



Registration of a Charge

Company name: **HOWARD CARDIFF CONSTRUCTION LIMITED**

Company number: **09628659**



X57DG27F

Received for Electronic Filing: **20/05/2016**

Details of Charge

Date of creation: **06/05/2016**

Charge code: **0962 8659 0002**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description: **FIXED CHARGE OVER ALL THE ASSETS AND UNDERTAKING OF THE COMPANY, PRESENT AND FUTURE, AS FURTHER DESCRIBED IN CLAUSE 3 OF THE DEBENTURE. FOR MORE DETAILS PLEASE REFER TO INSTRUMENT.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by: **SHEENA WELLS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9628659

Charge code: 0962 8659 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 6th May 2016 and created by HOWARD CARDIFF CONSTRUCTION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 20th May 2016 .

Given at Companies House, Cardiff on 23rd May 2016

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

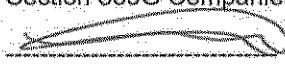


Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

We certify this document as a true copy of the original,
save for the material redacted pursuant to
Section 859G Companies Act 2006.



Eversheds LLP

13 May 2016 Date

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Dated: 6 May 2016

- (1) THE COMPANIES NAMED IN THIS DEED as Chargors
- (2) THE ROYAL BANK OF SCOTLAND PLC as Security Agent

Debenture

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THIS DEED is made on

6 MAY

2016 between:

- (1) **THE COMPANIES** listed in Schedule 1 (*The Chargors*) (the "**Chargors**"); and
- (2) **THE ROYAL BANK OF SCOTLAND PLC** as security trustee for the Secured Parties (the "**Security Agent**").

IT IS AGREED as follows:

1. **INTERPRETATION**

1.1 **Definitions**

In this Deed:

"Assigned Agreement" means each document or agreement expressed to be assigned under Clause 3.3 (*Assignment*).

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

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

"Bank Account" means all current, deposit or other accounts maintained with any bank, financial institution or other person.

"Book Debts" means, in relation to any Chargor, all book and other debts, revenues and monetary claims of or owing to, or other amounts recoverable or receivable by, that Chargor and any rights or claims of that Chargor in respect of such debts, revenues and monetary claims.

"Delegate" means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

"Facilities Agreement" means the facilities agreement dated on or about the date of this Deed between, amongst others, FCML, the Security Agent and the Finance Parties.

"FCML" means Fusion Cardiff Metropolitan Limited registered in England and Wales (registered number 08974271).

"Finance Document" means the Facilities Agreement, any Security Document, the Interest and Cost Overrun Guarantee, the Intercreditor Agreement, any Hedging Agreement, any Subordination Agreement, any Duty of Care Agreement, any Fee Letter, any Hedge Counterparty Accession Letter or any other document designated as such by the Agent and FCML.

"Floating Charge Asset" means, at any time, any Secured Property which, at that time, is the subject of the floating charge created by this Deed.

"Insolvency Act" means the Insolvency Act 1986.

"Insolvency Event" means any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Chargor;

- (b) a composition, compromise, assignment or arrangement with any creditor of any Chargor;
 - (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Chargor or any of its assets; or
 - (d) the enforcement of any Security over any assets of any Chargor,
- or any analogous procedure or step is taken in any jurisdiction.

"Insurances" means all contracts or policies of insurance of whatever nature in respect of the Real Property.

"Intellectual Property" means (a) all rights in confidential information, copyright and like rights, database rights, design rights, rights in design, knowhow, rights in inventions, patents, service marks, trademarks and all other intellectual property rights and interests, whether registered (or the subject of an application for registration) or un-registered and (b) the benefit of any applications and rights to use such assets, in each case throughout the world now and in the future.

"Investments" means:

- (a) the Shares; and
- (b) all other stocks, shares, bonds, securities or investments.

"LPA" means the Law of Property Act 1925.

"Managing Agent Agreement" means any arrangement, agreement or other document appointing any Managing Agent.

"Operating Lease" means the lease entered into or to be entered into between FCML and Opco in a form and substance satisfactory to the Agent.

"Real Property" means:

- (a) all estates or interests in any freehold or leasehold property;
- (b) any buildings, fixtures, fittings, fixed plant or machinery at any time situated on or forming part of that property;
- (c) all easements, rights, agreements and other benefits in respect of that property; and
- (d) the benefit of any covenants for title given or entered into by any predecessor in title of a Chargor in respect of that property.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Secured Property.

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

"Shares" means any shares specified in Part II of Schedule 2 (*Details of Secured Property*).

"Specified IPR" means the Intellectual Property rights specified in Part VI of Schedule 2 (*Details of Secured Property*).

"Supplemental Mortgage" means a supplemental legal mortgage in substantially the form set out in Schedule 4 (*Form of Supplemental Mortgage*) entered into after the date of this Deed between any Chargor and the Security Agent in accordance with Clause 7.6 (*Acquisitions*).

"Subordinated Debt Document" means any document, agreement or instrument evidencing or recording any Subordinated Debt or its terms.

1.2 Construction

1.2.1 Unless a contrary indication appears, in this Deed:

1.2.1.1 terms defined in the Facilities Agreement have the same meaning *mutatis mutandis* in this Deed;

1.2.1.2 the provisions of clause 1.2 (*Construction*) of the Facilities Agreement (with the exception of clause 1.2.5) apply to this Deed as if set out in full in this Deed, except that references to the Facilities Agreement shall be construed as references to this Deed; and

1.2.1.3 all provisions in the Facilities Agreement that are deemed to apply to the Finance Documents apply to this Deed as if set out in full in this Deed.

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

1.2.2.1 any **"asset"** includes present and future properties, revenues and rights of every description, all proceeds of sale of such asset, all rights under any agreement for the sale, lease or licence of such asset and any monies paid or payable in respect of such asset;

1.2.2.2 a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time; and

1.2.2.3 an account is a reference to that account as re-designated, re-numbered, substituted or replaced from time to time.

1.2.3 Where this Deed includes the words **"including"**, **"in particular"** or **"or otherwise"** (or similar words or phrases), the intention is to state examples and not to be exhaustive.

1.2.4 References to any Security **"created by this Deed"** are to be deemed to include such Security created or intended to be created, constituted, given, made or extended by, under or evidenced by this Deed or any Supplemental Mortgage.

1.3 Incorporation of other terms

The terms of the other Finance Documents and of any other agreement or document between any of the parties to this Deed are incorporated into this Deed to the extent required to comply with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.4 Third party rights

1.4.1 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties)

Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Deed.

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

1.4.3 Any Receiver, Delegate or any person described in clause 27.11.2 (*Exclusion of liability*) of the Facilities Agreement may, subject to this Clause 1.4 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.

2. COVENANT TO PAY

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

3. GRANT OF SECURITY

3.1 Mortgage

Each Chargor charges by way of first legal mortgage:

3.1.1 all its Real Property described opposite its name in Part I of Schedule 2 (*Details of Secured Property*); and

3.1.2 all its other Real Property (if any) as at the date of this Deed.

