Number

EXECUTION PAGE TO LEGAL MORTGAGE

[By company not using a seal one director in the presence of a witness]

EXECUTED as a DEED by)
[CHARGOR])
acting by a director in the presence of)

Direct

Witness Signat

Witness Name

DAVID BALMER

Witness Address

Witness Occupation

Signed for and behalf of

[SECURITY AGENT]

SCHEDULE 12

Form of Security Accession Deed

DATED

20[•]

(1) PARTY 1

AND

(2) PARTY 2

AND

(3) PARTY 3

SECURITY ACCESSION DEED

IM, irwinmitchell

THIS DEED is made on

20[•]

BETWEEN:

- (1) [] a company incorporated under the laws of [England and Wales] with registered number [] having its registered office at [•] [] (the "New Chargor");
- (2) [] a company incorporated under the laws of [England and Wales] with registered number [] having its registered office at [] (the "Company") for itself and as agent for and on behalf of each of the existing Chargors; and
- (3) [] as agent and trustee for itself and the Finance Parties (the "Security Agent").

RECITALS

This deed is supplemental to a security agreement dated [] between, among others, the Company, the Chargors named in it and the Security Agent (as supplemented and amended from time to time) (the "Security Agreement").

THIS DEED WITNESSES

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

Words and expressions defined in the Security Agreement shall have the same meanings in this Deed.

1.2 Construction

The principles of construction set out in clause 1.2 (Construction) of the Security Agreement shall apply to this Deed, insofar as they are relevant to it, as they apply to the Security Agreement.

1.3 Incorporation of provisions into each Security Accession Deed

Clauses 1.3 (*Third party rights*), 1.6 (*Incorporation of terms from the Facility Agreement*), 6 (*Positive covenants*), 7 (*Negative covenants*), 10 (*Enforcement*), 11 (*Appointment and powers of Receivers*), 12 (*Protection of purchasers*), 13 (*Protection of the Secured Parties and Receivers*), 14 (*Preservation of Security*), 15 (*Tacking for further advances*), 16 (*Further assurance*), 17 (*Power of attorney*), 18 (*Discharge of Security*), 20 (*Governing law*) and 21 (*Enforcement*) of the Security Agreement are deemed to form part of this Deed as if expressly incorporated into this Deed and as if references in those clauses to (a) the Security Agreement were references to this Deed and (b) the Security Assets were references to the assets of the Chargor from time to time charged in favour of, or assigned (whether at law, or in equity) to the Security Agent by or pursuant to this Deed.

2 ACCESSION OF NEW CHARGOR

The New Chargor agrees to be a Chargor for the purposes of the Security Agreement with immediate effect and agrees to be bound by all of the terms of the Security Agreement as if it had originally been a party to it as a Chargor.

3 CREATION OF SECURITY

The New Chargor mortgages, charges and assigns to the Security Agent all its business, undertaking and assets on the terms of clause 4 (*Creation of Security*) of the Security Agreement provided that:

- 3.1 the Real Property charged by way of legal mortgage shall be the Real Property referred to in Schedule 1 (*Real Property*);
- 3.2 the shares charged by way of fixed charge shall include the shares referred to in Schedule 2 (*Shares*);
- 3.3 the Controlled Accounts charged by way of [fixed charge][assignment] shall include those set out in Schedule 3 (*Accounts*); [and]
- 3.4 the Assigned Agreements assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Assigned Agreements set out in Schedule 4 (*Assigned Agreements*); and
- 3.5 the Insurances assigned or (if and to the extent that the assignment does not take effect as an assignment) charged by way of fixed charge shall include the Insurances set out in Schedule 5 (*Insurances*).

4 CONSENT OF EXISTING CHARGORS

The existing Chargors (acting by their agent, the Company) agree to the terms of this Deed and agree that its execution will in no way prejudice or affect the Security granted by each of them under (and covenants given by each of them in) the Security Agreement.

5 NOTICES

The New Chargor confirms that its address details for notices are as follows:

Address:	[]
Attention:	[]
Fax:	[]

6 LAW

This Deed is governed by English law.

EXECUTED as a deed and delivered on the date appearing at the beginning of this Deed.

