



**Registration of a Charge**

Company name: **ALBAN HOUSE (HEREFORD) LIMITED**

Company number: **10711898**

Received for Electronic Filing: **17/04/2019**



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**Details of Charge**

Date of creation: **16/04/2019**

Charge code: **1071 1898 0001**

Persons entitled: **IRE SECURITY LIMITED**

Brief description: **ALL OF THAT FREEHOLD LAND KNOWN AS ALBAN HOUSE, 16-18 HIGH TOWN, HEREFORD HR1 2AA REGISTERED AT THE LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER HE383. ALL ASSETS, PROPERTY AND UNDERTAKING BOTH PRESENT AND FUTURE OF THE CHARGOR. PLEASE SEE INSTRUMENT FURTHER.**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

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

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**Authentication of Instrument**

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT  
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION  
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **THOMAS MAXEY**



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

Company number: 10711898

Charge code: 1071 1898 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 16th April 2019 and created by ALBAN HOUSE (HEREFORD) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th April 2019 .

Given at Companies House, Cardiff on 18th April 2019

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

16 April 2019

**ALBAN HOUSE (HEREFORD) LIMITED**  
as Chargor

**IRE SECURITY LIMITED**  
as Security Trustee

**SECURITY AGREEMENT**

in relation to a £4,000,000 facility agreement dated on or about the date of this Deed  
between, amongst others, the Chargor and AH Commercial (Hereford) Limited (as Borrower)  
and Ingenious Real Estate Finance LLP (as Original Lender)

**INGENIOUS**

## Contents

Clause	Name	Page
1	Definitions and interpretation .....	1
2	Covenant to Pay .....	5
3	Security Interest .....	5
4	Crystallisation of floating charge .....	7
5	Covenants .....	8
6	Perfection of Security Interest .....	8
7	Rights of enforcement .....	9
8	Application of receipts .....	11
9	Notices .....	11
10	Discharge .....	11
11	General provisions .....	12
12	Law and jurisdiction .....	13
Schedule	Name	Page
1	The Property .....	15
2	The Documents .....	16
2	Part 1	
Acquisition	Documents .....	16
2	Part 2 Construction Documents .....	16
2	Part 3 Occupational Leases .....	16
3	The Accounts .....	17
4	Security Trustee's and Receiver's powers .....	18
5	Notices .....	21
5	Part 1 Notice of assignment or charge of contract .....	21
5	Part 2 Notice of assignment of insurance .....	24
5	Part 3 Notice of account assignment .....	27
<b>Execution</b>	<b>Page</b> .....	<b>30</b>

DATED

16 April 2019

## PARTIES

- (1) **ALBAN HOUSE (HEREFORD) LIMITED** (company number **10711898**) whose registered office is at St Pauls House, 23 St Pauls Square, Birmingham, West Midlands B3 1RB (the "**Chargor**")
- (2) **IRE SECURITY LIMITED** (company number 11099864) whose registered office is at 15 Golden Square, London, W1F 9JG as security trustee (the "**Security Trustee**" which expression includes its successors and assigns as security trustee for the Secured Parties)

## BACKGROUND

- (A) The Original Lender has agreed to advance or to continue to advance monies or otherwise arrange credit or afford other financial facilities to the Chargor and AH Commercial (Hereford) Limited pursuant to the Facility Letter.
- (B) The Chargor has agreed to charge and/or assign certain of its assets as Security in favour of the Security Trustee as set out in this Deed to secure the payment and discharge of the Liabilities.

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

In this Deed:

"**Accounts**" means each Designated Account (the account details of which, as at the date of this Deed, are set out in Schedule 3 (*The Accounts*)) and, without prejudice to Condition 17.1.2 (*Accounts*) of the Standard Terms, all other bank accounts of the Chargor with any bank, financial institution or other person in any jurisdiction now or at any time hereafter (and from time to time) owned, operated or held by the Chargor or in which the Chargor has an interest (including, in each case, all monies from time to time standing to the credit (including any interest thereon) of such accounts and all rights in relation thereto).

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

"**Agreement for Lease**" means an agreement to grant an Occupational Lease for all or part of the Property.

"**Authorisation**" means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

"**Blocking Headleases**" means as such term is defined in the Facility Letter;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London.

"**Charged Assets**" means the Charged Property and each and all of the Chargor's other assets, property, undertaking and other interests from time to time assigned or charged or intended to be assigned or charged by this Deed and the subject matter of each of them.