3.2 Fixed charges

Each Chargor charges by way of first fixed charge:

3.2.1 to the extent not effectively mortgaged under Clause 3.1 (*Mortgage*), all its Real Property as at the date of this Deed;

3.2.2 all its Real Property acquired after the date of this Deed;

3.2.3 all its plant and machinery, vehicles, computers and other equipment, excluding stock in trade, to the extent not effectively otherwise mortgaged or charged under this Deed;

3.2.4 all its Shares;

3.2.5 all its Investments (other than its Shares charged under Clause 3.2.4);

3.2.6 all its Bank Accounts maintained with a Secured Party, including any listed in Part III of Schedule 2 (*Details of Secured Property*), and all monies (including interest) at any time standing to the credit of such account;

3.2.7 all its Insurances, to the extent not effectively assigned under Clause 3.3 (*Assignment*);

3.2.8 all its Book Debts including Rental Income, to the extent not effectively assigned under Clause 3.3 (*Assignment*);

3.2.9 all its goodwill and uncalled capital;

3.2.10 all its Intellectual Property, to the extent not effectively assigned under Clause 3.3 (*Assignment*);

- 3.2.11 all its Assigned Agreements, to the extent not effectively assigned under Clause 3.3 (*Assignment*); and
- 3.2.12 all Associated Benefits relating to its Secured Property, to the extent not effectively assigned under Clause 3.3 (*Assignment*).

3.3 Assignment

Each Chargor assigns by way of security:

- 3.3.1 all its Insurances, including any listed in Part IV of Schedule 2 (*Details of Secured Property*);
- 3.3.2 all its Lease Documents and the Operating Lease;
- 3.3.3 all its Rental Income;
- 3.3.4 all its Hedging Agreements, including any listed in Part V of Schedule 2 (*Details of Secured Property*);
- 3.3.5 all its Managing Agent Agreements, including any listed in Part V of Schedule 2 (*Details of Secured Property*);
- 3.3.6 all its Subordinated Debt Documents, including any listed in Part V of Schedule 2 (*Details of Secured Property*);
- 3.3.7 all its Development Documents, including any listed in Part V of Schedule 2 (*Details of Secured Property*);
- 3.3.8 the Development Agreement listed in Part V of Schedule 2 (*Details of Secured Property*);
- 3.3.9 any agreement for the sale of any of its Secured Property;
- 3.3.10 any other agreement to which it is a party;
- 3.3.11 any agreement in, under or to which it has any right, benefit or interest in by virtue of the Third Parties Act;
- 3.3.12 all its Bank Accounts maintained with any bank, financial institution or other person (other than any Secured Party), including any listed in Part III of Schedule 2 (*Details of Secured Property*), and all monies (including interest) at any time standing to the credit of such account; and
- 3.3.13 all its Specified IPR,

in each case, together with all Associated Benefits relating to such Secured Property.

3.4 Floating charge

- 3.4.1 Each Chargor charges by way of floating charge all its assets and undertaking not at any time effectively mortgaged under Clause 3.1 (*Mortgage*), charged under Clause 3.2 (*Fixed charges*) or assigned under Clause 3.3 (*Assignment*).
- 3.4.2 Paragraph 14 of Schedule B1 of the Insolvency Act applies to any Security created by this Deed.

3.5 General

All Security created by this Deed:

- 3.5.1 is created in favour of the Security Agent, as security trustee for the Secured Parties;
- 3.5.2 unless specifically stated otherwise, is created over the present and future assets of each Chargor to the extent of its rights, title and interest in, under and to such assets at any time; and
- 3.5.3 is created with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.6 Continuing security

The Security created by this Deed is continuing security for the payment and discharge of the Secured Liabilities. The provisions of this Deed will apply at all times:

- 3.6.1 regardless of the date on which any of the Secured Liabilities were incurred;
- 3.6.2 notwithstanding any intermediate payment or discharge; and
- 3.6.3 in respect of the full amount of the Secured Liabilities at the relevant time even if the amount of the Secured Liabilities had previously been less than that amount or had been nil at any time.

3.7 Additional security

The Security created by this Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Secured Party. No prior Security held by the Security Agent or any Secured Party over the whole or any of the Secured Property will merge with the Security created by this Deed.

4. CONSENTS

Each Chargor represents to the Security Agent on the date of this Deed that each of the Assigned Agreements which it has any right, title or interest in, under or to, is capable of being freely assigned by it without the consent of any other person.

5. CONVERSION OF FLOATING CHARGE

5.1 Conversion by notice

The Security Agent may, by notice to a Chargor, crystallise and convert the floating charge created by that Chargor under this Deed into a fixed charge over any or all of that Chargor's Floating Charge Assets if:

- 5.1.1 an Event of Default occurs which is continuing;
- 5.1.2 the Security Agent becomes aware of any intention or proposal (other than an intention or proposal which is frivolous or vexatious in nature) to appoint a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of that Chargor or any of its assets and where the Security Agent has a reasonable belief that such appointment will occur; or
- 5.1.3 the Security Agent reasonably considers that any Floating Charge Asset is in danger of being seized or sold under any legal process, or such assets are otherwise in jeopardy.

5.2 Automatic conversion

- 5.2.1 A floating charge created by any Chargor under this Deed will automatically crystallise and convert into fixed charges over the relevant Floating Charge Assets if:

- 5.2.1.1 any Insolvency Event occurs in respect of that Chargor; or
- 5.2.1.2 any Chargor creates or purports to create any Security or Quasi-Security over any Floating Charge Asset in breach of any of the Finance Documents.
- 5.2.2 No floating charge created under this Deed will automatically crystallise and convert into a fixed charge solely by reason of a moratorium being obtained under section 1A or Schedule A1 of the Insolvency Act (or anything being done with a view to obtaining a moratorium).

6. REPRESENTATIONS

Each Chargor makes the representations contained in this Clause 6 to the Security Agent by reference to the facts and circumstances then existing on the date of this Deed, on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period.

6.1 Title to Secured Property

It is the sole legal and beneficial owner of its Secured Property.

6.2 Intellectual Property

- 6.2.1 It is the sole legal and beneficial owner of or has licensed to it on normal commercial terms all of its Intellectual Property which is material in the context of its business and which is required by it in order to carry on its business.
- 6.2.2 It does not to the best of its knowledge and belief, in carrying on its businesses, infringe any Intellectual Property of any third party in any material respect.
- 6.2.3 It has taken all reasonable formal or procedural actions (including payment of fees) required to maintain any material Intellectual Property owned by it.

7. UNDERTAKINGS

7.1 Negative pledge and restriction on dealing

- 7.1.1 No Chargor may create or permit to subsist any Security over any of its assets.
- 7.1.2 No Chargor may:
 - 7.1.2.1 sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by that or another Chargor;
 - 7.1.2.2 sell, transfer or otherwise dispose of any of its receivables on recourse terms;
 - 7.1.2.3 enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
 - 7.1.2.4 enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

- 7.1.3 Clauses 7.1.1 and 7.1.2 shall not apply to any Security or arrangement permitted under the Facilities Agreement.

7.2 Notice of charge or assignment

Each Chargor shall serve notice of each charge or assignment created under this Deed in respect of:

- 7.2.1 each of its Insurances, by sending a notice substantially in the form of Part I of Schedule 3 (*Notices*) to the relevant insurance company or underwriter on the date of this Deed (in the case of any Insurances existing on the date of this Deed) and on the date of entry into of any other Insurances (in the case of any Insurances entered into after the date of this Deed);
- 7.2.2 (if requested by the Security Agent) each of its Lease Documents, by sending a notice substantially in the form of Part II of Schedule 3 (*Notices*) to the relevant tenant, licensee or other user or occupier on the date of this Deed (in the case of any Lease Document existing on the date of this Deed) and on the date of entry into of any other Lease Document (in the case of any Lease Document entered into after the date of this Deed);
- 7.2.3 (if requested by the Security Agent) each of its Assigned Agreements other than any Insurances and any Lease Documents (a "**Relevant Assigned Agreement**"), by sending a notice substantially in the form of Part III of Schedule 3 (*Notices*) to each counterparty to that Relevant Assigned Agreement on the date of this Deed (in the case of any Relevant Assigned Agreement existing on the date of this Deed) and on the date of entry into of any other Relevant Assigned Agreement (in the case of any Relevant Assigned Agreement entered into after the date of this Deed); and
- 7.2.4 each of its accounts charged under Clause 3.2.6 or assigned under Clause 3.3.12, by sending a notice substantially in the form of:
- 7.2.4.1 Part IV of Schedule 3 (*Notices*) in the case of any account in respect of which the Security Agent has sole signing rights; and
- 7.2.4.2 Part V of Schedule 3 (*Notices*) in the case of any account in respect of which the Security Agent does not have sole signing rights; and
- to the person with whom that account is held, in each case, on the date of this Deed (in the case of any account existing on the date of this Deed) and on the date of opening of any other account (in the case of any account opened after the date of this Deed).

