



Registration of a Charge

Company name: **HEYLO HOUSING LIMITED**

Company number: **09123811**



X79N6OC9

Received for Electronic Filing: **06/07/2018**

Details of Charge

Date of creation: **28/06/2018**

Charge code: **0912 3811 0038**

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

Brief description: **THE LAND KNOWN AS PLOT 377 LLOYD MEWS, TO BE REGISTERED AS 1 KELLETT WAY, ASLAGER, STOKE ON TRENT, ST7 2ZY AND REGISTERED OUT OF THE PARENT TITLE REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER CH422545; PLOT 378 LLOYD MEWS, TO BE REGISTERED AS 16 COLLIERICK CLOSE, ASLAGER, STOKE ON TRENT, ST7 2ZW AND REGISTERED OUT OF THE PARENT TITLE REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER CH422545; PLOT 379 LLOYD MEWS, TO BE REGISTERED AS 18 COLLIERICK CLOSE, ASLAGER, STOKE ON TRENT, ST7 2ZW AND REGISTERED OUT OF THE PARENT TITLE REGISTERED IN THE LAND REGISTRY UNDER TITLE NUMBER CH422545; AND ADDITIONAL LAND – PLEASE SEE DEED FOR FURTHER DETAILS.**

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 0038

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th June 2018 and created by HEYLO HOUSING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th July 2018 .

Given at Companies House, Cardiff on 10th July 2018

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 28th June 2018

SECURITY AGREEMENT

BARRATT

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

28th June

2018

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 tenable 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 the Chargee's solicitors all fees (subject to Heylo's solicitors having received such fees from Heylo) and necessary documents to enable the Chargee's solicitors 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
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.

No.	Property Address	Title Number
1.	Plot 377 Lloyd Mews, to be registered as 1 Kellett Way, Alsager, Stoke on Trent, ST7 2ZY	To be registered out of parent title CH422545
2.	Plot 378 Lloyd Mews, to be registered as 16 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
3.	Plot 379 Lloyd Mews, to be registered as 18 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
4.	Plot 380 Lloyd Mews, to be registered as 20 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
5.	Plot 396 Lloyd Mews to be registered as 27 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
6.	Plot 397 Lloyd Mews, to be registered as 25 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
7.	Plot 399 Lloyd Mews to be registered as 21 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
8.	Plot 401 Lloyd Mews, to be registered as 17 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
9.	Plot 409 Lloyd Mews, to be registered as 1 Collick Close, Alsager, Stoke on Trent, ST7 2ZW	As above
10.	Plot 126 Charlotte Place, to be registered as 39 Yellowhammer Crescent, Winsford, CW7 4FL	To be registered out of parent title CH214183
11.	Plot 127 Charlotte Place to be registered as 37 Yellowhammer Crescent, Winsford, CW7 4FL	As above
12.	Plot 130 Charlotte Place to be registered as 31 Yellowhammer Crescent, Winsford, CW7 4FL	As above
13.	Plot 131 Charlotte Place, to be registered as 29 Yellowhammer Crescent, Winsford, CW7 4FL	As above
14.	Plot 129 Charlotte Place, to be registered as 33 Yellowhammer Crescent, Winsford, CW7 4FL	As above
15.	Plot 191 Charlotte Place to be registered as 39 Yellowhammer Crescent, Winsford, CW7 4FL	As above
16.	Plot 193 Charlotte Place, to be registered as 22 Yellowhammer Crescent, Winsford, CW7 4FL	As above