**"Charged Property"** means the Property and any other freehold or leasehold property now or in the future vested in the Chargor.

**"Control Account"** means the account designated as such under Condition 17.1.1 (b) (*Accounts*) of the Standard Terms and includes any replacement of that account.

**"Construction Documents"** means any building contracts, professional appointments, collateral warranties, sub-contracts, performance bonds, guarantees and other contracts entered into or to be entered into by and/or in favour of the Chargor in respect of the Property, including (without limitation), those set out in Schedule 2, Part 2 (*Construction Documents*).

**"Designated Account"** means each of the Control Account and the Operating Account.

**"Event of Default"** means any event or circumstances specified in Condition 21 (*Events of Default*) of the Standard Terms.

**"Facility Letter"** means the £4,000,000 facility letter (including the Standard Terms) dated on or about the date of this Deed and made between (amongst others) the Chargor, the Security Trustee and the Original Lender and any agreement, letter or instrument entered into under or supplemental to it or amending, restating or novating it.

**"Future Occupational Lease"** means any Occupational Lease entered into now or in the future in respect of the Property including but not limited to the Blocking Headleases and Storage Licence;

**"Finance Documents"** has the meaning given to that term in the Standard Terms.

**"Headlease"** means a lease under which the Chargor holds title to all or any part of the Property.

**"Insurances"** means any contract of insurance required under Condition 20.8 (*Insurances*) of the Standard Terms.

**"Insurance Policy"** means any policy of insurance in which the Chargor may at any time have an interest relating to any Charged Assets.

**"Insurance Proceeds"** means the proceeds of any Insurance Policy.

**"Intellectual Property"** means all rights, present and future, in respect of any patent, copyright, trademarks, trade name, service marks, invention, design, know-how, confidential information, domain names or any other kind of intellectual property whether registered or unregistered or any application relating to any of the foregoing.

**"Liabilities"** means all monies, obligations and liabilities which shall from time to time (and whether on or at any time after any demand or judgment) be due, owing or incurred from any Obligor to any Secured Party on any account whatsoever, whether actual or contingent, present or future and whether solely or jointly with any other person and in whatever style or name and whether as principal or surety.

**"Obligor"** means the Chargor, the Parent, the Subordinated Creditor(s) and any guarantor of the Chargor's obligations to the Finance Parties under the Finance Documents or any part of them (including any Guarantors specified in clause 3 (*Key Facility Terms*) of the Facility Letter).

**"Occupational Lease"** means any lease, Agreement for Lease, licence or other occupational interest subject to which the Chargor's interest in the Property is held now or in the future including any guarantee and rent deposit arrangements entered into under the terms thereof, including (without limitation) those (if any) set out in Schedule 2, Part 3 (*Occupational Leases*).

**"Operating Account"** means the account designated as such under Condition 17.1.1(a) (*Accounts*) of the Standard Terms and includes any replacement of that account.

**"Original Lender"** means Ingenious Real Estate Finance LLP.

**"Parent"** means the person which owns 100 per cent. of the Chargor's issued share capital as specified in clause 3 (*Key Facility Terms*) of the Facility Letter.

**"Party"** means a party to this Deed.

**"Property"** means the property details of which are set out Schedule 1 (*The Property*), including all:

- (a) land, cellars, vaults, underground tunnels, eaves, canopies, structures and the like used or enjoyed in connection with it now or in the future;
- (b) buildings, fixtures (including trade fixtures) and fixed plant and machinery and other structures now or in future on it; and
- (c) easements, access rights, rights of way and any other rights attaching to it.

**"Receiver"** means an administrative receiver, receiver and/or manager appointed by the Security Trustee under this Deed (whether sole, joint and/or several and including any substitute).

**"Regulations"** means the Financial Collateral Arrangements (No 2) Regulations 2003 (S.I. 2003/3226) or equivalent legislation in any applicable jurisdiction bringing into effect Directive 2002/47/EC on financial collateral arrangements.

**"Related Rights"** means, in relation to any asset:

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale, agreement for lease, leases or licence in respect of that asset (including any right to any rent or licence fee payment);
- (c) all rights, powers, benefits, claims, contracts, warranties, remedies, Security Interests, guarantees, indemnities or covenants for title in respect of that asset; and
- (d) all monies and proceeds paid or payable in respect of that asset,

both present and future (including all rights against any trustee, nominee, fiduciary or clearing system).

