



**Registration of a Charge**

Company name: **HEYLO HOUSING LIMITED**

Company number: **09123811**



X6LMRRYY

Received for Electronic Filing: **19/12/2017**

---

**Details of Charge**

Date of creation: **13/12/2017**

Charge code: **0912 3811 0031**

Persons entitled: **PRUDENTIAL TRUSTEE COMPANY LIMITED (AS SECURITY TRUSTEE)**

Brief description: **THE LAND KNOWN AS 52, ALDER ROAD, POOLE BH12 2AE AND REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER DT234435, THE LAND KNOWN AS 143, GOLD STREET, WELLING NN8 4EG AND REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER NN148212, THE LAND KNOWN AS 35, NEW PEACHEY LANE, UXBRIDGE UB8 3SX AND REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER MX177708, THE LAND KNOWN AS 62, ROTHERFIELD CRESCENT, BRIGHTON BN1 8FP AND REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER SX52585. FOR MORE DETAILS PLEASE REFER TO THE INSTRUMENT.**

**Contains fixed charge(s).**

**Contains negative pledge.**

---

**Authentication of Form**

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

---

## Authentication of Instrument

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

Certified by: **PINSENT MASONS LLP**



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

Company number: 9123811

Charge code: 0912 3811 0031

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th December 2017 and created by HEYLO HOUSING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 19th December 2017 .

Given at Companies House, Cardiff on 21st December 2017

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



**Companies House**



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

Dated 13<sup>th</sup> December 2017

**SECURITY AGREEMENT**

**HEYLO HOUSING LIMITED**

**and**

**PRUDENTIAL TRUSTEE COMPANY LIMITED**  
**as Security Trustee**

**subject to a Security Trust Deed dated 5th September, 2014**

THIS DEED IS DATED

13<sup>th</sup> December

2017

**BETWEEN:**

- (1) **HEYLO HOUSING LIMITED**, a private limited company incorporated under the laws of England and Wales with registered number 9123811, whose registered office is at 5th Floor, One New Change, London EC4M 9AF (**Heylo**); and
- (2) **PRUDENTIAL TRUSTEE COMPANY LIMITED**, whose registered office is at Laurence Pountney Hill, London, EC4R 0HH as trustee of the security constituted under this Deed for itself and the Beneficiaries (as defined below) in accordance with the Security Trust Deed (the **Security Trustee**, which expression shall include any person or company for the time being appointed as trustee or as an additional trustee of the security hereby created and any subsequent successors, transferees and assigns thereof).

**BACKGROUND:**

- (A) The Parties enter into this Deed in connection with the issue by HHT plc of the 2049/2079 Bonds.
- (B) Heylo has entered into a security trust deed with the Security Trustee dated 5th September, 2014 (the **Security Trust Deed**) pursuant to which Heylo and the Security Trustee have agreed to regulate their rights in relation to the Security Documents (as defined in the Security Trust Deed).
- (C) It is intended by the parties to this Deed that this document will take effect as a deed despite the fact that a party may only execute this document under hand.

**IT IS AGREED** as follows:

**1. INTERPRETATION**

**1.1 Definitions**

In this Deed:

**2049/2079 Bond Beneficiaries** means, collectively, the holders of the 2049/2079 Bonds and the other Secured Parties (as defined in the conditions of the 2049/2079 Bonds).

**2049/2079 Bonds** has the meaning given to the terms "Bonds" in the Original Bond Trust Deed.

**Additional Bond Beneficiaries** means, in relation to any series of Additional Bonds, collectively, the holders of such Additional Bonds and the other secured parties in respect thereof (howsoever defined in the Bond Documents relating to such Additional Bonds).

**Additional Bonds** means any secured bonds or other secured securities issued by a Heylo Obligor from time to time (other than the 2049/2079 Bonds).

**Additional Security Agreement** means each security agreement between Heylo and the Security Trustee entered into after the date of the Security Trust Deed under which, *inter alia*, Heylo creates a fixed charge over certain Properties belonging to it and a fixed charge and/or assignment by way of security over certain Related Security Assets, in each case, in favour of the Security Trustee as security for the obligations of the Heylo Obligors under certain Finance Documents substantially in the form set out in the Security Trust Deed, duly completed.

**Approved Tenancy Agreement** means a tenancy agreement, shared ownership lease or licence substantially in line with the guidelines of the Regulator or in such other form as may be approved by the Security Trustee.

**Beneficiary** means:

- (a) the 2049/2079 Bond Beneficiaries;
- (b) each Additional Bond Beneficiary;
- (c) each Non-Bond Beneficiary; and
- (d) any other person which accedes to this Deed as a Beneficiary in accordance with Clause 13.2 (*New Parties*) of the Security Trust Deed.

**Bond Documents** means the Original Bond Documents and any documents relating to any Additional Bonds issued by a Heylo Obligor.

**Bond Trustee** means, in relation to the 2049/2079 Bonds or any Additional Bonds, the entity appointed as bond trustee in accordance with the terms of the relevant Bond Documents.

**Fee Letter** has the meaning given to that term in the relevant Finance Document.

**Finance Document** means:

- (a) each Bond Document;
- (b) each Non-Bond Finance Agreement;
- (c) each Fee Letter;
- (d) each Security Document; and
- (e) any other document designated as a Finance Document in accordance with the terms of another Finance Document.

**Finance Party** means an entity which becomes a party to a Non-Bond Finance Agreement, in its capacity as:

- (a) a lender; and/or
- (b) a provider of hedging arrangements,

and accedes to the Security Trust Deed as a Beneficiary in accordance with Clause 13.2 (*New Parties*) of the Security Trust Deed.

**Fixtures** means, in relation to any freehold or leasehold property charged by or pursuant to this Deed, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery from time to time thereon owned by Heylo.

**Heylo Obligor** means Heylo, the Initial Heylo Obligor and any other entity which accedes to the Security Trust Deed as a Heylo Obligor in accordance with Clause 13.2 (*New Parties*) of the Security Trust Deed.

**Initial Heylo Obligor** means HHT plc.

**Insurances** means all contracts and policies of insurance of whatever nature which are from time to time taken out by or with the authority and on behalf of Heylo in connection with the Mortgaged Property.

**Letting Document** means any lease, tenancy or licence to occupy or any agreement for any of the same from time to time granted or entered into by Heylo or any predecessor in title of Heylo in respect of the Mortgaged Property referred to in Clause 2 (*First Fixed Charge*) and any licence, consent or approval given thereunder.

**Mortgaged Property** means the property hereby legally mortgaged and any other freehold or leasehold property charged by way of fixed charge under this Deed.

**Non-Bond Beneficiary** means, in relation to each Non-Bond Finance Agreement, each Finance Party under such Non-Bond Finance Agreement, the Representative acting on behalf of the Finance Party(ies) under such Non-Bond Finance Agreement and the Security Trustee (either individually or, where the context requires, collectively and, in the case of each Finance Party, in the capacity of:

- (a) a lender; and/or
- (b) an arranger; and/or
- (c) a provider of hedging arrangements,

in each case, for the benefit of a Heylo Obligor pursuant to or in connection with a Non-Bond Finance Agreement).

**Non-Bond Finance Agreement** means:

- (a) any loan agreement; and/or
- (b) any hedging arrangement,

in each case, entered into after the date of this Deed between, *inter alios*, a Finance Party or Finance Parties and a Heylo Obligor and designated by the parties thereto as a Non-Bond Finance Agreement for the purposes of this Deed.

**Original Bond Documents** means the Original Bond Trust Deed and any other documents relating to the 2049/2079 Bonds.

**Original Bond Trust Deed** means the bond trust deed dated 5th September, 2014 between the Initial Heylo Obligor, Heylo and Prudential Trustee Company Limited constituting the 2049/2079 Bonds.

**Original Security Agreement** means the security agreement between Heylo and the Security Trustee dated 5th September, 2014 pursuant to which Heylo created a fixed charge over certain Properties belonging to it and a fixed charge and/or assignment by way of security over certain Related Security Assets in favour of the Security Trustee as security for the Initial Heylo Obligor's obligations under the Original Bond Documents substantially in the form set out in the Security Trust Deed, duly completed.