SCHEDULE 1

Real Property

SCHEDULE 2

Shares

SCHEDULE 3
Controlled Accounts

SCHEDULE 4
Assigned Agreements

SCHEDULE 5

Insurances

EXECUTION PAGE TO SECURITY ACCESSION DEED

New Chargor

[By company not using a seal – one director in the presence of a witness]

EXECUTED as a **DEED** by)
[CHARGOR])
acting by a director in the presence of:)

[Redacted Signature]

Director

[Redacted Signature]

Witness Signature

Witness Name DAVID BALMER

Witness Address [Redacted Address]

Witness Occupation [Redacted Occupation]

Company

[By company not using a seal – one director in the presence of a witness]

EXECUTED as a **DEED** by)
[COMPANY])
acting by a director in the presence of:)

[Redacted Signature]

Director

[Redacted Signature]

Witness Signature

Witness Name DAVID BALMER

Witness Address [Redacted Address]

Witness Occupation [Redacted Occupation]

Security Agent

Signed for and on behalf of)
[SECURITY AGENT].....)

SCHEDULE 13

Form of Supplemental Security Agreement

DATED

20[•]

(1) [CHARGOR]

AND

(2) [SECURITY AGENT]

SUPPLEMENTAL SECURITY AGREEMENT

IM irwinmitchell

BETWEEN:

- (1) **[CHARGOR]** a company incorporated under the laws of [England and Wales] with registered number [] having its registered office at [•] [] ("the Chargor"); and
- (2) **[SECURITY AGENT]** of [] as trustee for the Secured Parties (the "Security Agent").

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Supplemental Security Agreement:

"Associated Benefits" means, in respect of any asset:

- (a) all monies including (where relevant) all rent, dividends, distributions, profits, compensation, damages, income or interest paid or payable relating to that asset; and
- (b) all Authorisations, rights, benefits, claims or property at any time relating to that asset;

"Facility Agreement" means a facility agreement dated [DATE] between, amongst others, the Borrower, the Security Agent and the Finance Parties;

"Secured Contracts" means the contracts of the Chargor listed in the Schedule (*Details of Secured Contracts*);

"Security Agreement" means a security agreement dated [DATE] between, amongst others, the Borrower and the Security Agent;

"Secured Property" means the assets of the Chargor which from time to time are, or are expressed to be, the subject of any Security created by this Supplemental Security Agreement.

1.2 Construction

In this Supplemental Security Agreement:

- 1.2.1 unless a contrary indication appears, terms defined in the Facility Agreement and the Security Agreement have the same meaning in this Supplemental Security Agreement;
- 1.2.2 the provisions of clause 1.2 (*Construction*) of the Security Agreement apply to this Supplemental Security Agreement as if set out in full in this Supplemental Security Agreement, except that references to "this Deed" in the Security shall be construed as references to this Supplemental Security Agreement; and
- 1.2.3 all provisions in the Facility Agreement that are deemed to apply to the Finance Documents apply to this Supplemental Security Agreement as if set out in full in this Supplemental Security Agreement.

1.3 Incorporation of other terms

The terms of the other Finance Documents and of any side letters between any of the parties to this Supplemental Security Agreement are incorporated into this Supplemental Security Agreement to the extent required to comply with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Third party rights

1.4.1 Unless expressly provided to the contrary in this Supplemental Security Agreement, a person who is not a party to this Supplemental Security Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Supplemental Security Agreement.

1.4.2 Notwithstanding any term of this Supplemental Security Agreement, the consent of any person who is not a party to this Supplemental Security Agreement is not required to rescind or vary this Supplemental Security Agreement at any time.

1.4.3 Any Receiver, Delegate or any person described in clause 29.11 (*Exclusion of liability*) of the Facility Agreement may, subject to this clause 1.4 and the Third Parties Act, rely on any clause of this Supplemental Security Agreement which expressly confers rights on it.

2 COVENANT TO PAY

The Chargor, as principal debtor and not just as surety, covenants with the Security Agent to pay or discharge the Secured Liabilities in the manner provided for in the Finance Documents.

3 GRANT OF SECURITY

3.1 Fixed charges

The Chargor charges by way of first fixed charge:

3.1.1 to the extent not effectively mortgaged under this Supplemental Security Agreement, the Secured Contracts;

3.1.2 (save to the extent assigned under clause 3.2 (*Assignment*)), all Associated Benefits relating to any of the Secured Property.

3.2 Assignment

The Chargor assigns by way of security the contracts listed in Part 1 and Part 2 of the Schedule to this Supplemental Security Agreement, in each case, together with all Associated Benefits relating to such Secured Property.