**"Secured Parties"** has the meaning given to that term in the Standard Terms.

**"Security Interest"** means a mortgage, charge, assignment, pledge, lien, standard security, assignation or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.



**"Standard Terms"** means the standard terms and conditions attached to the Facility Letter (and a reference in this Deed to a **"Condition"** shall be to the relevant Condition in the Standard Terms).

**"Storage Licence"** means as such term is defined in the Facility Letter;

**"Transaction Document"** means:

- (a) each Finance Document;
- (b) each Construction Document;
- (c) where applicable, each Subordinated Loan Agreement;
- (d) where applicable, each Occupational Lease;
- (e) where applicable, each Sale Agreement;
- (f) where applicable, each Headlease;
- (g) where applicable, any Management Agreement;
- (h) where applicable, any other document listed or described as a **"Material Contract"** in the CP Schedule referred to in the Facility Letter; and
- (i) any other document designated as such by the Security Trustee.

## 1.2 Construction

1.2.1 All defined terms in the Facility Letter and the Standard Terms have the same meaning in this Deed, unless otherwise defined in this Deed.

1.2.2 The construction and interpretation provisions set out at Conditions 1.2 (*Construction*) and 1.3 (*Interpretation*) of the Standard Terms shall apply equally to this Deed.

1.2.3 If any provision of this Deed shall conflict with any term of the Facility Letter then the relevant term of the Facility Letter shall prevail.

1.2.4 Condition 14 (*Set off*) of the Standard Terms is incorporated in this Deed as if set out in full and with necessary changes.

1.2.5 Unless the contrary intention appears, references in this Deed to:

- (a) any party to this Deed shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) **"in connection with"**, **"under"**, **"pursuant to"**, **"by virtue of"** and **"in relation to"** shall include each of the others;
- (c) **"insolvency"** includes any of the following or any steps in relation to the following:

- (i) any insolvency, bankruptcy, liquidation, reorganisation, administration, receivership or dissolution;
- (ii) any voluntary arrangement or assignment for the benefit of creditors; or
- (iii) any similar or analogous event in any jurisdiction whatsoever;
- (d) an obligation of the Chargor to do something includes an obligation to procure that it is done and an obligation not to do something includes an obligation not to permit, suffer or allow it; and
- (e) references to this Deed or any other agreement, deed or document are references to them in force for the time being as amended, varied, novated, supplemented or consolidated from time to time.

### **1.3 Disposition of Property**

The terms of any other Finance Document and of any side letters between the parties to this Deed are incorporated into each Finance Document to the extent required for the purported disposition of the Property contained in any Finance Document to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

## **2 COVENANT TO PAY**

### **2.1 Covenant to pay**

The Chargor covenants with the Security Trustee that it will:

- (a) on demand, pay and discharge each and all of the Liabilities when due; and
- (b) indemnify and keep the Security Trustee indemnified from and against all actions, charges, claims, costs, damages, proceedings and other liabilities occasioned by any breach of any of its covenants or other obligations to the Security Trustee.

### **2.2 Survival of obligations**

The payment obligations of the Chargor under the Finance Documents shall survive the enforcement of the whole or any part of the Charged Assets.

## **3 SECURITY INTEREST**

### **3.1 General**

All of the Security Interests created under this Deed are created in favour of the Security Trustee as continuing Security Interests for the payment and discharge of the Liabilities with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

### **3.2 Mortgage**

The Chargor charges by way of legal mortgage:

- (a) the Property; and
- (b) any other freehold or leasehold property now vested in the Chargor.

### 3.3 Fixed charge

The Chargor charges by way of first fixed charge each of the following including all rights of enforcement of the same:

- (a) its interest in any freehold or leasehold property acquired after the date of this Deed;
- (b) all its rights in and under the Transaction Documents;
- (c) all fixtures, fittings, plant, machinery, manuals and other chattels present and future in respect of any Charged Property and all guarantees and warranties in respect of any of them;
- (d) all easements, licences and other rights present and future relating to any Charged Property in which it has an interest;
- (e) all Rental Income;
- (f) the Accounts and any other accounts of the Chargor present and future and the debts represented by them;
- (g) its Intellectual Property;
- (h) if applicable, its uncalled capital;
- (i) its goodwill;
- (j) all Related Rights in respect of the above; and
- (k) the Insurance Policies and all monies payable to it under the Insurance Policies to the extent the same is not effectively assigned pursuant to Clause 3.4 (*Assignment*).