**Planning Acts** means the **Consolidating Acts** as defined in the Planning (Consequential Provisions) Act 1990 and shall include any orders, rules and regulations made under or by virtue of such Acts or any of them.

**Premises** means all buildings and erections for the time being comprised within the definition of Security Assets.

**Property** means all estates or interests of Heylo in any freehold or leasehold property wheresoever situate now or in future belonging to it and all buildings, fixtures, fittings (other than tenants fixtures

and fittings) and fixed plant and machinery from time to time thereon (and **Properties** shall be construed accordingly).

**Receiver** means an administrative receiver, a receiver and manager or a receiver, in each case appointed under this Deed.

**Related Security Assets** means, in relation to any Unit or Mortgaged Property, all rights, title and interest of Heylo in, to and under fixed plant and machinery, insurances, licences consents and authorisations, Letting Documents and security thereunder, warranties and all other agreements, rights and assets, in each case, related to such Unit or Mortgaged Property and the subject of the security created under any Security Document.

**Representative** means:

- (a) in relation to liabilities arising in relation to any Bond Documents, the relevant Bond Trustee;
- (b) in relation to liabilities arising under a Non-Bond Finance Agreement (i) if there is only one Finance Party, the Finance Party or (ii) if there is more than one Finance Party, the entity designated as Representative in the relevant Accession Deed.

**Secured Liabilities** means all present and future obligations and liabilities (whether actual or contingent) owed by a Heylo Obligor to any Beneficiary under the Finance Documents.

**Security Agreement** means:

- (a) the Original Security Agreement; and
- (b) each Additional Security Agreement (including this Agreement).

**Security Assets** means all assets, rights, property and undertakings of Heylo mortgaged, charged, assigned or the subject of any security created pursuant to this Deed.

**Security Document** means:

- (a) each Security Agreement;
- (b) the Security Trust Deed; and
- (c) any other document creating, evidencing or granting any security in support of the obligations of a Heylo Obligor under the Finance Documents.

**Security Interest** means any mortgage, pledge, lien, charge, assignment, hypothecation or security interest, or any other agreement having the effect of conferring security.

**Security Period** means the period beginning on the date hereof and ending on the date upon which the Security Trustee determines that all the Secured Liabilities which have arisen or may arise have been unconditionally and irrevocably paid and discharged in full or the security hereby created has been unconditionally and irrevocably released and discharged.

**Shared Equity Property** means any property acquired by Heylo then being occupied on shared equity terms or in respect of which Heylo grants a lease on shared equity terms meaning that a share in the value of the property is secured by way of a charge to Heylo allowing Heylo to receive rent from the tenant and share in the proceeds of any disposal of the property.

**Shared Ownership Property** means any property acquired by Heylo then being occupied on shared ownership terms or in respect of which Heylo grants a lease on shared ownership terms so that



Heylo holds, or is intending to hold upon disposal on shared ownership terms, less than 100 per cent. of the beneficial (or heritable) interest in that property and the purchaser of the balance of that beneficial (or heritable) interest has the right to acquire a further portion of Heylo's retained beneficial (or heritable) interest.

**Taxes** means any present or future taxes, duties, assessments or governmental charges of whatever nature.

**Unit** means, at any time, a Mortgaged Property or part thereof in relation to which there is or, when let, there would be, a separate rental contract entered into with Heylo and **Units** means all such Mortgaged Properties or parts thereof.

## **1.2 Construction**

- (a) The provisions of Clause 1.2 (*Construction*) of the Security Trust Deed apply to this Deed as though they were set out in full in this Deed except that references to **this Deed** shall be construed as references to this Deed.
- (b) Unless otherwise defined or the contrary intention appears, a term used in any other Finance Document or in any notice given under, or in connection with, any Finance Document has the same meaning in this Deed as in that Finance Document or notice.
- (c) The terms of the documents under which the Secured Liabilities arise and of any side letters between the parties hereto in relation thereto are incorporated herein to the extent required for any purported disposition of the Mortgaged Property contained herein to be a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989 (but for no other purpose and to no greater extent).
- (d) If the Security Trustee, having taken legal advice where in its sole discretion it considers appropriate, considers that an amount paid to the Security Trustee, the Representatives or the Beneficiaries for application in or towards repayment of the Secured Liabilities is capable of being, and is likely to be, avoided or otherwise set aside on the liquidation or administration of Heylo or otherwise, then such amount shall not be considered to have been irrevocably paid for the purposes hereof.
- (e) The rights, obligations, liabilities, responsibilities, protections, powers, exoneration of, and exercise of any discretion and standard of care to be expected from, the Security Trustee are in each case subject to the Security Trust Deed and, in the event of conflict between this Deed and the Security Trust Deed, the Security Trust Deed will prevail in all respects.

## **1.3 Certificates**

A certificate of the Security Trustee setting forth the amount of any Secured Liability due from Heylo or another Heylo Obligor shall be *prima facie* evidence of such amount against Heylo in the absence of manifest error.

## **2. FIRST FIXED CHARGE**

Heylo, as security for the payment and discharge of all Secured Liabilities of Heylo and as collateral security for the payment and discharge of all Secured Liabilities of each other Heylo Obligor, charges in favour of the Security Trustee for the benefit of itself and the Beneficiaries:

- (a) by way of a first legal mortgage all the property referred to in the Schedule to this Deed together with all buildings and Fixtures, erections and structures thereon or in the course of construction thereon, the proceeds of sale of all or any part thereof and (so far as the same are capable of being mortgaged) the benefit of any covenants for title given or entered into

by any predecessor in title of Heylo and any moneys paid or payable in respect of such covenants;

(b) by way of first fixed charge:

- (i) all fixed plant and machinery now or in the future owned by Heylo and its interest in any fixed plant or machinery in its possession, in each case which form part of the Mortgaged Property;
- (ii) except to the extent that Heylo is obliged to apply or give the benefit of the proceeds of claim under the Insurances to a third party pursuant to the terms of any Letting Document, title provision or management agreement, all benefits in respect of the Insurances and all claims and returns of premiums in respect thereof;
- (iii) the benefit of all present and future licences, consents and authorisations (statutory or otherwise) held in connection with its business so far as it relates to the Security Assets or the use of any of the Security Assets specified in paragraph (a) and subparagraph (i) above and the right to recover and receive all compensation which may at any time become payable to it in respect thereof; and
- (iv) if and in so far as the legal mortgages set forth in paragraph (a) above or the assignments set forth in Clause 3 (*Assignment*) shall for any reason be ineffective as legal mortgages or assignments, the assets referred to in those clauses.

### 3. ASSIGNMENT

Heylo, as security for payment and discharge of all Secured Liabilities of Heylo and as collateral security for the payment and discharge of all Secured Liabilities of each other Heylo Obligor, assigns to the Security Trustee (for the benefit of itself and the Beneficiaries), with a right to reassignment on discharge in full of all such Secured Liabilities, all of its rights, title and interest in and to:

- (a) the personal agreements and covenants by the tenants, lessees, licensees or other parties under the Letting Documents and by all guarantors and all security held by Heylo from time to time, whether present or future, in respect of the obligations of the tenants, lessees, licensees or other parties under the Letting Documents (including, without limiting the generality of the foregoing, all moneys due and owing to Heylo or which may become due and owing to Heylo or which may become due and owing to Heylo at any time in the future in connection therewith);
- (b) all agreements, now or from time to time entered into or to be entered into for the sale, letting or other disposal or realisation of the whole or any part of the Security Assets (including, without limitation the generality of the foregoing, all moneys due and owing to Heylo or which may become due and owing to Heylo at any time in the future in connection therewith);
- (c) all agreements, contracts, deeds, licences, undertakings, guarantees, covenants, warranties, representations and other documents (including all documents entered into now or in the future so as to enable Heylo to perfect its rights under each such agreement, contract, deed, licence, undertaking, guarantee, covenant, warranty, representation or other document) entered into by or given to Heylo in respect of the Mortgaged Properties and all claims, remedies, awards or judgments paid or payable to Heylo (including, without limitation, all liquidated and ascertained damages payable to Heylo under the above) in each case relating to the Mortgaged Properties;