4 INCORPORATION OF SECURITY AGREEMENT PROVISIONS

The terms of the Security Agreement apply to the Secured Contracts to the extent that they apply to the Security Assets as defined in the Security Agreement and will be deemed to be incorporated into this Supplemental Security Agreement as if set out in full in this Supplemental Security Agreement, except that:

4.1 references to "this Deed" in the Security Agreement shall be construed as references to this Supplemental Security Agreement; and

- 4.2 references to the Security Assets as defined in the Security Agreement shall be construed as references to the contracts listed in the Schedule to this Supplemental Security Agreement.

5 CONTINUATION

- 5.1 Except as supplemented by this Supplemental Security Agreement, the Security Agreement will remain in full force and effect.
- 5.2 On and from the date of this Supplemental Security Agreement:
- 5.2.1 this Supplemental Security Agreement and the Security Agreement shall be read and construed as one document and, in particular, the definition of "Security Assets" in the Security Agreement shall include the Secured Property; and
- 5.2.2 the Chargor fully acknowledges that references to a "Security Agreement" in the Facility Agreement are references to the Security Agreement as supplemented by this Supplemental Security Agreement.

6 COUNTERPARTS

This Supplemental Security Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Supplemental Security Agreement.

7 GOVERNING LAW

This Supplemental Security Agreement and any non contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

8 JURISDICTION

- 8.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Supplemental Security Agreement (including a dispute regarding the existence, validity or termination of this Supplemental Security Agreement) and any non contractual obligations arising out of or in connection with it (a "Dispute").
- 8.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Supplemental Security Agreement may argue to the contrary.
- 8.3 This clause 8 is for the benefit of the Secured Parties only. As a result, no Secured Party will be prevented from taking proceedings relating to a Dispute in any other court with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

This Supplemental Security Agreement is executed as a deed and delivered on the date stated at the beginning of this Supplemental Security Agreement.

SCHEDULE

Details of Secured Contracts

Part 1

Collateral Warranties

Brief description of contract	Date of Contract	Parties
[]	[]	[]
[]	[]	[]

Part 2

Other Contracts

Brief description of contract	Date of Contract	Parties
[]	[]	[]
[]	[]	[]

EXECUTION OF SUPPLEMENTAL SECURITY AGREEMENT

[By company not using a seal one director in the presence of a witness]

EXECUTED as a DEED by)
[CHARGOR])
acting by a Director in the presence of.....)

.....
Director

Witness Signature

.....

Witness Name

DAVID BALMER

Witness Address

.....

Witness Occupation

.....

Signed for and on behalf of)
[SECURITY AGENT].....)

EXECUTION PAGES TO SECURITY AGREEMENT

The Chargors

EXECUTED as a DEED by)
OAKLAND PROPCO A LIMITED)
acting by a Director in the presence of:)

[Redacted Signature]

Director

Witness Signature

[Redacted Signature]

Witness Name

DAVID BALMER

Witness Address

[Redacted Address]

Witness Occupation

[Redacted Occupation]

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
OAKLAND PRIMECARE LIMITED)
acting by a Director in the presence of:)

Witness Signature

Witness Name DAVID BALMER

Witness Address

Witness Occupation

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
PLEXCROFT LIMITED)
acting by a Director in the presence of:)

Witness Signature

Witness Name DAVID BALMER

Witness Address

Witness Occupation

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
LOUGHTON CARE CENTRE LIMITED)
acting by a Director in the presence of:)

Witness Signature.....

Witness Name..... DAVID BALMER

Witness Address.....

Witness Occupation.....

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
LONGPRIME2 LTD.....)
acting by a Director in the presence of:.....)

Director

Witness Signature

Witness Name: DAVID BALMER

Witness Address

Witness Occupation

Director

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
OAKLAND WANTAGE CARE HOME LIMITED)
acting by a Director in the presence of.....)

Witness Signature

Witness Name

DAVID BALMER

Witness Address

Witness Occupation

Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

EXECUTED as a DEED by)
OAKLAND ENFIELD LIMITED)
acting by a Director in the presence of.....)

Witness Signature

Witness Name

DAVID BALMER

Witness Address

Witness Occupation

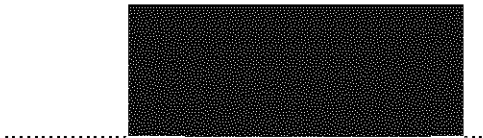
Address: Lambwood Heights, 244 Lambourne Road, Chigwell, United Kingdom, IG7 6HX

Fax: +44 (0)20 3475 7661

Attention: Robert Harvey Joe Sage

The Security Agent

SIGNED for and on behalf of:)
HSBC UK BANK PLC)



Address: 71 Queen Victoria Street, London EC4V 4AY
Telephone: +44 3455 853172
Attention: Jason Briggs