### 3.4 Assignment

The Chargor assigns absolutely subject to the provisions of Clause 10 (*Discharge*) each of the following including all rights of enforcement of the same:

- (a) all its rights in and under the Transaction Documents (including, without limitation with respect to any Occupational Lease, the right to receive any Rental Income under that Occupational Lease);
- (b) all Net Proceeds of Sale;
- (c) all book debts and other debts present and future payable to the Chargor;
- (d) the Accounts and any other accounts of the Chargor present and future not charged by Clause 3.3 (*Fixed charge*) and the debts represented by them;
- (e) the Insurance Policies and all monies payable to it under any Insurance Policies;
- (f) its Intellectual Property;
- (g) all causes of action and other rights and remedies in which it has an interest at any time;

- (h) the benefit of any monies paid or payable to it from time to time by way of compensation, endowment, gift, grant or otherwise;
- (i) its interest from time to time in any VAT recoveries;
- (j) any Future Occupational Lease; and
- (k) all Related Rights in respect of the above.

### 3.5 **Floating charge**

3.5.1 The Chargor charges by way of floating charge all its assets, property and undertaking both present and future.

3.5.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3.5.1.

### 3.6 **Application of charges**

The charges created under this Deed expressed to be:

- (a) fixed charges, shall only apply to the extent that they create fixed Security Interests; and
- (b) floating charges, shall not apply to any Charged Asset which is the subject of any fixed Security Interest under this Deed.

## 4 **CRYSTALLISATION OF FLOATING CHARGE**

### 4.1 **Crystallisation by notice**

The Security Trustee may at any time by notice in writing to the Chargor convert the floating charge created by Clause 3.5 (*Floating charge*) with immediate effect into a fixed charge as regards any Charged Assets specified in the notice if:

- (a) a Default is continuing; or
- (b) the Security Trustee considers that any of the Charged Assets may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of legal process.

### 4.2 **Automatic crystallisation**

Notwithstanding Clause 4.1 (*Crystallisation by notice*) and without prejudice to any law which may have a similar effect, the floating charge created by Clause 3.5 (*Floating charge*) will convert automatically with immediate effect into fixed charges as regards all the assets subject to the floating charge if:

- (a) the Chargor creates or attempts to create any Security Interest over any of the Charged Assets;
- (b) any steps are taken (including the giving of notice, the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or receiver in respect of the Chargor or over all or any part of its assets, or if such person is appointed;
- (c) any other floating charge over any of the Charged Assets crystallises; or

- (d) in any other circumstances prescribed by law.

## **5 COVENANTS**

The Chargor gives the undertakings in this Clause 5 (*Covenants*) which remain in force from the date of this Deed until the Security Interests created by this Deed are discharged.

### **5.1 Negative pledge and disposal restrictions**

The Chargor shall not at any time, except with the prior written consent of the Security Trustee:

- (a) create, purport to create or permit to subsist any Security Interest on, or in relation to, any Charged Asset other than any Security Interest created by this Deed;
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Charged Property (except, in the ordinary course of business, Charged Property that are only subject to an uncrystallised floating charge); or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party; or
- (d) without prejudice to the generality of paragraphs (a) to (c) above, assign, sell, charge, factor or discount or otherwise (other than as contemplated by the Facility Letter or this paragraph (d)) deal with the Rental Income and the Chargor shall collect all Rental Income promptly and deal with it in accordance with Condition 17.4.6 (*Control Account*) of the Standard Terms.

## **6 PERFECTION OF SECURITY INTEREST**

### **6.1 Insolvency Act**

For the purposes of paragraph 43 of schedule A1 to the Insolvency Act 1986 nothing in this Deed shall provide for:

- (a) the obtaining of a moratorium in respect of the Chargor pursuant to section 1A of the Insolvency Act 1986; or
- (b) anything done with a view to obtaining such a moratorium,

to be an event causing the floating charge created by this Deed to crystallise or causing restrictions which would not otherwise apply to being imposed on the disposal of property by the Chargor or a ground for the appointment of a Receiver.

### **6.2 Further assurance**

- (a) The Chargor shall execute and do at its own cost and in such form as is required by the Security Trustee:
  - (i) such further additional mortgages, charges, assignments, transfers and conveyances; and
  - (ii) such assurances, deeds, documents, acts and things,

as the Security Trustee may require to perfect or protect the Security Interests created or intended to be created by this Deed and/or to facilitate or effect any dealing with the Charged Assets in connection with this Deed.

- (b) The obligations of the Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part 1 of the Law of Property (Miscellaneous Provisions) Act 1994.