7.3 Acknowledgment of charge or assignment

Each Chargor shall use reasonable endeavours to procure that each notice served by it under Clause 7.2 is, on the date of such notice, acknowledged by the recipient in the form attached to such notice.

7.4 Secured Property

Each Chargor shall, promptly upon request by the Security Agent:

- 7.4.1 deposit with the Security Agent:
- 7.4.1.1 all documents of title or other evidence of ownership relating to its Secured Property;
- 7.4.1.2 transfers of the Investments, each executed in blank; and

- 7.4.1.3 such deeds, certificates and documents relating to its Secured Property as the Security Agent may reasonably request;
- 7.4.2 affix to and maintain on such of its plant, machinery, fixtures, fittings, vehicles or other equipment as the Security Agent may require, a clearly legible identification plate stating that the asset has been charged to the Security Agent, in a form acceptable to the Security Agent; and
- 7.4.3 supply to the Security Agent such further information regarding its Secured Property as the Security Agent may reasonably request.

7.5 Real Property Restriction

Each Chargor shall ensure that a restriction in the following terms is entered on the register of the title of its Real Property at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE OF DEBENTURE] in favour of [SECURITY AGENT] as security trustee referred to in the charges register, or its conveyancer,"

together with, where applicable, notice of any obligation on the Secured Parties to make further advances under the terms of the Finance Documents. Each Chargor shall pay, when due and payable, all fees, costs and expenses incurred in connection with such applications.

7.6 Acquisitions

If, after the date of this Deed, any Chargor acquires any Real Property, it shall:

- 7.6.1 no later than 30 days before the date of that acquisition, notify the Security Agent; and
- 7.6.2 on the date of that acquisition and at the cost of that Chargor, deliver to the Security Agent:
 - 7.6.2.1 a Supplemental Mortgage, duly executed by that Chargor; and
 - 7.6.2.2 such other documentation as the Security Agent may require, in such form as the Security Agent may require (in each case acting reasonably);
- 7.6.3 if the grant of that Supplemental Mortgage requires the consent of any person with an interest in the relevant Real Property, procure that such consent is granted prior to the execution of that Supplemental Mortgage; and
- 7.6.4 without prejudice to Clause 7.12 (*Further assurance*), take such other steps as the Security Agent may reasonably require to create and/or perfect the Security over such Real Property.

7.7 Investments

- 7.7.1 No Chargor may, except where the Security Agent so requires or permits, nominate another person to enjoy or exercise any of its rights in relation to any of its Investments.
- 7.7.2 Subject to Clause 7.7.1 and provided that no Event of Default is continuing, each Chargor may:
 - 7.7.2.1 receive and retain all dividends or other income paid or payable in respect of its Investments; and

7.7.2.2 exercise all voting and other rights attaching to its Investments, provided that it does so for a purpose not inconsistent with any Finance Document.

7.7.3 While any Event of Default is continuing, each Chargor shall:

7.7.3.1 hold any dividends or other income received in respect of the Investments on trust for the Security Agent and pay such amounts into a separate account or otherwise as the Security Agent may direct; and

7.7.3.2 exercise all voting and other rights attaching to the Investments as the Security Agent may direct.

7.7.4 The Security Agent may, at any time following the occurrence of an Event of Default which is continuing, perfect the Security over any of the Investments created by this Deed. On request, each Chargor shall execute any relevant instruments of transfer and procure that they are promptly registered in the statutory registers of the relevant company and that share certificates in the name of the Security Agent and/or its nominee(s) in respect of such Investments are delivered to the Security Agent as soon as reasonably practicable.

7.7.5 At any time when any of the Investments are registered in the name of the Security Agent or its nominee:

7.7.5.1 while no Event of Default is continuing, the Security Agent shall account to the relevant Chargor for any dividends or other income received in respect of the Investments and, subject to Clause 7.7.1, shall exercise all voting and other rights attaching to the relevant Investments as such Chargor may reasonably direct, provided that such directions would not cause any Secured Party to be in breach of any other agreement or obligation; and

7.7.5.2 while any Event of Default is continuing, the Security Agent may retain any dividends or other income and apply the same in accordance with the terms of the Finance Documents, and exercise or refrain from exercising such voting or other rights attaching to the relevant Investments as it thinks fit.

7.7.6 The Security Agent shall have no duty to ensure that any dividends or other amounts are paid or received nor to take any action in connection with any distribution rights in respect of any of the Investments.

7.8 Bank Accounts

Each Chargor shall:

7.8.1 operate each Bank Account in accordance with the Facilities Agreement and the terms provided in the notice referred to in Clause 7.2 (*Notice of charge or assignment*); and

7.8.2 take such action as the Security Agent may require to ensure that the account mandate for each Bank Account is altered in such way as the Security Agent may direct to ensure that the Bank Accounts are operated in compliance with the terms of the Finance Documents.

7.9 Book Debts

Each Chargor shall:

- 7.9.1 promptly collect each Book Debt when due for payment;
- 7.9.2 promptly take and pursue all action necessary to recover any Book Debts which is not paid when due in accordance, if applicable, with any instructions from the Security Agent;
- 7.9.3 not agree to waive or settle any Book Debt for less than par value, other than with the prior written consent of the Security Agent; and
- 7.9.4 pay all amounts received in respect of any Book Debts in accordance with the terms of the Facilities Agreement and, pending such payment, hold such amounts on trust for the Security Agent.

7.10 Intellectual Property

7.10.1 Each Chargor shall:

- 7.10.1.1 preserve and maintain the subsistence and validity of the Intellectual Property necessary for its business;
- 7.10.1.2 use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;
- 7.10.1.3 make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;
- 7.10.1.4 not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil its right to use such property; and
- 7.10.1.5 not discontinue the use of the Intellectual Property.

7.10.2 Each Chargor shall procure that an entry is made in each relevant public register of its Intellectual Property to record the existence of this Deed and the restrictions imposed by this Deed.

7.11 Assigned Agreements

7.11.1 Each Chargor shall:

- 7.11.1.1 upon request by the Security Agent, deliver to the Security Agent a certified copy of such Assigned Agreement;
- 7.11.1.2 perform its obligations and exercise its rights (including using reasonable endeavours to ensure the due performance of the obligations of the relevant counterparties) under each Assigned Agreement in a diligent and timely manner;
- 7.11.1.3 not make or agree to make any amendments or modifications to, nor waive any of its rights under, nor exercise any right to terminate any Assigned Agreement, except, in each case, as permitted under the Facilities Agreement; and
- 7.11.1.4 inform the Security Agent as soon as reasonably practicable, of any material disputes relating to each Assigned Agreement,

which are reasonably likely to have a materially adverse effect on the value of the Secured Property.