17.	Plot 70 Highgate Park, to be registered as 73 Grasshopper Drive Warton, Preston, PR4 1ES	To be registered out of parent title LAN146992
18.	Plot 75 Highgate Park, to be registered as 83 Grasshopper Drive, Warton, Preston, PR4 1ES	As above
19.	Plot 77 Highgate Park, to be registered as 87 Grasshopper Drive, Warton, Preston, PR4 1ES	As above
20.	Plot 253 Highgate Park, to be registered as 46 Grasshopper Drive, Warton, Preston, PR4 1EU	As above
21.	Plot 65 Highgate Park, to be registered as 63 Grasshopper Drive, Warton, Preston, PR4 1ES	As above
22.	Plot 69 Highgate Park, to be registered as 71 Grasshopper Drive Warton, Preston, PR4 1ES	As above
23.	Plot 232 Highgate Park, to be registered as 7 Spitfire Drive Warton Preston PR4 1EZ	As above
24.	Plot 32 Monks Cross to be registered as 41 Nab View, Whalley, Clitheroe, BB7 9YG	To be registered out of parent title LA837211
25.	Plot 33 Monks Cross, to be registered as 43 Nab View, Whalley, Clitheroe, BB7 9YG	As above
26.	Plot 34 Monks Cross, to be registered as 45 Nab View, Whalley, Clitheroe, BB7 9YG	As above
27.	Plot 35 Monks Cross to be registered as 47 Nab View, Whalley, Clitheroe, BB7 9YG	As above
28.	Plot 82 Monks Cross to be registered as 23 Chew Mill Way, Whalley, Clitheroe, BB7 9YL	As above
29.	Plot 178 the Spinnings, to be registered as 9 Rogerson Avenue Fylde Kirkham Lancashire, PR4 2ES	To be registered out of title LAN173004
30.	Plot 144 the Spinnings, to be registered as 16 Haslam Way Fylde Kirkham Lancashire, PR4 2EU	As above
31.	Plot 148 the Spinnings, to be registered as 15 Haslam Way Fylde Kirkham Lancashire, PR4 2EU	As above
32.	Plot 153 the Spinnings, to be registered as 7 Danson Drive Fylde Kirkham Lancashire, PR4 2ET	As above
33.	Plot 150 the Spinnings, 4 Danson Drive, Fylde, Kirkham Lancashire, PR4 2ET	As above
34.	Plot 177 the Spinnings, to be registered as 7 Rogerson Avenue, Fylde, Kirkham, Lancashire PR4 2ES	As above
35.	Plot 147 Winnington Village to be registered as 18 Telford Road Northwich, Cheshire, CW8 4YN	To be registered out of parent title CH625901
36.	Plot 152 Winnington Village to be registered as 25 Telford Road Northwich, Cheshire, CW8 4YN	As above

37.	Plot 155 Winnington Village to be registered as 19 Telford Road Northwich, Cheshire, CW8 4YN	As above
38.	Plot 159 Winnington Village to be registered as 9 Telford Road Northwich, Cheshire, CW8 4YN	As above
39.	Plot 161 Winnington Village to be registered as 5 Telford Road Northwich, Cheshire, CW8 4YN	As above
40.	Plot 162 Winnington Village to be registered as 3 Telford Road Northwich, Cheshire, CW8 4YN	As above
41.	Plot 277 Claremont Gardens to be registered as Apartment 3, No. 2 Foley Street North, Liverpool, L4 1AJ	Lease to be granted out of parent title MS507020
42.	Plot 279 Claremont Gardens to be registered as Apartment 5, No. 2 Foley Street North, Liverpool, L4 1AJ	As above
43.	Plot 109 Gilberts Cross to be registered as 2 Webb Close, Sandbach, CW11 3AL	To be granted out of parent title CH613224
44.	Plot 1 Cromwell Heights to be registered as 1 Mosses Farm Road, Longridge, Preston PR3 2BG	To be granted out of parent title LA716739
45.	Plot 128 to be registered as 44 Winterberry Way, Stapeley, Nantwich CW5 7NZ	To be registered out of parent title CH95691
46.	Plot 137 to be registered as 5 Taro Close, Stapeley, Nantwich, CW5 7SU	As above
47.	Plot 2 Meadow View to be registered as 26 Maw Green Road, Crewe, CW1 4HH	To be registered out of parent title CH628460
48.	Plot 40 Meadow View to be registered as 33 Thorneycroft Way, Crewe, CW1 4FZ	As above
49.	Plot 69 to be registered as 156 Lightfoot Lane, Lightfoot Green, Preston, PR4 0AE	LA392964
50.	Plot 74 to be registered as 5 Blythe Road, Lightfoot Green, PR4 0FE	As above
51.	Plot 76 to be registered as 9 Blythe Road, Lightfoot Green, PR4 0FE	As above
52.	Plot 25 Lea View to be registered as 133 Walsingham Drive, Runcorn, WA7 1XB	To be registered out of parent title CH646761
53.	Plot 33 Lea View to be registered as 40 Morston Road, Runcorn, WA7 1XW	As above
54.	Plot 4 Scholars Place Alsager to be registered as 4 McGregor Close, Alsager, Stoke on Trent, ST7 2FF	To be registered out of parent title CH422545
55.	Plot 46 Haddington Place to be registered as 65 Hazelhurst Way, CW6 9YH	To be registered out of parent title CH643239
56.	Plot 61 Haddington Place to be registered as 37 Hazelhurst Way, CW6 9YH	As above
57.	Plot 1 Low Hill Gardens Upton to be registered as 201 Manor Drive, Moreton, Wirral, CH49 4PQ	To be registered out of parent title MS580092
58.	Plot 2 Low Hill Gardens Upton to be registered as 199 Manor Drive, Moreton, Wirral, CH49 4PQ	As above
59.	Plot 7 Low Hill Gardens Upton to be registered as 2 Harefields Way, Moreton, Wirral, CH49 4SB	As above
60.	Plot 70 Low Hill Gardens Upton to be registered as 10 Webster Drive, Moreton, Wirral, CH49 4SA	As above
61.	Plot 51 Brindley Gardens to be registered as 6 Helmsman Lane, Rochdale, OL16 4PS	To be registered out of parent title MAN274114
62.	Plot 60 Brindley Gardens to be registered as 24 Helmsman Lane, Rochdale, OL16 4PS	As above
63.	Plot 61 Brindley Gardens to be registered as 26 Helmsman Lane, Rochdale, OL16 4PS	As above
64.	Plot 68 Brindley Gardens to be registered as 19 Helmsman Lane, Rochdale, OL16 4PS	As above
65.	Plot 149 Black Firs, to be registered as 31 Blue Cedar Way Somerford, Congleton, CW12 4ZA	To be registered out of parent title CH236483