### 6.3 Notices

6.3.1 If the Security Trustee so requests, the Chargor shall serve a notice in the form set out in:

- (a) Schedule 5, Part 1 (*Notice of assignment or charge of contract*) in respect of contracts charged or assigned pursuant to Clause 3.4 (*Assignment*);
- (b) Schedule 5, Part 2 (*Notice of assignment of insurance*) in respect of any Insurance assigned pursuant to Clause 3.4 (*Assignment*); or
- (c) Schedule 5, Part 3 (*Notice of account assignment*) in respect of Accounts assigned pursuant to Clause 3.4 (*Assignment*).

6.3.2 The Chargor shall procure that the party to whom a notice served pursuant to Clause 6.3.1 is addressed completes and returns to the Security Trustee an acknowledgement in the form of Part B of the relevant notice forthwith.

6.3.3 With respect to any additional contract, Insurance or Account assigned pursuant to Clause 3.4 (*Assignment*) which is not in existence at the date of this Deed, the Chargor shall:

- (a) within three (3) Business Days of that contract, Insurance or Account coming into existence, give notice substantially in the relevant form set out in Schedule 5 to the relevant counterparty, insurance company or bank; and
- (b) comply with Clause 6.3.2 above in respect of such additional contract, Insurance or Account.

### 6.4 Restriction

6.4.1 The Chargor authorises the Security Trustee to make an application on Form RX1 (or such other form as may be prescribed from time to time) to enter the following restriction against the relevant registered estate:

*"No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered Charge, not being a Charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated [●] in favour of IRE Security Limited referred to in the Charges Register (or its conveyancer)."*

6.4.2 The Chargor authorises the Security Trustee to apply to the Land Registry to enter the obligation to make further advances on the charges register of the relevant registered estate.

## **7 RIGHTS OF ENFORCEMENT**

### **7.1 Enforcement**

- 7.1.1 The Liabilities shall be deemed to have become due for the purposes of section 101 of the Act immediately upon the date of this Deed.
- 7.1.2 The enforcement powers of the Security Trustee in connection with this Deed shall be immediately exercisable:
- (a) upon an Event of Default; or
  - (b) at the Security Trustee's discretion, at the request of the Chargor.
- 7.1.3 Clause 7.1.2 shall not apply by reason only of a moratorium being obtained, or anything being done with a view to a moratorium being obtained, under section 1A of the Insolvency Act 1986.
- 7.1.4 The restrictions imposed by section 103 of the Act shall not apply to the Security Interests created by this Deed.
- 7.1.5 In addition to all other protection afforded by statute, every purchaser (as defined by section 205 of the Act) or other party dealing with the Security Trustee or any Receiver shall be entitled to assume without enquiry that an Event of Default has occurred, that the Liabilities are outstanding and have become due and that the floating charge created by this Deed has crystallised.

### **7.2 Security Trustee's and Receiver's powers and rights**

- 7.2.1 The Security Trustee shall have the power:
- (a) to appoint a Receiver of the whole or any part of the Charged Assets and (so far as the law allows) to remove and/or substitute any such appointee;
  - (b) to appropriate any Charged Assets in accordance with Clause 7.3 (*Right of appropriation*); and
  - (c) if this Deed contains a qualifying floating charge for the purposes of the Insolvency Act 1986, to appoint an administrator of the Chargor, and paragraph 14 of schedule B1 of the Insolvency Act 1986 shall apply to this Deed.
- 7.2.2 The Security Trustee (without becoming a mortgagee in possession) and/or any Receiver (without personal liability) shall have the power to exercise:
- (a) all statutory and other powers and rights (including the powers conferred upon an administrative receiver by schedule 1 to the Insolvency Act 1986 whether or not the Security Trustee and/or any Receiver is an administrative receiver); and
  - (b) the powers and rights specified in Schedule 4 (*Security Trustee's and Receiver's powers*),
- and may exercise them in the name of the Chargor and in such manner and on such terms as the person exercising them shall in its sole absolute discretion consider appropriate.

### **7.3 Right of appropriation**

7.3.1 To the extent that any of the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor under it constitute a "security financial collateral arrangement" (in each case as defined in, and for the purposes of, the Regulations), the Security Trustee shall have the right to appropriate all or any part of it in or towards discharge of the Liabilities and transfer title in and to it to the Security Trustee. For this purpose, the Parties agree that the value of the financial collateral so appropriated shall be, in the case of cash, the amount standing to the credit of each Account, together with any accrued but unpaid interest, at the time the right of appropriation is exercised and, in the case of any other applicable financial collateral, the market price of such financial collateral as determined by the Security Trustee by reference to a public index or by such other process as the Security Trustee may select, including independent valuation..