- 7.11.2 Subject to Clause 7.11.1 and provided that no Event of Default is continuing, each Chargor may exercise its rights under each Assigned Agreement without further reference to the Security Agent, unless such exercise may result in a Default, adversely affect the value of the Secured Property or prejudice the interests of any Secured Party under any Finance Document.
- 7.11.3 While any Event of Default is continuing, each Chargor shall exercise its rights under each Assigned Agreement in accordance with the instructions of the Security Agent.

7.12 Further assurance

Each Chargor shall promptly take all such actions, including executing all such documents, notices and instructions in such form as the Security Agent may reasonably require:

- 7.12.1 to create, perfect, protect and (if necessary) maintain the Security created or intended to be created over any of its assets under this Deed or for the exercise of any rights, powers and remedies of the Secured Parties provided by or under this Deed or by law or regulation;
- 7.12.2 to confer on the Secured Parties security interests in or over any of its assets located in any jurisdiction other than England and Wales equivalent or similar to the Security created or intended to be created by this Deed; and/or
- 7.12.3 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this Deed.

7.13 Power to remedy

If any Chargor fails to comply with any of its obligations under this Deed, the Security Agent (or its nominee) may (at that Chargor's expense) take such action as is necessary to protect any assets against the consequences of that Chargor's non-compliance and/or to ensure compliance with such obligations. The Security Agent is not obliged to perform any obligation of a Chargor nor to take any action which it may be entitled to take under this Deed.

7.14 Power of attorney

- 7.14.1 As security for the performance of its obligations under this Deed, subject to the terms of Clause 7.14.2 below, each Chargor irrevocably and severally appoints the Security Agent, each Receiver and each Delegate to be its attorney, with full power of substitution.
- 7.14.2 Each attorney may, in the name of the relevant Chargor and on its behalf and at its expense, do anything which that Chargor is obliged to do under any Finance Document to which it is a party but has failed to do or which the Security Agent, Receiver or Delegate may, following the occurrence of an Event of Default, in their absolute discretion consider appropriate in connection with the exercise of any of their rights, powers, authorities or discretions in relation to the Secured Property or under or otherwise for the purposes of any Finance Document or any law or regulation.
- 7.14.3 Each Chargor ratifies and confirms anything done by any attorney under this Clause 7.14. Each Chargor agrees to indemnify each attorney against all actions, claims, demands and proceedings taken or made against it and all costs, damages, expenses, liabilities and losses incurred by each attorney as a result of or in connection with anything lawfully done by it under or in connection with this power of attorney.

8. RIGHTS OF ENFORCEMENT

8.1 Secured Liabilities deemed payable

For the purposes of all rights and powers implied by statute, the Secured Liabilities are deemed to be due and payable on the date of this Deed.

8.2 When Security enforceable

The Security created by this Deed is enforceable at any time while an Event of Default is continuing.

8.3 Enforcement powers

At any time (a) when the Security created by this Deed is enforceable or (b) following a request by any Chargor, the Security Agent may, without further notice:

- 8.3.1 appoint one or more persons to be a Receiver of all or any part of the Secured Property;
- 8.3.2 appoint an administrator of any Chargor;
- 8.3.3 exercise any of the powers, authorities and discretions conferred on mortgagees, administrators or receivers, under the LPA, the Insolvency Act, any other legislation or regulation or under this Deed; and
- 8.3.4 take such further action as it sees fit to enforce all or any part of the Security created by Deed.

8.4 Rights in relation to a Receiver

- 8.4.1 The Security Agent may remove any Receiver appointed under this Deed, appoint another person as Receiver or appoint additional Receivers.
- 8.4.2 Each Receiver will be deemed to be the agent of the relevant Chargor who alone will be responsible for the acts and defaults of the Receiver and for any liabilities incurred by the Receiver (save for acts and defaults of the Receiver caused by its own fraud, gross negligence or wilful misconduct).
- 8.4.3 The Security Agent may fix the remuneration of a Receiver which will be payable by the relevant Chargor and form part of the Secured Liabilities.

8.5 Redemption of prior Security

Where there is any Security created over any of the Secured Property which ranks in priority to the Security created by this Deed and:

- 8.5.1 the Security created by this Deed becomes enforceable; and/or
- 8.5.2 the holder of such other Security takes any steps to enforce that Security,

the Security Agent or any Receiver may, at its sole discretion and at the cost and expense of the relevant Chargor, redeem, take a transfer of and/or repay the indebtedness secured by such other Security. All amounts paid by the Security Agent or a Receiver under this Clause will form part of the Secured Liabilities.

8.6 Appropriation of payments

Any appropriation by the Security Agent or a Receiver under this Deed will override any appropriation by any Chargor.

8.7 Financial collateral

8.7.1 To the extent that the assets mortgaged, assigned or charged under this Deed constitute "financial collateral" and this Deed constitutes a "financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**FC Regulations**")), the Security Agent will have the right at any time when such Security is enforceable to appropriate all or any part of that financial collateral in such manner as it sees fit in or towards the satisfaction of the Secured Liabilities.

8.7.2 Where any financial collateral is appropriated, its value shall be:

8.7.2.1 in the case of cash, its face value at the time of the appropriation;

8.7.2.2 if the financial collateral is listed or traded on a recognised exchange, the value at which it could have been sold on that exchange at the time of appropriation; and

8.7.2.3 in any other case, the amount reasonably determined by the Security Agent by such process as it may select, including independent valuation,

and each Chargor agrees that the method of valuation provided for in this Clause 8.7.2 is commercially reasonable for the purposes of the FC Regulations.

9. POWERS OF A RECEIVER

9.1 General powers

Any Receiver will have:

9.1.1 the rights, powers, privileges and immunities conferred on receivers, receivers and managers and mortgagees in possession under the LPA;

9.1.2 the rights, powers, privileges and immunities conferred on administrative receivers (whether or not that Receiver is an administrative receiver) under the Insolvency Act; and

9.1.3 all other rights, powers, privileges and immunities conferred by law or regulation on receivers, receivers and managers, mortgagees in possession and administrative receivers.

9.2 Specific powers

The rights, powers and remedies provided in this Deed are in addition to any rights, powers and remedies under law or regulation. Any Receiver will have the following additional powers:

9.2.1 the power to do or omit to do anything which the relevant Chargor could do or omit to do in relation to the Secured Property which is the subject of the appointment;

9.2.2 the power to do all other acts and things which the Receiver may consider desirable or necessary for realising any of the Secured Property or incidental or conducive to any of the rights, powers and discretions conferred on a Receiver under this Deed or by law or regulation; and

9.2.3 the power to use the relevant Chargor's name for all the above purposes.

9.3 Variation of statutory powers

The following statutory provisions do not apply to this Deed or any Security created by this Deed:

- 9.3.1 the restriction on the consolidation of mortgages in section 93 of the LPA;
- 9.3.2 the restrictions on the power to grant or accept the surrender of leases in sections 99 and 100 of the LPA;
- 9.3.3 the conditions to the exercise of a power of sale in section 103 of the LPA;
- 9.3.4 the restrictions on the application of proceeds by a mortgagee or receiver in sections 105, 107(2) and 109(8) of the LPA; and
- 9.3.5 the restrictions on the appointment of a receiver in section 109(1) of the LPA and the provisions regarding a receiver's remuneration in section 109(6) of the LPA.

10. APPLICATION OF PROCEEDS

10.1 Order of priority

All amounts received by the Security Agent or a Receiver in connection with the enforcement of the Security created under this Deed will be applied, to the extent permitted by applicable law, in accordance with the provisions of the Intercreditor Agreement.