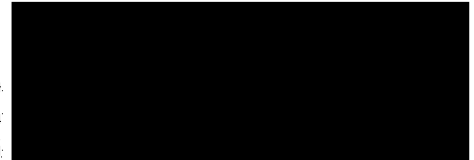
66.	Plot 160 Black Firs, to be registered as 14 Yew Crescent Somerford, Congleton, CW12 4ZG	As above
67.	Plot 161 Black Firs, to be registered as 12 Yew Crescent Somerford, Congleton CW12 4ZG	As above
68.	Plot 93 Fender Mews, to be registered as 26 Webster Drive, Moreton, Wirral, CH49 4SA	To be registered out of parent title MS580092
69.	Plot 99 Fender Mews, to be registered as 5 Webster Drive, Moreton, Wirral, CH49 4SA	As above
70.	Plot 32 the Links to be registered as 14 Mather Avenue, Preston, PR3 1SU	To be registered out of title LAN137223
71.	Plot 124 the Links to be registered as 2 Parkinson Place, Preston, PR3 1SX	As above
72.	Plot 106 the Links to be registered as 2 Ronson Drive, Preston, PR3 1BD	As above
73.	Plot 39 the Links to be registered as 11 Ronson Drive, Preston, PR3 1BD	As above
74.	Plot 37 the Links to be registered as 4 Mather Avenue, Preston, PR3 1SU	As above
75.	Plot 133 to be registered as 8 College Avenue, Ellesmere Port, CH65 8AP	To be registered out of parent title CH510230
76.	Plot 134 to be registered as 10 College Avenue, Ellesmere Port, CH65 8AP	As above
77.	Plot 135 to be registered as 12 College Avenue, Ellesmere Port, CH65 8AP	As above
78.	Plot 136 to be registered as 14 College Avenue Ellesmere Port CH65 8AP	As above
79.	Plot 316 to be registered as Apartment 6 Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	To be registered out of parent title MAN85833
80.	Plot 310 to be registered as Apartment 18, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
81.	Plot 306 to be registered as Apartment 14, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
82.	Plot 302 to be registered as Apartment 2, Birch hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
83.	Plot 327 to be registered as Apartment 27 Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
84.	Plot 328 to be registered as Apartment 28, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
85.	Plot 343 to be registered as Apartment 43, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
86.	Plot 331, to be registered as Apartment 31, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
87.	Plot 309, to be registered as Apartment 9, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
88.	Plot 349 to be registered as 3 the Refectory Oakhurst Drive, Rochdale, OL12 9ET	As above
89.	Plot 312 to be registered as Apartment 12, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
90.	Plot 313 to be registered as Apartment 13, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
91.	Plot 304, to be registered as Apartment 4, Birch Hill Clock Tower, Oakhurst Drive, Rochdale, OL12 9ET	As above
92.	Plot 82 The Woodlands to be registered as 38 Jackfield Way, Skelmersdale, WN8 6EW	To be registered out of parent title LA678387
93.	Plot 121 The Woodlands, to be registered as 32 Jackfield Way, Skelmersdale, WN8 6EW	As above
94.	Plot 23 Heathe Meadows to be registered as 29 Draycott Avenue, Rothley, Leicestershire, LE7 7UP	To be registered out of parent title LT461551