- (d) all licences held now or in the future in connection with each Mortgaged Property and also the right to recover and receive all compensation which may at any time become payable to Heylo in relation to each Mortgaged Property;
- (e) all rights and claims to which Heylo is now or may hereafter become entitled in relation to any development, construction project, redevelopment, refurbishment, repair or improvement of or on each Mortgaged Property;
- (f) all rights and claims to which Heylo is now or may hereafter become entitled to in relation to all guarantees, warranties, bonds and representations given or made or which may be given or made by and any rights or remedies against all or any of the designers, builders, contractors, surveyors, valuers, professional advisers, sub-contractors, manufacturers, suppliers and installers of any Fixtures in respect of each Mortgaged Property; and
- (g) all rental income and disposal proceeds unless already assigned pursuant to (i), (ii) or (iii) above in each case relating to the Mortgaged Properties specified therein and the right to make demand for and receive the same,

PROVIDED ALWAYS that, until an Event of Default has occurred and is outstanding (but subject to the terms of the Finance Documents), Heylo shall be entitled to exercise all its rights and claims under or in connection with the agreements and covenants referred to in paragraphs (a) to (g) above,

AND PROVIDED FURTHER THAT the Security Trustee shall not give any notice of the assignment contained in this Clause 3 to any person (other than the landlord of property in respect of which Heylo is a tenant) unless and until a Default has occurred and is outstanding.

#### **4. NOTICES OF ASSIGNMENT**

Heylo shall promptly after a request by the Security Trustee (which will only be given if a Default has occurred and is outstanding), serve notice on any person referred to in Clause 3 upon whom Heylo can be required to serve notice pursuant thereto, in such form as the Security Trustee may reasonably require.

#### **5. CONTINUING SECURITY, ETC.**

##### **5.1 Continuing security**

The security constituted by this Deed shall be continuing and will extend to the ultimate balance of all Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

##### **5.2 Reinstatement**

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

### **5.3 Immediate recourse**

Heylo waives any right it may have of first requiring the Security Trustee, the Representatives or the Beneficiaries to proceed against or enforce any other rights or security or claim payment from any other person before enforcing the security constituted hereby.

### **5.4 Additional security**

This Deed is in addition to and is not in any way prejudiced by any other security now or hereafter held by the Security Trustee, any of the Representatives or any of the Beneficiaries.

### **5.5 Covenants for Title**

Each mortgage, charge and assignment created under this Deed is made by Heylo with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### **5.6 Waiver of Defences**

The obligations of Heylo under this Deed in respect of any other Heylo Obligor will not be affected by any act, omission, matter or thing which would reduce, release or prejudice any of its obligations under this Deed including (without limitation and whether or not known to it or any other Heylo Obligor):

- (a) any time or waiver granted to, or composition with, any Heylo Obligor or other person;
- (b) the release of any Heylo Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of any Heylo Obligor;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against or security over assets of, any Heylo Obligor or other person;
- (d) 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;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Heylo Obligor or any other person;
- (f) any amendment of this Deed, the Security Trust Deed or any other document or security;
- (g) any unenforceability, illegality, or non-provability of any obligation of any person under this Deed, the Security Trust Deed or any other document or security; or
- (h) insolvency or similar proceedings.

### **5.7 Non-competition**

Until the Secured Liabilities of each other Heylo Obligor have been paid and discharged in full, Heylo shall not after the Security under this Deed has been enforced:

- (a) be subrogated to any rights, security or moneys held, received or receivable by any Beneficiary (or any trustee or agent on its behalf) or be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of Heylo's liability under this Deed;

- (b) claim, rank, prove or vote as a creditor of the relevant Heylo Obligor or its estate in competition with the Security Trustee or any Beneficiary (or any trustee or agent on its behalf); or
- (c) receive, claim or have the benefit of any payment, distribution or security from or on account of any other Heylo Obligor, or exercise any right of set-off as against any other Heylo Obligor.

Heylo shall hold in trust for and forthwith pay or transfer to the Security Trustee for the Beneficiaries any payment or distribution or benefit of security received by it contrary to this Clause 5.7.

## **6. REPRESENTATIONS AND WARRANTIES**

### **6.1 To whom made**

Heylo makes the representations and warranties set out in this Clause 6 to the Security Trustee for the benefit of itself, the Representatives and the Beneficiaries. The representations and warranties set out in this Clause 6 shall remain in force so long as the Secured Liabilities are outstanding.

### **6.2 Matters represented**

#### **(a) The Mortgaged Property**

Save as disclosed in any Certificate of Title relating to the Mortgaged Property provided on or prior to the date of this Deed and subject to the terms of the Finance Documents:

- (i) Heylo is the legal and beneficial owner of the property referred to in the Schedule to this Deed, subject to any rights accruing to tenants in relation to the Right-to-Buy, Shared Ownership Properties and Shared Equity Properties;
- (ii) planning permission has been obtained or is deemed to have been granted in accordance with statute for the purposes of the Planning Acts and has been complied with in all material respects in respect of any development and the existing use of the Mortgaged Property and the Planning Acts and all relevant building regulations or previously relevant building bylaws have been complied with in all material respects in respect of all developments, alterations and improvements to the Mortgaged Property save where such building regulations or bylaws did not apply to Heylo or its predecessors at the relevant time and they have also been complied with in respect of the use of the Mortgaged Property;
- (iii) there are no covenants, agreements, stipulations, reservations, conditions, interest, rights or other matters whatsoever affecting the Mortgaged Property which materially and adversely affect or are reasonably likely materially and adversely to affect the value of the Mortgaged Property taken as a whole or of any part of it or the security constituted by this Deed;
- (iv) save for the Letting Documents, so far as Heylo is aware after due enquiry, nothing has arisen or been created or is subsisting which would be an overriding interest or an unregistered interest which overrides first registration or registered dispositions over the Mortgaged Property which materially and adversely affects or is reasonably likely materially and adversely to affect the value of the Mortgaged Property taken as a whole or of any part of it or the security constituted by this Deed;
- (v) no facilities necessary for the enjoyment and use of the Mortgaged Property are enjoyed by the Mortgaged Property on terms entitling any person to terminate or curtail its or their use which materially and adversely affects or is reasonably likely materially and adversely to

affect the value of the Mortgaged Property taken as a whole or of any part of it or the security constituted by this Deed;

- (vi) Heylo has received no valid notice of any adverse claims by any person in respect of the ownership of the Mortgaged Property or any interest therein, nor has any acknowledgement been given to any person in respect thereof; and
- (vii) the Mortgaged Property will from the date hereof be free from any Security Interest or any tenancies or licences other than those permitted or created under the Finance Documents.

**(b) Security**

Subject to registration at Companies House and at the Land Registry or in the Land Charges Register, this Deed creates those Security Interests it purports to create ranking as set out above and there is no reason why any of them is liable to be avoided or otherwise set aside on the liquidation or administration of Heylo or otherwise.

**6.3 Times for making representations and warranties**

The representations and warranties set out in this Clause 6:

- (a) will survive the execution of each Finance Document, each issue of Bonds and each drawdown or posting of collateral under each Non-Bond Finance Agreement; and
- (b) are made on the date hereof and are deemed to be repeated on (i) the date of subscription, and the date of issue, of any Bonds, (ii) the date of each request for a drawdown or posting of collateral under each Non-Bond Finance Agreement and (iii) the first day of each funding, interest or calculation period under any other Finance Document with reference to the facts and circumstances then existing.

**7. UNDERTAKINGS**

**7.1 Duration and with whom made**

The undertakings in this Clause 7:

- (a) shall remain in force throughout the Security Period; and
- (b) are given by Heylo to the Security Trustee for the benefit of itself, the Representatives and the Beneficiaries.