10.2 Suspense account

Pending repayment of the Secured Liabilities in full, the Security Agent may credit any monies at any time received or realised under this Deed to an interest-bearing suspense account in the name of the Security Agent, for so long and on such terms as the Security Agent may reasonably determine pending their application towards discharging the Secured Liabilities in accordance with this Deed.

10.3 New accounts

If a Secured Party receives or is deemed to have received notice of subsequent Security over the Secured Property, then each Secured Party may open a new account with the relevant Chargor. If a Secured Party does not open a new account, it will be treated as having done so at the time when such notice was received and as from that time all payments made by or on behalf of that Chargor to that Secured Party will be credited or be treated as having been credited to the relevant new account and not as having been applied in discharge of the Secured Liabilities.

10.4 Release of Secured Property

If the Security Agent (acting reasonably) is satisfied that all the Secured Liabilities have, subject to Clauses 13.1 (*Reinstatement*) and 13.2 (*Avoidable payments*), been unconditionally and irrevocably paid and discharged in full and all facilities which might give rise to Secured Liabilities terminated, the Security Agent will notify the Chargors as soon as reasonably practicable and at the request and reasonable cost of the relevant Chargor, execute such documents and take such steps necessary to release the Secured Property from the Security created by this Deed.

11. PROTECTION OF THIRD PARTIES

11.1 No buyer from, or other person dealing with the Security Agent or a Receiver, will be concerned to enquire whether:

- 11.1.1 any money remains due under the Finance Documents;

11.1.2 any power which the Security Agent or Receiver is purporting to exercise has arisen or become exercisable; or

11.1.3 the Security Agent or any Receiver is validly appointed and acting within its powers in accordance with this Deed.

11.2 The receipt of the Security Agent, any Receiver or any Delegate will be an absolute and conclusive discharge to a purchaser of any of the Secured Property who will have no obligation to enquire how any monies are applied.

12. PROTECTION OF SECURITY AGENT

12.1 No liability as mortgagee in possession

No Secured Party will be liable to account to any Chargor as mortgagee in possession by reason of entering into possession of any of the Secured Property, nor for any cost, loss or liability on realisation, nor for any default or omission for which a mortgagee in possession might be liable.

12.2 Tacking

The Security created by this Deed is intended to secure any further advances which any Secured Party is obliged to make under the Finance Documents.

12.3 Discretion of the Secured Parties

Each Secured Party is entitled to exercise its rights, powers and discretions under this Deed in accordance with the terms of the Finance Documents and no Chargor has any right to control or restrict any Secured Party's exercise of any of its rights, powers or discretions under this Deed.

13. SAVING PROVISIONS

13.1 Reinstatement

If, at any time, there has been a release, settlement or discharge of any Chargor's obligations under this Deed and, as a consequence of any Insolvency Event or for any other reason:

13.1.1 any payment made to any person in respect of any of the Secured Liabilities is required to be repaid; and/or

13.1.2 any Security (or other right) held by the Secured Parties in respect of any of the Secured Liabilities (whether under this Deed or otherwise) is declared void, is set aside or is otherwise affected,

then the relevant Chargor's obligations under this Deed will continue in effect as if there had been no such release, settlement or discharge and as if the relevant payment had not been made and/or (as applicable) the relevant obligation or Security (or other right) had not been so affected; and accordingly (but without limiting the Secured Parties' other rights under this Deed) the Security Agent will be entitled to recover from such Chargor the value which the Security Agent has placed upon such Security (or other right) or the amount of any such payment as if such release, settlement or discharge had not occurred.

13.2 Avoidable payments

If the Security Agent, acting reasonably, considers that any amount paid by or on behalf of any Chargor in respect of the Secured Liabilities is capable of being avoided, set aside or ordered to be refunded or reduced for any reason then, for the purposes of this Deed, such amount will not be considered to have been irrevocably paid and the Security Agent will notify the Chargor of the same as soon as reasonably practicable.

13.3 Waiver of defences

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

- 13.3.1 any time, waiver or consent granted to, or composition with, any Chargor, Obligor or other person;
- 13.3.2 the release of any other Chargor, Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- 13.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor, Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 13.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, Obligor or any other person;
- 13.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 13.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 13.3.7 any insolvency or similar proceedings.

13.4 Chargor Intent

Without prejudice to the generality of Clause 13.4 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created under this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

13.5 Immediate recourse

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

13.6 Appropriations

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, each Secured Party (or any trustee or agent on its behalf) may:

13.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and

13.6.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

13.7 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Security Agent otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

13.7.1 to be indemnified by a Chargor or an Obligor;

13.7.2 to claim any contribution from any other Chargor or guarantor of any Obligor's obligations under the Finance Documents;

13.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Secured Party;

13.7.4 to bring legal or other proceedings for an order requiring any Obligor or any Chargor to make any payment, or perform any obligation, in respect of which the Obligor or Chargor has given a guarantee, undertaking or indemnity;

13.7.5 to exercise any right of set-off against any Obligor or Chargor; and/or

13.7.6 to claim or prove as a creditor of any Obligor or Chargor in competition with any Secured Party.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Secured Parties by the Obligors or the Chargors under or in connection with the Finance Documents to be repaid in full on trust for the Secured Parties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 10.1 (*Order of Priority*).

14. CHANGES TO THE PARTIES

14.1 No assignment by Chargors

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

14.2 Assignment by Security Agent

The Security Agent may assign any of its rights or transfer any of its rights or obligations under this Deed in accordance with the terms of the Facilities Agreement.

15. **COUNTERPARTS**

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

16. **GOVERNING LAW**

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

17. **JURISDICTION**

17.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) and any non-contractual obligations arising out of or in connection with it (a "**Dispute**").

17.2 The parties agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Deed will argue to the contrary.

17.3 This Clause 17 is for the benefit of the Secured Parties only. As a result, no Secured Party will be prevented from taking proceedings relating to a Dispute in any other court with jurisdiction. To the extent allowed by law, each Secured Party may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE 1

The Chargers

| Name of Chargor | Registration number (or equivalent, if any) | Registered office | Jurisdiction of incorporation |
|--|---|----------------------------------|-------------------------------|
| FUSION CARDIFF METROPOLITAN LIMITED | 08974271 | 35 Ballards Lane, London, N3 1XW | England and Wales |
| FUSION CARDIFF METROPOLITAN MANAGEMENT LIMITED | 09625115 | 35 Ballards Lane, London, N3 1XW | England and Wales |
| HOWARD CARDIFF CONSTRUCTION LIMITED | 09628659 | 35 Ballards Lane, London, N3 1XW | England and Wales |

SCHEDULE 2

Details of Secured Property

Part I Real Property

| Name of Chargor | Address/description of the Real Property | Title number |
|-------------------------------------|---|--------------|
| Fusion Cardiff Metropolitan Limited | Freehold land and buildings known as Howard Gardens Campus, Howard Gardens, Cardiff, CF24 0SP | CYM425817 |

Part II Shares

| Name of Chargor | Name of company whose shares are held | Registration number (or equivalent, if any) of the company whose shares are held | Number and class of Shares |
|-------------------------------------|--|--|----------------------------------|
| Fusion Cardiff Metropolitan Limited | Fusion Cardiff Metropolitan Management Limited | England & Wales 09625115 | 10 ordinary shares of £1.00 each |

Part III Bank Accounts

| Name of Chargor | Name or designation of Bank Account | Account number | Name of institution and branch at which Bank Account held |
|--|-------------------------------------|----------------|---|
| Fusion Cardiff Metropolitan Limited | Rent Account | | |
| Fusion Cardiff Metropolitan Limited | Deposit Account | | |
| Fusion Cardiff Metropolitan Limited | General Account | | |
| Fusion Cardiff Metropolitan Management Limited | Rent Account | | |
| Fusion Cardiff Metropolitan Management Limited | General Account | | |
| Howard Cardiff Construction Limited | General Account | | |