95.	Plot 38 The Zu Estate to be registered as 10 Maize Way, Nuneaton, CV10 9AN	To be registered out of parent title WK324604
96.	Plot 242 The Pastures Phase II to be registered as 67 Sanderling Way, Wesham, Preston, PR4 3FL	To be registered out of parent title LAN177603
97.	Plot 1, Bourne Green to be registered as 5 Osprey Close, Bourne, PE10 0GU	To be registered out of parent title LL377103
98.	Plot 2, Bourne Green to be registered as 6 Osprey Close, Bourne, PE10 0GU	As above
99.	Plot 74 Forge Manor to be registered as 42 Blackbrook Drive, Chinley, High Peak SK23 6BF	To be registered out of parent title DY483846
100.	Plot 7, Brandon Mews, to be registered as 58 Mollands Lane, South Ockendon, RM15 6DB	To be registered out of parent title EX454998
101.	Plot 378 Foxhall Village to be registered as Apartment 1, 25 Rigby Road, Blackpool FY1 5DE	To be registered out of parent title LAN148555
102.	Plot 114, Willows Phase II to be registered as 40 Thornton Drive, Warrington, WA12 9GZ	To be registered out of parent title MS626334
103.	Plot 115 Willows Phase II to be registered as 42 Thornton Drive, Warrington, WA12 9GZ	As above
104.	Plot 15 Honeywell Grange, to be registered as 30 Raley Drive, Barnsley, S75 1DB	To be registered out of parent title SYK532137
105.	Plot 17 Honeywell Grange, to be registered as 40 Raley Drive, Barnsley, S75 1DB	As above
106.	Plot 18 Honeywell Grange, to be registered as 38 Raley Drive, Barnsley, S75 1DB	As above
107.	Plot 19 Honeywell Grange to be registered as 36 Raley Drive, Barnsley, S75 1DB	As above
108.	Plot 57 Honeywell Grange, to be registered as 19 Raley Drive, Barnsley, S75 1DB	As above
109.	Plot 60 Honeywell Grange, to be registered as 6 School Croft, Barnsley, S75 1DB	As above
110.	Plot 70 Shoreland Park to be registered as 22 Radcliffe Drive, Farington Moss, Leyland, PR26 6QL	To be registered out of parent title LAN177523
111.	Plot 71 Shoreland Park to be registered as 24 Radcliffe Drive, Farington Moss, Leyland, PR26 6QL	As above
112.	Plot 72 Shoreland Park to be registered as 28 Radcliffe Drive, Farington Moss, Leyland, PR26 6QL	As above
113.	Plot 70 Croston Meadow to be registered as 6 Brandling Way, Hadston, Morpeth, NE65 9FA	To be registered out of parent title ND190311
114.	Plot 73 Croston Meadow to be registered as 8 Brandling Way, Hadston, Morpeth, NE65 9FA	As above
115.	Plot 71 Croston Meadow to be registered as 10 Brandling Way, Hadston, Morpeth, NE65 9FA	As above
116.	244 Waterside View, to be registered as 98 Tetchill Brook Road, Ellesmere, SY12 0FJ	To be registered out of parent title SL225228
117.	34 Waterside View to be registered as 34 Tetchill Brook Road, Ellesmere SY12 0FJ	As above
118.	36 Waterside View to be registered as 38 Tetchill Brook Road, Ellesmere SY12 0FJ	As above

SIGNATORIES

Heylo

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



Nicholas Alexander
McAlpine-Lee

Witness Signature



Name

KAREN HADARY

Address

6TH FLOOR, DESIGN CENTRE EAST,
CHELSEA, LONDON SW10 0XF

Occupation

GROUP TREASURER.

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

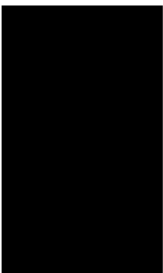
Address

Occupation

Security Trustee

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

Sealing officer



AA Petrou