**7.2 Maintenance of Property**

Heylo will:

- (a) **Repair:** insofar as it is within Heylo's control pursuant to the terms of the Letting Documents, keep the Premises in good and tenantable repair and condition and keep the Fixtures and all plant, machinery, implements and other effects for the time being owned by it and which are in or upon the Premises or elsewhere in a good state of repair and in good working order and condition (save for fair wear and tear) or procure the same;
- (b) **Insurance:** insofar as it is within Heylo's control pursuant to the terms of the Letting Documents, insure and keep insured or procure the insurance of the Premises and all its other assets of an insurable nature therein against loss or damage by fire and other risks normally insured against by persons carrying on the same class of business as that carried on by it and in such amounts as is usual for prudent persons carrying on the same class of

business as that carried on by it with such insurance company or underwriters as may be acceptable to the Security Trustee and effect and maintain, to the satisfaction of the Security Trustee, insurance against such other risks as the Security Trustee shall require. All moneys which may at any time hereafter be received or receivable under any insurance in respect of the Premises or such other assets whether or not effected pursuant to the foregoing provisions shall (unless otherwise required by any Letting Document or title provision) be applied in replacing, restoring or reinstating the Premises or assets destroyed or damaged or in such manner as the Security Trustee may agree or, after an Event of Default which is outstanding if the Security Trustee so directs and the terms of the relevant insurances so permit, in or towards satisfaction of the Secured Liabilities;

- (c) **Taxes and outgoings:** pay or procure to be paid as and when the same shall become payable all Taxes, rates, duties, charges, assessments and outgoings whatsoever (whether parliamentary, parochial, local or of any other description) which shall be assessed, charged or imposed upon or payable in respect of the Mortgaged Property or any part thereof but not in respect of the occupier thereof (save to the extent that payment of the same is being contested in good faith);
- (d) **User:** use the Mortgaged Property only for such purpose or purposes as may for the time being be authorised as the permitted use or user thereof under or by virtue of the Planning Acts;
- (e) **Notices:** within 30 days after the receipt by Heylo of any application, requirement, order or notice served or given by any public or local or any other authority in relation to the Mortgaged Property (or any part thereof) where the cost of compliance with that application, order or notice when aggregated with others outstanding at that time in respect of the Mortgaged Properties (as defined in the Security Trust Deed) is in excess of £100,000 (indexed) give written notice thereof to the Security Trustee and also produce the same or a copy thereof to the Security Trustee and inform it of the steps taken or proposed to be taken to comply with any such requirement thereby made or implicit therein;
- (f) **Statutes:** duly and punctually perform and observe or procure to be performed and observed all its obligations in connection with the Security Assets under any present or future statute or any regulation, order or notice made or given thereunder;
- (g) **Leases:**
  - (i) in all respects comply with the requirements of each of the Finance Documents in respect of the grant of leases, tenancies or licences and in addition not (except as authorised by each of the Finance Documents) without the previous consent in writing of the Security Trustee, grant or agree to grant (whether in exercise or independently of any statutory power) any lease or tenancy of the Mortgaged Property or any part thereof or accept a surrender of any lease or tenancy or confer upon any person any contractual licence or right to occupy the Mortgaged Property other than in the form of an Approved Tenancy Agreement or on terms which confer no fewer material rights on Heylo as the lessor or licensor and impose no material obligations on Heylo additional to those set out in an Approved Tenancy Agreement or as provided in the Finance Documents and provided, on request by the Security Trustee, it notifies the Security Trustee of all leases, tenancies, licences or rights to occupy granted or surrendered by it and, if so requested by the Security Trustee, provided it sends a copy thereof to the Security Trustee forthwith upon request;
  - (ii) not without the prior written consent of the Security Trustee (except as authorised by each of the Finance Documents) accept or agree to accept the surrender or alteration of any of the Letting Documents which materially and adversely affects or

is reasonably likely to affect materially and adversely the value of, or render less marketable or non-mortgageable, the Mortgaged Property taken as a whole or of any material part of it and observe and perform all the covenants, conditions, agreements and obligations on its part in all material respects; and

- (iii) enforce and not waive or release the covenants, conditions, agreements and obligations contained in or imposed by any of the Letting Documents or any guarantee in respect of the obligations of the tenants, lessees, licensees or other parties thereunder which materially and adversely affects or is reasonably likely to affect materially and adversely the value of the Mortgaged Property taken as a whole or of any material part of it;

(h) **Land Registry:**

- (i) in respect of any freehold or leasehold property which is hereafter acquired by Heylo and which is part of the Mortgaged Property the title to which is registered at the Land Registry or the title to which is required to be so registered, give such Registry written notice of this Deed and procure that notice of these presents is duly noted in the Register to each such title; and
- (ii) if Heylo's solicitors have not complied with their obligations to lodge applications at the Land Registry (with full and proper payment in respect of fees and all necessary documents) for registration of this Deed as a first legal charge of the Mortgaged Property, by the date which is 5 working days prior to the expiry of the priority period allowed by the searches referred to in paragraph 1 of the Letter of Undertaking, Heylo shall notify the Security Trustee forthwith and shall, at the request of the Security Trustee, irrevocably instruct its solicitors to deliver forthwith to Addleshaw Goddard LLP all fees (subject to Heylo's solicitors having received such fees from Heylo) and necessary documents to enable Addleshaw Goddard LLP to make such applications within the remainder of the priority period at Heylo's expense;

- (i) **Deposit of title deeds:** deposit with the Security Trustee all deeds and documents of title relating to the Mortgaged Property (and it is hereby agreed that the Security Trustee shall be entitled to hold the same during the Security Period);
- (j) **Compliance with covenants:** duly and punctually perform and observe or procure to be performed and observed in all material respects all covenants and stipulations restrictive or otherwise affecting all or any material part of the Mortgaged Property;
- (k) **Investigation of title:** after the occurrence of an Event of Default which is outstanding, grant the Security Trustee or its lawyers on request all such facilities within the power of Heylo to enable such lawyers to carry out investigations of title to the Mortgaged Property and other property which is or may be subject to this security and enquiries into matters in connection therewith as may be carried out by a prudent mortgagee. All expenses incurred by the Security Trustee in relation to such investigations and enquiries shall be paid by Heylo; and
- (l) **Report on title:** after the occurrence of an Event of Default which is outstanding, as soon as practicable after demand by the Security Trustee, provide the Security Trustee with a report as to the title of Heylo to the Mortgaged Property and other property which is or may be subject to this security and related matters concerning the items which may properly sought to be covered by a prudent mortgagee in a lawyer's report of this nature provided that no such report may be required where there has already been an investigation of title under paragraph (k) above.



### **7.3 Negative Pledge and Disposals**

- (a) Heylo shall not create or permit to subsist any Security Interest on any of the Security Assets except for those Security Interests which are permitted or created under each of the Finance Documents.
- (b) Heylo also covenants that it shall not, except as permitted under each of the Finance Documents, sell, transfer, grant or lease or otherwise dispose of all or any part of the Security Assets without the prior written consent of the Security Trustee (other than the grant of lettings with tenancy agreements in the form of an Approved Tenancy Agreement or on terms which confer no fewer material rights on Heylo as the lessor or licensor and impose no material obligations on Heylo additional to those set out in an Approved Tenancy Agreement).
- (c) For the avoidance of doubt, nothing in this Clause 7.3 shall restrict (i) a tenant of, and holder of an interest in, a Shared Ownership Property or a Shared Equity Property creating a mortgage or charge or any other security interest in respect of, and to the extent of, its interest in such Shared Ownership Property or Shared Equity Property, as applicable, or (ii) the grant of lettings in respect of social rented Properties on open market terms in circumstances the relevant local authority has failed to nominate a tenant in respect thereof within any applicable time period.

### **8. POWER TO REMEDY**

In case of default by Heylo in repairing or keeping in repair or insuring the Mortgaged Property or any material part thereof or in observing or performing any of the covenants or stipulations affecting the same, Heylo will permit the Security Trustee or its agents and contractors to enter on the Mortgaged Property and to comply with or object to any notice served on Heylo in respect of the Mortgaged Property and to effect such repairs or insurance or generally do such things or pay all such costs, charges and expenses as the Security Trustee may consider necessary or desirable to prevent or remedy any breach of covenant or stipulation or to comply with or object to any notice. Heylo will indemnify and keep the Security Trustee indemnified against all losses, costs, charges and expenses incurred in connection with the exercise of the powers contained in this Clause 8.