**Part IV
Insurances**

| Name of Chargor | Brief description of policy, including policy number | Date of policy | Insurance company or underwriter (including address for service of notices) |
|-------------------------------------|--|----------------|---|
| Fusion Cardiff Metropolitan Limited | | 4 January 2016 | Chubb Insurance Company of Europe SE |
| Fusion Cardiff Metropolitan Limited | | 4 January 2016 | RSA Insurance Group plc |
| Fusion Cardiff Metropolitan Limited | | May 2016 | Zurich Insurance plc |
| Howard Cardiff Construction Limited | | 4 January 2016 | Chubb Insurance Company of Europe SE |
| Howard Cardiff Construction Limited | | 4 January 2016 | RSA Insurance Group plc |

**Part V
Assigned Agreements**

| Name of Chargor | Brief description of agreement | Date of agreement | Parties to agreement (including address for service of notices) |
|-------------------------------------|---|-------------------|--|
| Howard Cardiff Construction Limited | Appointment of project manager and employer's agent | 9 July 2015 | 1. Howard Cardiff Construction Limited; and 2. Jones Lang La Salle Limited |
| Fusion Cardiff Metropolitan Limited | Intercompany Loan Agreement | 6 May 2016 | 1. Fusion Cardiff Metropolitan Holdings Limited; and 2. Fusion Cardiff Metropolitan Limited |
| Fusion Cardiff Metropolitan Limited | Development Agreement | 6 May 2016 | 1. Fusion Cardiff Metropolitan Limited 2. Howard Cardiff Construction Limited |
| Howard Cardiff Construction Limited | Development Agreement | 6 May 2016 | 1. Fusion Cardiff Metropolitan Limited 2. Howard Cardiff Construction Limited |

**Part VI
Specified IPR**

| Name of Chargor | Brief description of right | Registration number (if any) | Date of renewal (if any) |
|-----------------|----------------------------|------------------------------|--------------------------|
| | | | |

| | | | |
|-----|-----|-----|-----|
| N/A | N/A | N/A | N/A |
|-----|-----|-----|-----|

SCHEDULE 3

Notices

Part I

Form of notice relating to Insurances

To: [NAME AND ADDRESS OF INSURANCE COMPANY / UNDERWRITER]

Attn: [•]

From: [NAME AND ADDRESS OF CHARGOR]

35 Ballards Lane
London
N3 1XW
United Kingdom

Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs,

Notice of Security

1. We refer to [SPECIFY POLICY], policy number [NUMBER] between us and you (the "**Policy**").
2. We give you notice that, under a debenture dated [DATE] 2016, we have assigned by way of security to The Royal Bank of Scotland PLC (the "**Security Agent**") all of our present and future rights, title and interest in, under and to the Policy and all proceeds and claims arising from the Policy.
3. We may not agree to amend or terminate the Policy without the prior written consent of the Security Agent.
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Policy. After you receive such notice, we will cease to have any right to deal with you in relation to the Policy and you must deal directly with or upon the written instructions of the Security Agent.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
 - 5.1 to disclose such information relating to the Policy and to give such acknowledgements and undertakings relating to the Policy as the Security Agent may from time to time request; and
 - 5.2 to make all payments under or in connection with the Policy as directed by the Security Agent; and
 - 5.3 [to give at least 30 days' notice to the Security Agent if you propose to:
 - 5.3.1 repudiate, rescind or cancel the Policy;
 - 5.3.2 treat the Policy as avoided in whole or in part;
 - 5.3.3 treat the Policy as expired due to non-payment of premium (and in such notice you must give the Security Agent the opportunity to rectify any such non-payment of premium within the notice period); or

5.3.4 otherwise decline any claim under the Policy by or on behalf of any insured party,

6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

.....
For and on behalf of
[CHARGOR]

[To be included on copy notice:]

To: **THE ROYAL BANK OF SCOTLAND PLC**
280 Bishopsgate
London
EC2M 4RB
United Kingdom
Attn: Linda Marsh

Copy to: **[NAME AND ADDRESS OF CHARGOR]**
35 Ballards Lane
London
N3 IXW
United Kingdom
Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Policy (other than as governed by the terms of an inter-creditor agreement between inter alios (i) The Royal Bank of Scotland Plc, (2) Fusion Cardiff Metropolitan Limited and (iii) Stornoway Finance S.à r.l. dated [•]) and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off, counterclaim or other similar right in relation to amounts payable in connection with the Policy.

Yours faithfully,

.....
For and on behalf of
[INSURANCE COMPANY / UNDERWRITER]

Part II
Form of notice relating to Lease Documents

To: [NAME AND ADDRESS OF TENANT / LICENSEE / OCCUPIER]

Attn: [*]

From: [NAME AND ADDRESS OF CHARGOR]

35 Ballards Lane

London

N3 IXW

United Kingdom

Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs,

Notice of Security

1. We refer to [LEASE DOCUMENT] between you and us dated [DATE] (the "**Lease**").
2. We give you notice that, under a debenture dated [DATE] 2016, we have assigned by way of security to The Royal Bank of Scotland PLC (the "**Security Agent**") all of our present and future rights, title and interest in, under and to the Lease, including all monies payable thereunder and the proceeds of all claims and judgments for breach of covenant.
3. We may not without the prior consent of the Security Agent:
 - 3.1 [agree to any amendment, supplement, extension, waiver, surrender or release in respect of the Lease;
 - 3.2 exercise any right to break, determine or extend the Lease;
 - 3.3 commence any forfeiture or irritancy proceedings in respect of the Lease;
 - 3.4 consent to any sublease or assignment of your interest under the Lease;
 - 3.5 agree to any change of use under, or rent review in respect of, the Lease (except where required to do so under the terms of the Lease);
 - 3.6 serve any notice on you (or on any guarantor) which would entitle you to a new lease or tenancy; or
 - 3.7 assign any of our rights or transfer any of our rights or obligations under the Lease,in each case, except with the consent of the Security Agent.]
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Lease. After you receive such notice, we will cease to have any right to deal with you in relation to the Lease and you must deal directly with or upon the written instructions of the Security Agent. We will remain liable to perform all our obligations under the Lease and the Security Agent is under no obligation of any kind under the Lease and assumes no liability in the event of any failure by us to perform our obligations under the Lease.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:

- 5.1 to disclose such information relating to the Lease and to give such acknowledgements and undertakings and agreements relating to the Lease as the Security Agent may from time to time request; and
- 5.2 to pay all amounts under or in connection with the Lease to the account with [name of account bank] (account number [] and sort code []), unless otherwise directed by the Security Agent.
6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.
7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
[CHARGOR]

[To be included on copy notice:]

To: **THE ROYAL BANK OF SCOTLAND PLC**
280 Bishopsgate
London
EC2M 4RB
United Kingdom
Attn: Linda Marsh

Copy to: **[NAME AND ADDRESS OF CHARGOR]**
35 Ballards Lane
London
N3 1XW
United Kingdom
Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Lease (other than as governed by the terms of an inter-creditor agreement between inter alios (i) The Royal Bank of Scotland Plc, (2) Fusion Cardiff Metropolitan Limited and (iii) Stornoway Finance S.à r.l. dated [•]) and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and

3. will not claim or exercise any right of set-off or counterclaim or any other similar right in relation to amounts payable in connection with the Lease.