### **9. WHEN SECURITY BECOMES ENFORCEABLE**

At any time after the occurrence of an Enforcement Event which is outstanding, the security created by or pursuant to this Deed will be immediately enforceable and the Security Trustee may, without notice to Heylo or any prior authorisation from any court, in its absolute discretion:

- (a) enforce all or any part of that security (at the times, in the manner and on the terms it thinks fit) and take possession of and hold or dispose of all or any part of the Security Assets; and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions conferred by the Law of Property Act 1925 (as varied or extended by this Deed) on mortgagees and by this Deed on any Receiver or otherwise conferred by law on mortgagees or Receivers.

After the security constituted hereby has become enforceable, subject to the terms of the Finance Documents, the Security Trustee may in its absolute discretion enforce all or any part of such security in such manner as it sees fit in accordance with the provisions of the Security Trust Deed.

### **10. ENFORCEMENT OF SECURITY**

#### **10.1 General**

For the purposes of all powers implied by statute the Secured Liabilities shall be deemed to have become due and payable on the date hereof and Section 103 of the Law of Property Act 1925

(restricting the power of sale) and Section 93 of the same Act (restricting the right of consolidation) shall not apply to this security. The statutory powers of leasing conferred on the Security Trustee shall be extended so as to authorise the Security Trustee to lease, make agreements for leases, accept surrenders of leases and grant options as the Security Trustee shall think fit and without the need to comply with any of the provisions of sections 99 and 100 of the said Act.

## **11. RECEIVER**

### **11.1 Appointment of Receiver**

Except as provided below, at any time after this security becomes enforceable or if Heylo so requests the Security Trustee in writing at any time, the Security Trustee may without further notice appoint under seal or in writing under hand any one or more persons to be a Receiver of all or any part of the Security Assets in like manner in every respect as if the Security Trustee had become entitled under the Law of Property Act 1925 to exercise the power of sale thereby conferred. If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receivers.

### **11.2 Powers of Receiver**

Every Receiver appointed in accordance with Clause 11.1 (*Appointment of Receiver*) shall have and be entitled to exercise all of the powers set out below in addition to those conferred by the Law of Property Act 1925 on any receiver appointed thereunder. A Receiver (whether an administrative receiver or otherwise) shall have all the powers of an administrative receiver under the Insolvency Act 1986. The powers referred to above are:

- (a) **Take possession:** to take immediate possession of, get in and collect the Security Assets or any part thereof;
- (b) **Carry on business:** to carry on the business of Heylo relating to the Security Assets as he may think fit;
- (c) **Protection of assets:** to make and effect all repairs and insurances and do all other acts which Heylo might do in the ordinary conduct of its business as well for the protection as for the improvement of the Security Assets and to commence and/or complete any building operations on the Mortgaged Property and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or licences, in each case as he may in his absolute discretion think fit;
- (d) **Employees:** to appoint and discharge managers, officers, agents, accountants, servants, workmen and others for the purposes hereof upon such terms as to remuneration or otherwise as he may think proper and to discharge any such persons appointed by Heylo;
- (e) **Borrow money:** for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to this Deed and/or of defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise thereof or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part thereof either in priority to the security constituted by this Deed or otherwise and generally on such terms and conditions as he may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;

- (f) **Sell assets:** to sell, exchange, convert into money and realise all or any part of the Security Assets by public auction or private contract and generally in such manner and on such terms as he shall think proper. Without prejudice to the generality of the foregoing he may do any of these things for a consideration consisting of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he may think fit. Fixtures, other than landlords' or tenants' fixtures, may be severed and sold separately from the property containing them without the consent of Heylo;
- (g) **Leases:** to let all or any part of the Security Assets for such term and at such rent (with or without a premium), risk free period or other inducement as he may think proper and to vary the terms of such leases to accept a surrender of any lease or tenancy thereof on such terms as he may think fit (including the payment of money to a lessee or tenant on a surrender);
- (h) **Compromise:** to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of Heylo or relating in any way to the Security Assets or any part thereof;
- (i) **Legal Actions:** to bring, prosecute, enforce, defend and abandon all such actions, suits and proceedings in relation to the Security Assets or any part thereof as may seem to him to be expedient;
- (j) **Receipts:** to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Security Assets; and
- (k) **General powers:** to do all such other acts and things as he may consider desirable or necessary for realising the Security Assets or any part thereof or incidental or conducive to any of the matters, powers or authorities conferred on a Receiver under or by virtue of this Deed, to exercise in relation to the Security Assets or any part thereof all such powers, authorities and things as he would be capable of exercising if he were the absolute beneficial owner of the same and to use the name of Heylo for all or any of such purposes.

### 11.3 Security Trustee may exercise

To the fullest extent permitted by law, all or any of the powers, authorities and discretions which are conferred by this Deed (either expressly or impliedly) upon a Receiver of the Security Assets may be exercised after the security hereby created becomes enforceable by the Security Trustee in relation to the whole of such Security Assets or any part thereof without first appointing a Receiver of such property or any part thereof or notwithstanding the appointment of a Receiver of such property or any part thereof.

## 12. APPLICATION OF PROCEEDS

After the security hereby constituted shall have become enforceable any moneys received by the Security Trustee or by any Receiver appointed by it pursuant to this Deed and/or under the powers hereby conferred shall, be applied by the Security Trustee in the order set out in Clause 3 (*Application of Proceeds*) of the Security Trust Deed (but without prejudice to the right of the Security Trustee, the Representatives or the Beneficiaries to recover any shortfall from Heylo).

## 13. NO LIABILITY AS MORTGAGEE IN POSSESSION

The Security Trustee, the Representatives and the Beneficiaries shall not nor shall any Receiver appointed as aforesaid by reason of it, the Representatives, the Beneficiaries or any Receiver entering into possession of the Security Assets or any part thereof be liable to account as mortgagee

in possession or be liable for any loss on realisation or for any default or omission for which a mortgagee in possession might be liable. Every Receiver duly appointed by the Security Trustee under the powers in that behalf herein contained shall be deemed to be the agent of Heylo for all purposes and shall as such agent for all purposes be deemed to be in the same position as a Receiver duly appointed by a mortgagee under the Law of Property Act 1925. Heylo alone shall be responsible for his contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by him and neither the Security Trustee, the Representatives nor the Beneficiaries shall incur any liability therefor (either to Heylo or to any other person whatsoever) by reason of the Security Trustee's making his appointment as such Receiver or for any other reason whatsoever. Every such Receiver and the Security Trustee, the Representatives and the Beneficiaries shall be entitled to all the rights, powers, privileges and immunities by the said Act conferred on mortgagees and receivers when such receivers have been duly appointed under the said Act but so that Section 103 of that Act shall not apply.

#### **14. PROTECTION OF THIRD PARTIES**

No purchaser, mortgagee or other person or company dealing with the Security Trustee or the Receiver or its or his agents shall be concerned to enquire whether the Secured Liabilities have become payable or whether any power which the Receiver is purporting to exercise has become exercisable or whether any money remains due under the Finance Documents or to see to the application of any money paid to the Security Trustee or to such Receiver.

#### **15. EXPENSES**

The amount of all such fees, liabilities, claims, demands, costs, charges, expenses (including Taxes) incurred by and payments made by the Security Trustee or any Receiver appointed hereunder in the lawful exercise of the powers hereby conferred whether or not occasioned by any act, neglect or default of Heylo shall be payable by Heylo promptly following demand.

#### **16. INDEMNITY**

The Security Trustee, the Representatives and the Beneficiaries and every Receiver, attorney, manager, agent or other person appointed by the Security Trustee hereunder or under the Security Trust Deed or under a Security Document (as defined in the Security Trust Deed) (each an **Indemnified Party**) shall be entitled to be indemnified out of the Security Assets in respect of all liabilities and expenses properly incurred by them in the execution, or purported execution in good faith, of any of the powers, authorities or discretions vested in them pursuant hereto or pursuant to the Security Trust Deed or any such Security Document and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Security Assets (save, in the case of any Indemnified Party, to the extent arising solely from such Indemnified Party's gross negligence, wilful misconduct or fraud) and the Security Trustee, the Representatives, the Beneficiaries and any such Receiver may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

#### **17. DELEGATION BY SECURITY TRUSTEE**

The Security Trustee may at any time and from time to time delegate by power of attorney or in any other manner to any person or persons all or any of the powers, authorities and discretions which are for the time being exercisable by the Security Trustee under this Deed in relation to the Security Assets or any part thereof. Any such delegation may be made upon such terms (including power to sub-delegate) and subject to such regulations as the Security Trustee may think fit. The Security Trustee shall not be in any way liable or responsible to Heylo for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.

## **18. FURTHER ASSURANCES**

### **18.1 General**

Heylo shall at its own expense execute and do all such assurances, acts and things as the Security Trustee may require for perfecting or protecting the security intended to be created hereby over the Security Assets or any part thereof or for facilitating the realisation of the Security Assets or any part thereof and in the exercise of all powers, authorities and discretions vested in the Security Trustee or any Receiver of the Security Assets or any part thereof or in any such delegate or sub-delegate as aforesaid. To that intent, Heylo shall in particular execute all transfers, conveyances, assignments and assurances of such property whether to the Security Trustee or to its nominees and give all notices, orders and directions and make all registrations which the Security Trustee may think expedient.

### **18.2 Legal Charge**

Without prejudice to the generality of Clause 18.1 (*General*), Heylo will forthwith at the request of the Security Trustee execute a legal mortgage, charge or assignment over all or any of the Security Assets subject to or intended to be subject to any fixed security hereby created in favour of the Security Trustee (as agent and trustee as aforesaid) in such form as the Security Trustee may require.

## **19. REDEMPTION OF PRIOR MORTGAGES**

The Security Trustee may, at any time after the security hereby constituted has become enforceable, redeem any prior Security Interest against the Security Assets or any part thereof or procure the transfer thereof to itself and may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer. Any accounts so settled and passed shall be conclusive and binding on Heylo save for manifest error. All principal moneys, interest, costs, charges and expenses of and incidental to such redemption and transfer shall be paid by Heylo to the Security Trustee on demand.

## **20. POWER OF ATTORNEY**

### **20.1 Appointment**

Heylo hereby by way of security and in order more fully to secure the performance of its obligations hereunder irrevocably appoints the Security Trustee and every Receiver of the Security Assets or any part thereof appointed hereunder and every such delegate or sub-delegate as aforesaid to be its attorney acting severally, and on its behalf and in its name or otherwise to execute and do all such assurances, acts and things which Heylo ought to do under the covenants and provisions contained in this Deed (including, without limitation, to make any demand upon or to give any notice or receipt to any person owing moneys to Heylo and to execute and deliver any charges, legal mortgages, assignments or other security and any transfers of securities) and generally in its name and on its behalf to exercise all or any of the powers, authorities and discretions conferred by or pursuant to this Deed or by statute on the Security Trustee or any such Receiver, delegate or sub-delegate and (without prejudice to the generality of the foregoing) to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may deem proper in or for the purpose of exercising any of such powers, authorities and discretions.

### **20.2 Ratification**

Heylo hereby ratifies and confirms and agrees to ratify and confirm whatever any such attorney as is mentioned in Clause 20.1 (*Appointment*) shall do, or purport to do, in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such.

## **21. NEW ACCOUNTS**

If the Security Trustee, any Representative or any Beneficiary receives or is deemed to be affected by notice whether actual or constructive of any subsequent charge or other interest affecting any part of the Security Assets and/or the proceeds of sale thereof, the Security Trustee, the Representative or the Beneficiary may open a new account or accounts with Heylo. If the Security Trustee, a Representative or a Beneficiary (as the case may be) does not open a new account it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice and as from that time all payments made to the Security Trustee, the relevant Representative or the relevant Beneficiary shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount for which this Deed is security.

## **22. STAMP DUTIES**

Heylo shall pay and, forthwith on demand, indemnify the Security Trustee, the Representatives and the Beneficiaries against any liability it incurs in respect of any stamp, registration and similar Tax which is or becomes payable in connection with the entry into, performance or enforcement of this Deed.

## **23. ASSIGNMENTS, ETC.**

### **23.1 The Security Trustee**

The Security Trustee may assign and transfer all of its respective rights and obligations hereunder to a replacement Security Trustee in accordance with the Security Trust Deed. Upon such assignment and transfer taking effect, the replacement Security Trustee shall be and be deemed to be acting as trustee for the Beneficiaries (as well as for itself) for the purposes of this Deed in place of the old Security Trustee.

### **23.2 Assignments and Transfers**

Heylo shall be bound by and hereby irrevocably authorises each Representative to execute on its behalf novation certificates or equivalent documentation evidencing substitution of Beneficiaries under any Finance Documents (without any need for the prior consent of the Beneficiaries) in accordance with the provisions of the Non-Bond Finance Agreements or any other Finance Document.

## **24. WAIVERS, REMEDIES CUMULATIVE**

The rights of the Security Trustee, the Representatives and the Beneficiaries under this Deed:

- (a) may be exercised as often as necessary;
- (b) are cumulative and not exclusive of its rights under general law; and
- (c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

## **25. SET-OFF**

### **25.1 General**

Following an Event of Default which is outstanding, the Security Trustee, each Representative and each Beneficiary may (to the extent that the same is beneficially owned by it) set off any matured obligation owed by Heylo under the Finance Documents against any obligation (whether or not

matured) owed by the Security Trustee, the Representative or the Beneficiary (as the case may be) to Heylo, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Trustee, the Representative or the Beneficiary (as the case may be) may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

## **25.2 Time deposits**

Without prejudice to Clause 25.1 (*General*), if any time deposit matures on any account Heylo has with the Security Trustee, a Representative or a Beneficiary at a time within the Security Period when:

- (a) this security has become enforceable; and
- (b) no amount of the Secured Liabilities is due and payable;

such time deposit shall automatically be renewed for such further maturity as the Security Trustee, the Representative or the Beneficiary in its absolute discretion considers appropriate unless the Security Trustee, the Representative or the Beneficiary (as the case may be) otherwise agrees in writing.

## **26. SEVERABILITY**

If a provision of this Deed is or becomes illegal, invalid or unenforceable (including any guarantee given in respect of any of the Secured Liabilities), that shall not affect the validity or enforceability of any other provision of this Deed.

## **27. COUNTERPARTS**

This Deed may be executed in any number of counterparts and this will have the same effect as if the signatures on the counterparts were on a single copy of this Deed.

## **28. ADDRESSES FOR NOTICES**

The address and facsimile number of Heylo and the Security Trustee for all notices under, or in connection with, this Deed are:

- (a) **In the case of Heylo:**

Heylo Housing Limited  
5th Floor  
One New Change  
London EC4M 9AF

copied to:

6th Floor  
The Chambers  
Chelsea Harbour  
London SW10 0XF

Email: [finance@heylohousing.com](mailto:finance@heylohousing.com)  
Fax: 08702 388 047  
Attn: Finance Director

- (b) **In the case of the Security Trustee:**

Prudential Trustee Company Limited  
Laurence Pountney Hill  
London EC4R 0HH

Fax: 020 7548 3883  
Attn: Corporate Trust Manager

or, in each case, such other details as one may notify the other in writing.

## **29. LAND REGISTRY**

In respect of the Mortgaged Property specified in the Schedule to this Deed the title to which is registered at the Land Registry and in respect of any other registered title(s) against which this Deed may be noted:

- (a) Heylo hereby applies to the Chief Land Registrar for a restriction in the following terms to be entered on the Proprietorship Register at the Register of Title relating thereto:

"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of Prudential Trustee Company Limited referred to in the charges register or, their conveyancer"; and

- (b) it is hereby certified that the security created hereby does not contravene any of the provisions of the Companies Act 2006 or the Articles of Association of Heylo.