Yours faithfully,

.....
For and on behalf of
[TENANT / LICENSEE / OCCUPIER]

Part III
Form of notice relating to Assigned Agreements
(other than Insurances and Lease Documents)

To: [NAME AND ADDRESS OF COUNTERPARTY]

Attn: [•]

From: [NAME AND ADDRESS OF CHARGOR]

35 Ballards Lane

London

N3 IXW

United Kingdom

Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs,

Notice of Security

1. We refer to [AGREEMENT] between you and us dated [DATE] (the "**Agreement**").
2. We give you notice that, under a debenture dated [DATE] 2016, we have assigned by way of security to The Royal Bank of Scotland (the "**Security Agent**"), all of our present and future rights, title and interest in, under and to the Agreement.
3. We may not without the prior consent of the Security Agent:
 - 3.1 agree to any amendment, supplement, extension, waiver, surrender, release or termination of the Agreement;
 - 3.2 consent to any assignment or transfer of your interest under the Agreement; or
 - 3.3 assign any of our rights or transfer any of our rights or obligations under the Agreement,in each case, except with the consent of the Security Agent.
4. Until you receive written notice to the contrary from the Security Agent, you may continue to deal with us in relation to the Agreement. After you receive such notice, we will cease to have any right to deal with you in relation to the Agreement and you must deal directly with or upon the written instructions of the Security Agent. We will remain liable to perform all our obligations under the Agreement and the Security Agent is under no obligation of any kind under the Agreement and assumes no liability in the event of any failure by us to perform our obligations under the Agreement.
5. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
 - 5.1 to disclose such information relating to the Agreement and to give such acknowledgements and undertakings relating to the Agreement as the Security Agent may from time to time request; and
 - 5.2 to pay all amounts under or in connection with the Agreement to the account with [name of account bank] (account number [] and sort code []), unless otherwise directed by the Security Agent.
6. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of the Security Agent.

7. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
8. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

.....
For and on behalf of
[CHARGOR]

[To be included on copy notice:]

To: **THE ROYAL BANK OF SCOTLAND PLC**
280 Bishopsgate
London
EC2M 4RB
United Kingdom
Attn: Linda Marsh

Copy to: **[NAME AND ADDRESS OF CHARGOR]**
35 Ballards Lane
London
N3 1XW
United Kingdom
Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs

Acknowledgement of Notice of security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Agreement (other than as governed by the terms of an inter-creditor agreement between inter alios (i) The Royal Bank of Scotland Plc, (2) Fusion Cardiff Metropolitan Limited and (iii) Stornoway Finance S.à r.l. dated [•]) and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off or counterclaim or any other similar right in relation to amounts payable in connection with the Agreement.

Yours faithfully,

.....
For and on behalf of
[COUNTERPARTY]

Part IV
Form of notice relating to assigned accounts
(Security Agent has sole signing rights)

To: [NAME AND ADDRESS OF ACCOUNT HOLDING INSTITUTION] (the "Account Bank")

Attn: [•]

From: [NAME AND ADDRESS OF CHARGOR]

35 Ballards Lane

London

N3 IXW

United Kingdom

Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs,

Notice of Security

1. We give you notice that, under a debenture dated [DATE] 2016, we have [charged]/[assigned by way of security] to The Royal Bank of Scotland PLC (the "Security Agent") all of our present and future rights, title and interest in, under and to each account listed below (each an "Account"), including all monies (including interest) at any time standing to the credit of such accounts:

| Name or designation of Account | Account number | Name of institution and branch at which Account held |
|--------------------------------|----------------|--|
| [Rent Account] | [] | [] |
| [Deposit Account] | [] | [] |
| [Disposals Account] | [] | [] |

2. We may not withdraw or attempt to withdraw any amounts from any Account without the prior written consent of the Security Agent.
3. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you:
- 3.1 to hold all monies from time to time standing to the credit of each Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent;
- 3.2 to disclose to the Security Agent such information relating to us and each Account as the Security Agent may from time to time request, including granting the Security Agent access to our online account details and providing copies of all statements, in electronic or paper form; and
- 3.3 to accept any instructions from the Security Agent to change the signatories on the relevant account mandates to persons specified by the Security Agent.
4. This notice and the authority and instructions it contains may only be revoked or amended with the prior written consent of the Security Agent.
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

6. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

For and on behalf of
[CHARGOR]

[To be included on copy notice:]

To: **THE ROYAL BANK OF SCOTLAND PLC**
280 Bishopsgate
London
EC2M 4RB
United Kingdom
Attn: Linda Marsh

Copy to: **[NAME AND ADDRESS OF CHARGOR]**
35 Ballards Lane
London
N3 1XW
United Kingdom
Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any other assignment of or charge over any Account (other than as governed by the terms of an inter-creditor agreement between inter alios (i) The Royal Bank of Scotland Plc, (2) Fusion Cardiff Metropolitan Limited and (iii) Stornoway Finance S.à r.l. dated [•]) and will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice set out above; and
3. will not claim or exercise any right of set-off, counterclaim, lien or right to combine accounts or any other similar right in relation to the monies standing to the credit of any Account.

Yours faithfully,

For and on behalf of
[ACCOUNT HOLDING INSTITUTION]

Part V
Form of notice relating to assigned accounts
(Security Agent does not have sole signing rights)

To: [NAME AND ADDRESS OF ACCOUNT HOLDING INSTITUTION] (the "Account Bank")

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We give you notice that, under a debenture dated [DATE] 2016, we have [charged]/[assigned by way of security] to The Royal Bank of Scotland PLC (the "Security Agent") all of our present and future rights, title and interest in, under and to each account listed below (each an "Account"), including all monies (including interest) at any time standing to the credit of such accounts.

| Name or designation of Account | Account number | Name of institution and branch at which Account held |
|--------------------------------|----------------|--|
| [General Account] | [] | [] |

2. We may continue to operate each Account unless and until the Security Agent notifies you in writing to the contrary. With effect from the date of such notification, we may not withdraw any further monies from any Account without the prior written consent of the Security Agent to each withdrawal.
3. We irrevocably and unconditionally authorise and instruct you:
- 3.1 with effect from the date of this notice, to disclose to the Security Agent such information relating to us and each Account as the Security Agent may from time to time request, including granting the Security Agent access to our online account details and providing copies of all statements, in electronic or paper form; and
- 3.2 with effect from the date of the notification described in paragraph 2 above:
- 3.2.1 to hold all monies from time to time standing to the credit of each Account to the order of the Security Agent and accordingly to pay all or any part of those monies to the Security Agent (or as it may direct) promptly following receipt of written instructions from the Security Agent; and
- 3.2.2 to accept any instructions from the Security Agent to change the signatories on the relevant account mandates to persons specified by the Security Agent.
4. This notice and the authority and instructions it contains may only be revoked or amended with the prior written consent of the Security Agent.
5. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
6. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to the Security Agent (with a copy to us).

Yours faithfully,

.....
For and on behalf of

[CHARGOR]

[To be included on copy notice:]

To: **THE ROYAL BANK OF SCOTLAND PLC**
280 Bishopsgate
London
EC2M 4RB
United Kingdom
Attn: Linda Marsh

Copy to: **[NAME AND ADDRESS OF CHARGOR]**
35 Ballards Lane
London
N3 1XW
United Kingdom
Attn: Sanjay Bhasin

Dated: [DATE] 2016

Dear Sirs

Acknowledgement of Notice of Security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any other assignment of or charge over any Account (other than as governed by the terms of an inter-creditor agreement between inter alios (i) The Royal Bank of Scotland Plc, (2) Fusion Cardiff Metropolitan Limited and (iii) Stornoway Finance S.à r.l. dated [•]) and we will promptly notify you if we receive any such notice in the future;
2. will comply with the terms of the notice; and
3. will not claim or exercise any right of set-off, counterclaim, lien or right to combine accounts or any other similar right in relation to the monies standing to the credit of any Account.

Yours faithfully,

.....
For and on behalf of
[ACCOUNT HOLDING INSTITUTION]

SCHEDULE 4

Form of Supplemental Mortgage

This Supplemental Mortgage is made on [DATE] between:

- (1) [CHARGOR] (the "**Company**"); and
- (2) [SECURITY AGENT] as security trustee for the Secured Parties (the "**Security Agent**").

1. INTERPRETATION

1.1 Definitions

In this Supplemental Mortgage:

"**Debenture**" means a debenture dated [DATE] between the Company and the Security Agent.

"**Facilities Agreement**" means a Facilities Agreement dated [DATE] between, amongst others, the Company, the Security Agent and the Finance Parties.

"**Mortgaged Property**" means the Real Property listed in Part I of the Schedule (*Details of Secured Property*).

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

1.2 Construction

In this Supplemental Mortgage:

1.2.1 unless a contrary indication appears, terms defined in the Facilities Agreement and the Debenture have the same meaning in this Supplemental Mortgage;

1.2.2 the provisions of clause 1.2 (*Construction*) of the Debenture apply to this Supplemental Mortgage as if set out in full in this Supplemental Mortgage, except that:

1.2.2.1 references to "this Deed" in the Debenture shall be construed as references to this Supplemental Mortgage; and

1.2.2.2 references to the Real Property listed in Schedule 2 (*Secured Property*) to the Debenture shall be construed as references to the Schedule to this Supplemental Mortgage; and

1.2.3 all provisions in the Facilities Agreement that are deemed to apply to the Finance Documents apply to this Supplemental Mortgage as if set out in full in this Supplemental Mortgage.

1.3 Incorporation of other terms

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

1.4 **Third party rights**

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

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

2. **COVENANT TO PAY**

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

3. **GRANT OF SECURITY**

3.1 **Mortgage**

The Company charges by way of first legal mortgage the Mortgaged Property.

3.2 **Fixed charges**

The Company charges by way of first fixed charge:

3.2.1 to the extent not effectively mortgaged under Clause 3.1 (*Mortgage*), the Mortgaged Property;

3.2.2 all its plant and machinery situated on or forming part of the Mortgaged Property, excluding stock in trade, to the extent not effectively mortgaged under Clause 3.1 (*Mortgage*); and

3.2.3 (save to the extent assigned under Clause 3.3 (*Assignment*)), all Associated Benefits relating to any of the Secured Property.

3.3 **Assignment**

The Company assigns by way of security:

3.3.1 the Insurances listed in Part II of the Schedule (*Details of Secured Property*);

3.3.2 the Lease Documents; and

3.3.3 the Rental Income,

together with all Associated Benefits relating to the Secured Property.

4. **INCORPORATION OF DEBENTURE PROVISIONS**

The terms of the Debenture apply to the Mortgaged Property to the extent that they apply to the Real Property listed in Schedule 2 (*Secured Property*) of the Debenture and will be deemed to be incorporated into this Supplemental Mortgage as if set out in full in this Supplemental Mortgage, except that:

4.1.1 references to "this Deed" in the Debenture shall be construed as references to this Supplemental Mortgage; and

- 4.1.2 references to the Real Property listed in Schedule 2 (*Secured Property*) to the Debenture shall be construed as references to the Schedule to this Supplemental Mortgage.

5. RESTRICTION

The Company shall ensure that a restriction in the following terms is entered on the register of title of the Mortgaged Property at the Land Registry:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated [DATE OF THIS SUPPLEMENTAL MORTGAGE] in favour of [SECURITY AGENT] as security trustee referred to in the charges register, or its conveyancer."

and, where applicable, notice of any obligation on the Secured Parties to make further advances under the terms of the Finance Documents. The Company shall pay, when due and payable, all fees, costs and expenses incurred in connection with such applications.

6. CONTINUATION

- 6.1 Except as supplemented by this Supplemental Mortgage, the Debenture will remain in full force and effect.

- 6.2 On and from the date of this Supplemental Mortgage:

6.2.1 this Supplemental Mortgage and the Debenture shall be read and construed as one document and, in particular, the definition of "Secured Property" in the Debenture shall include the Secured Property; and

6.2.2 the Company acknowledges that references to a "Security Agreement" in the Facilities Agreement are references to the Debenture as supplemented by this Supplemental Mortgage.

7. COUNTERPARTS

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

8. GOVERNING LAW

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

9. JURISDICTION

- 9.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Supplemental Mortgage (including a dispute regarding the existence, validity or termination of this Supplemental Mortgage) and any non-contractual obligations arising out of or in connection with it (a "**Dispute**").

- 9.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Supplemental Mortgage may argue to the contrary.

- 9.3 This Clause 9 is for the benefit of the Secured Parties only. As a result, no Secured Party will be prevented from taking proceedings relating to a Dispute in any other court with jurisdiction. To the extent allowed by law, each Secured Party may take concurrent proceedings in any number of jurisdictions.

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

SCHEDULE

Details of Secured Property

Part I – Mortgaged Property

| Address/description of the Real Property | Title number |
|---|---------------------|
| [] | [] |
| [] | [] |

Part II – Insurances

| Brief description of policy, including policy number | Date of policy | Insurance company or underwriter (including address for service of notices) |
|---|-----------------------|--|
| [] | [] | [] |
| [] | [] | [] |

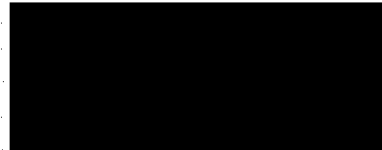
EXECUTION of SUPPLEMENTAL MORTGAGE

[Insert execution provisions]]

EXECUTION of DEBENTURE


The Chargers

Executed as a deed by **FUSION CARDIFF**)
METROPOLITAN LIMITED, acting by Nigel)
Henry, a director, in the presence of:)



Nigel Henry, Director

Witness signature:



Witness name:

LAURA HARRIS
38 LANGLEY WAY
WATFORD
WD17 3EG

Witness address:

PERSONAL ASSISTANT

Executed as a deed by **FUSION CARDIFF**)
METROPOLITAN MANAGEMENT LIMITED,)
acting by Nigel Henry, a director, in the)
presence of:)



Nigel Henry, Director

Witness signature:



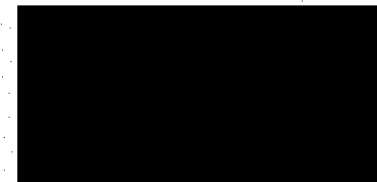
Witness name:

LAURA HARRIS
38 LANGLEY WAY
WATFORD
WD17 3EG

Witness address:

PERSONAL ASSISTANT

Executed as a deed by **HOWARD CARDIFF**)
CONSTRUCTION LIMITED, acting by Adam)
Cohen, a director, in the presence of:)



Adam Cohen, Director

Witness signature:



Witness name:

LAURA HARRIS
38 LANGLEY WAY
WATFORD
WD17 3EG

Witness address:

PERSONAL ASSISTANT

The Security Agent

Executed as a deed by *Peter Nash*
as attorney for
THE ROYAL BANK OF SCOTLAND PLC,
in the presence of:


as attorney for **THE ROYAL BANK OF
SCOTLAND PLC**

Witness signature:

Witness name:

Witness address:

Linda Marsh
**280 Bishopsgate
London
EC2M 4RB**