## **30. COVENANT TO MAKE FACILITIES AVAILABLE**

- (a) The Finance Parties under the Non-Bond Finance Agreements to which they are party by the Security Trustee's execution of this Deed, hereby covenant with Heylo, that they will, upon and subject to each of the terms of the Non-Bond Finance Agreements to which they are party, make the facilities available to Heylo (including, without limitation, advances and further advances to the extent that they are provided for in the Non-Bond Finance Agreements to which they are party).
- (b) For the purposes of sub-section 94(1)(c) of the Law of Property Act 1925, sub-section 49(3) of the Land Registration Act 2002 and Rule 108 of the Land Registration Rules 2003, the obligation on the relevant Beneficiaries to make further advances will be deemed to be incorporated in this Deed as if the same were set out in this Deed.
- (c) For the purposes of the Land Registration Rules 2003 and sub-section 49(3) of the Land Registration Act 2002, the Security Trustee hereby applies to the Chief Land Registrar for the entry of a note of the obligation to make further advances on the Charges Register of any registered land forming part of the Mortgaged Property.

## **31. RELEASE**

During the Security Period, the Security Trustee shall when required and permitted to do so under and in accordance with the Security Trust Deed, at the expense of Heylo, release the relevant assets (or part thereof) constituting the Security Assets from the security constituted by this Deed to the extent that Heylo is permitted to dispose of or have released to it any Security Assets by the terms of each of the Finance Documents and consequently all Representatives and Beneficiaries (other than the Bond Beneficiaries) are required by the terms of each of the Finance Documents to release, or procure the release of, such security.



Upon the expiry of the Security Period, the Security Trustee shall, at the request and cost of Heylo, take whatever action is necessary to release and reassign to Heylo the Security Assets from the security constituted by this Deed.

**32. GOVERNING LAW**

This Deed and any non-contractual obligations or matters arising from it or connected with it shall be governed by, and construed in accordance with, English law.

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

## Schedule

### Mortgaged Property

The whole of the land registered at the Land Registry under the title number listed below which titles include the individual properties detailed below.

Property Address	Title Number
52, Alder Road, Poole BH12 2AE	DT234435
143, Gold Street, Welling, NN8 4EG	NN148212
35, New Peachey Lane, Uxbridge, UB8 3SX	MX177708
62, Rotherfield Crescent, Brighton, BN1 8FP	SX52585
51, Thompson Street, Milton Keynes, MK13 0EA	BM153423
26, Smithergill Court, Milton Keynes, MK13 7LT and parking space	BM142977
177, Southtown Road, Great Yarmouth, NR31 0LF	NK381905 NK197634
24 Brookfield Park, Bath, BA1 4JF	AV199051
25 Sycamore Gardens Preston PR4 0DZ (to be registered as 131 Maxy House Road)	Provisional title number is LAN193945
26 Sycamore Gardens Preston PR4 0DZ (to be registered as 133 Maxy House Road)	Provisional title number is LAN193955
27 Sycamore Gardens Preston PR4 0DZ (to be registered as 135 Maxy House Road)	Provisional title number is LAN193956
132 Sycamore Gardens Preston PR4 0DZ (to be registered as 90 Fallow Avenue)	Provisional title number is LAN194280
Plot 93 Waters Edge Fremington, to be registered as 6 Sword Close, Fremington, Barnstaple, EX31 3FW	Not yet registered, but forms part of parent title DN658082
Plot 95 Waters Edge Fremington, to be registered as 4 Sword Close, Fremington, Barnstaple, EX31 3FW	Not yet registered, but forms part of parent title DN658082

Property Address	Title Number
Plot 96 Waters Edge Fremington, to be registered as 3 Sword Close, Fremington, Barnstaple, EX31 3FW	Not yet registered, but forms part of parent title DN658082
Plot 106 Waters Edge Fremington, to be registered as 2 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 107 Waters Edge Fremington, to be registered as 3 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 112 Waters Edge Fremington, to be registered as 10 Sword Close, Fremington, Barnstaple, EX31 3FW	Not yet registered, but forms part of parent title DN658082
Plot 113 Waters Edge Fremington, to be registered as 9 Sword Close, Fremington, Barnstaple, EX31 3FW	Not yet registered, but forms part of parent title DN658082
Plot 116 Waters Edge Fremington, to be registered as 8 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 119 Waters Edge Fremington, to be registered as 12 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 120 Waters Edge Fremington, to be registered as 13 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 126 Waters Edge Fremington, to be registered as 11 Grapple Close, Fremington, Barnstaple, EX31 3FR	Not yet registered, but forms part of parent title DN658082
Plot 26, the Landings, Chivenor, Braunton, to be registered as 7 Hantone Close, Chivenor, Braunton, Devon EX31 4FE	Not yet registered, but forms part of parent title DN652937
Plot 28, the Landings, Chivenor, Braunton, to be registered as 9 Hantone Close, Chivenor, Braunton, Devon EX31 4FE	Not yet registered, but forms part of parent title DN652937
Plot 34 the Landings, Chivenor, Braunton, to be registered as 15 Hantone Close, Chivenor, Braunton, Devon EX31 4FE	Not yet registered, but forms part of parent title DN652937
Plot 35 the Landings, Chivenor, Braunton, to be registered as 16 Hantone Close, Chivenor, Braunton, Devon EX31 4FE	Not yet registered, but forms part of parent title DN652937
Plot 42, the Landings, Chivenor, Braunton, to be registered as 13 Thistle Bridge Road, Chivenor, Braunton, Devon EX31 4FL	Not yet registered, but forms part of parent title DN652937

Property Address	Title Number
Plot 43 the Landings, Chivenor, Branton, to be registered as 15 Thistle Bridge Road, Chivenor, Branton, Devon EX31 4FE	Not yet registered, but forms part of parent title DN652937
Plot 105, the Landings, Chivenor, Branton, to be registered as 11 Fulmer Copse , Chivenor, Branton, Devon EX31 4FH	Not yet registered, but forms part of parent title DN652937
Plot 107, the Landings, Chivenor, Branton, to be registered as 13 Fulmer Copse, Chivenor, Branton, Devon EX31 4FH	Not yet registered, but forms part of parent title DN652937
62 Brecon Close, Mitcham CR4 1ZB	SGL353065
2 Briar Road St Albans AL4 9TL and garage	HD34175
3 Mace Court, Maidstone, Kent, ME14 4PJ	K911529
18 Foresters Close, Bedford MK45 3PR	BD105694
35 Meacham Meadow, Milton Keynes MK12 5GJ	BM380561
9 Samber Close, Lymington, SO41 9LE and garage	HP154489
38 Knightsbridge Road, Glen Parva, Leicester, LE2 9TZ	LT239768
23 Kendal Avenue, Portsmouth P03 5AX	HP186305
455 Blackfen Road, Sidcup, DA15 9NP and garage	SGL160116 and SGL242832
23 Pendennis Park, Staple Hill, BS16 5HR	GR294939
Ground Floor Flat, 1 Lauriston Close, Knaphill, GU21 2AU	SY824877
25 Partridge Avenue, Manchester, M23 1PL	LA132362 and GM626762
8 Knarsdale Walk, Bedford, MK41 0NT	BD156700
46 Elsie Road, Great Yarmouth, NR31 0BN	NK84949

Property Address	Title Number
171a Whalebone, South Dagenham, RM8 1AT	TGL457160
207 Wrythe Lane Carshalton, SM5 1TZ	SGL484656
Plot 10 the Woodlands, Whalleys 4, to be registered as 7 Jackfield Way Skelmersdale WN8 6EU	Not yet registered but to be granted out of parent title LA678387
Plot 11 the Woodlands, Whalleys 4, to be registered as 9 Jackfield Way Skelmersdale WN8 6EU	As above
Plot 65 the Woodlands, Whalleys 4, to be registered as 12 Jackfield Way Skelmersdale WN8 6EW	As above
Plot 66 the Woodlands, Whalleys 4, to be registered as 10 Jackfield Way Skelmersdale WN8 6DW	As above
Plot 260 the Pastures, to be registered as 49 Sanderling Way, Wesham, PR4 3JL	Not yet registered but parent title number is LAN177603
Plot 112 Astley Green to be registered as 37 Lark Field Close, Tyldesley M29 7SU	Not yet registered but parent title number is MAN238702
Plot 113 Astley Green to be registered as 39 Lark Field Close, Tyldesley M29 7SU	As above
Plot 114 Astley Green to be registered as 41 Lark Field Close, Tyldesley M29 7SU	As above
46 Usbourne Way Ibstock LE67 6AH	LT474128
Plot 79 Oakwood View, Warmingham Lane (to be registered as 1 Stanthorn Place Middlewich Cheshire CW10 0GG)	CH659444
Plot 92 Oakwood View, Warmingham Lane (to be registered as 4 Stanthorn Place Middlewich Cheshire CW10 0GG)	To be registered out of parent title CH630610
Plot 93 Oakwood View, Warmingham Lane (to be registered as 2 Stanthorn Place Middlewich Cheshire CW10 0GG)	As above
Plot 7 Strawberry Fields to be registered as 1 Strawberry Gardens, Main Street Gisburn BB7 4DJ	To be registered out of parent title LAN163471

Property Address	Title Number
Plot 9 Strawberry Fields to be registered as 5 Strawberry Gardens, Main Street Gisburn BB7 4DJ	To be registered out of parent title LAN163471
Plot 339 Cloakham Lawn, to be registered as 57 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 340 Cloakham Lawn, to be registered as 59 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 341 Cloakham Lawn, to be registered as 61 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 342 Cloakham Lawn, to be registered as 63 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 343 Cloakham Lawn, to be registered as 65 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 350 Cloakham Lawn, to be registered as 67 Cloakham Drive, Axminster Devon EX13 5GT	To be registered out of parent title DN606119
Plot 235 Shorelands to be registered as 15 Wigeon Road, Bude, Cornwall EX23 8FS	To be registered out of parent title CL295674
Plot 330 Shorelands to be registered as 33 Pintail Close, Bude, Cornwall EX23 8FQ	To be registered out of parent title CL295674
Plot 331 Shorelands to be registered as 32 Pintail Close, Bude, Cornwall EX23 8FQ	To be registered out of parent title CL295674
Plot 42 Ocean Rise, to be registered as 19 Rounders Rise Hayle Cornwall, TR27 4FF	To be registered out of parent title CL320645
Plot 46 Ocean Rise, to be registered as 1 Long Croft Road Hayle Cornwall, TR27 4FG	To be registered out of parent title CL320645
Plot 50 Ocean Rise, to be registered as 9 Long Croft Road Hayle Cornwall, TR27 4FG	To be registered out of parent title CL320645
Plot 51 Ocean Rise, to be registered as 11 Long Croft Road Hayle Cornwall, TR27 4FG	To be registered out of parent title CL320645

<b>Property Address</b>	<b>Title Number</b>
Plot 52 Ocean Rise, to be registered as 13 Long Croft Road Hayle Cornwall, TR27 4FG	To be registered out of parent title CL320645
Plot 22 Sherford, to be registered as 2 Vela Row, Sherford, Devon, PL9 8FG	To be registered out of parent title DN680692
Plot 23 Sherford, to be registered as 4 Vela Row, Sherford, Devon, PL9 8FG	To be registered out of parent title DN680692
Plot 25 Sherford, to be registered as 8 Vela Row, Sherford, Devon, PL9 8FG	To be registered out of parent title DN680692
Plot 82 Sherford, to be registered as 12 Libra Avenue, Sherford, Devon, PL9 8FG	To be registered out of parent title DN680692
Plot 34, the Homelands, to be registered as 29 Bramley Close, Bishops Cleeve. Gloucestershire GL52 8GF	To be registered out of parent title number GR407472
Plot 35, the Homelands, to be registered as 30 Bramley Close, Bishops Cleeve. Gloucestershire GL52 8GF	To be registered out of parent title number GR407472
Plot 38, the Homelands, to be registered as 33 Bramley Close, Bishops Cleeve. Gloucestershire GL52 8GF	To be registered out of parent title number GR407472
Plot 22, the Homelands, to be registered as 35 Bramley Close, Bishops Cleeve. Gloucestershire GL52 8GF	To be registered out of parent title number GR407472
Plot 54 Hempton Green, to be registered 123 Wood Street Patchway, Filton Bristol, BS34 5AH	To be registered out of parent title number GR314376
Plot 55 Hempton Green, to be registered 121 Wood Street, Patchway, Filton Bristol, BS34 5AH	To be registered out of parent title number GR314376
Plot 61 Hempton Green, to be registered 107 Wood Street, Patchway, Filton Bristol, BS34 5AH	To be registered out of parent title number GR314376
Plot 1100 Imperial Place, to be registered as 28 Juniper Way Coopers Edge Gloucester, GL3 4FQ	To be registered out of parent title number GR188353

<b>Property Address</b>	<b>Title Number</b>
Plot 3007 Augustus Park, to be registered as 16 Golden Arrow Way, Brockworth Gloucester GL3 4FZ	To be registered out of parent title number GR188353
Plot 3008 Augustus Park, to be registered as 18 Golden Arrow Way, Brockworth Gloucester, GL3 4FZ	To be registered out of parent title number GR188353
Plot 3009 Augustus Park, to be registered as 20 Golden Arrow Way, Brockworth Gloucester, GL3 4FZ	To be registered out of parent title number GR188353
Plot 3013 Augustus Park, to be registered as 25 Donaldson Drive, Brockworth Gloucester, GL3 4GR	To be registered out of parent title number GR188353
Plot 304, Victoria Fields, to be registered as 16 Godfrey Place, Upper Rissington, Cheltenham, GL54 2QN	To be registered out of parent title GR243832
Plot 306, Victoria Fields, to be registered as 12 Godfrey Place, Upper Rissington, Cheltenham, GL54 2QN	To be registered out of parent title GR243832
Plot 307, Victoria Fields, to be registered as 10 Godfrey Place, Upper Rissington, Cheltenham, GL54 2QN	To be registered out of parent title GR243832
Plot 308, Victoria Fields, to be registered as 8 Godfrey Place, Upper Rissington, Cheltenham, GL54 2QN	To be registered out of parent title GR243832
Plot 1007, Victoria Fields, to be registered as 6 Lutyens Court, Upper Rissington, Cheltenham, GL54 2RG	To be registered out of parent title GR243832
Plot 1015 Victoria Fields, to be registered as 7 Lutyens Court, Upper Rissington, Cheltenham, GL54 2RG	To be registered out of parent title GR243832
Plot 4103 Victoria Fields, to be registered as 5 Spitfire Place, the Officer's Collection, Upper Rissington, Cheltenham, GL54 2QH	To be registered out of parent title GR243832



## SIGNATORIES

### Heylo

Signed as a deed by  
**HEYLO HOUSING LIMITED**  
by a sole director in the presence of



Witness Signature

Christopher Andrew  
Hewitt

Name **DAVID ORCHIN**

Address **6th Floor DESIGN CENTRE EAST  
CHELSEA HARBOUR SW10 0XF**

Occupation  
**DIRECTOR.**

### Security Trustee

Given under the **COMMON SEAL** of  
**PRUDENTIAL TRUSTEE COMPANY LIMITED**  
in the presence of:

)  
)  
)

Sealing officer

**SIGNATORIES**

**Heylo**

Signed as a deed by )  
**HEYLO HOUSING LIMITED** )  
by a sole director in the presence of: )

Witness Signature

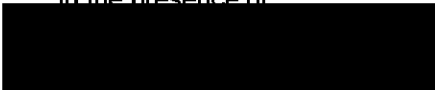
Name

Address

Occupation

**Security Trustee**

Given under the **COMMON SEAL** of )  
**PRUDENTIAL TRUSTEE COMPANY LIMITED** )  
in the presence of: )



Sealing officer

**S Haworth**