7.3.2 In each case, the Parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

### **7.4 Receiver as agent**

So far as the law allows, a Receiver shall be the agent of the Chargor, who shall be solely liable for his acts, defaults and remuneration, but the Security Trustee shall be entitled to agree the Receiver's fees and expenses and the mode of payment thereof without further notice to the Chargor.

### **7.5 Further powers**

If the Chargor defaults in the observance and performance of any obligation to the Security Trustee, the Security Trustee or its agents (without any of them becoming a mortgagee in possession) may at any time (but shall not be obliged to) do such things as it considers necessary to remedy the default.

### **7.6 Power of attorney**

7.6.1 The Chargor by way of Security Interest irrevocably appoints the Security Trustee and every Receiver jointly and severally to be its attorney (with full power of substitution) in its name and on its behalf to execute and deliver any documents and do or perfect anything which the Security Trustee and/or the Receiver shall consider appropriate for perfecting, maintaining, preserving, enhancing or enforcing the Security Interests created by this Deed and/or the value of any of the Charged Assets and/or for the purpose of enforcing the performance of the Chargor's obligations in connection with this Deed.

7.6.2 The Chargor ratifies and confirms all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of its powers.

## **8 APPLICATION OF RECEIPTS**

### **8.1 Priority of payment**

Subject to sums secured by a Security Interest having priority to the Security Interests created by this Deed, all monies received by the Security Trustee and/or any Receiver in the enforcement of this Deed shall (subject as follows) be applied in the following order, in payment:

- (a) **firstly**, of all fees, costs, charges, taxes, liabilities and expenses in relation to any enforcement of this Deed (including in relation to any Receiver whether on its own behalf or on behalf of the Chargor or otherwise); and



- (b) **secondly**, to the Security Trustee for distribution in accordance with Condition 23 (*Application of Proceeds*) of the Standard Terms.

**8.2 Crediting to suspense account**

The Security Trustee or any Receiver may credit any monies received from the enforcement of this Deed to any suspense account in any manner and for such period as the Security Trustee or that Receiver thinks fit.

**9 NOTICES**

Any communication or notice to be made under or in connection with this Deed shall be made in accordance with Condition 25 (*Notices*) of the Standard Terms.

**10 DISCHARGE**

- 10.1.1 If the Security Trustee is satisfied that the Liabilities have been unconditionally and irrevocably paid, repaid and discharged in full and that all facilities which might give rise to any Liabilities have been terminated, the Security Trustee will, at the request and cost of the Chargor, discharge the Security Interests created by this Deed.

- 10.1.2 No discharge will be of any effect if any Security Interest or payment given or made in respect of the Liabilities is rescinded, avoided, reduced or invalidated whether in respect of any insolvency or otherwise.

**11 GENERAL PROVISIONS**

**11.1 Trust provisions**

The covenants, undertakings and representations made by the Chargor under this Deed are made in favour of the Security Trustee.

**11.2 Immediate recourse**

It shall not be necessary for the Security Trustee before taking any enforcement under this Deed to enforce or seek to enforce any guarantee or other Security Interest or other rights whether from or against the Chargor or any other person. This Clause 11.2 (*Immediate recourse*) applies irrespective of any law or any provision of a Finance Document to the contrary.

**11.3 Exercise of powers and liability**

- 11.3.1 This Deed is in addition to and will not merge in or in any way be prejudiced or affected by the holding or release by the Security Trustee of any other Security Interest at any time held by the Security Trustee.

- 11.3.2 The Security Trustee may, at any time after this Deed has become enforceable, redeem or transfer to itself any prior Security Interest against the Charged Assets and may settle and pay the accounts of the prior chargee (which shall be binding on the Chargor). All principal monies, interest, costs, charges and expenses of and incidental to such redemption or transfer shall be paid by the Chargor to the Security Trustee on demand.

- 11.3.3 None of the Security Trustee, its nominee(s) or any Receiver shall be liable by reason of (a) taking any action permitted by this Deed or (b) any neglect or default in connection with the Charged Assets or (c) taking possession of or realising all or any part of the Charged Assets.

**11.4 Tacking**

Each Finance Party must perform its obligations under the Facility Letter (including any obligation to make further advances).

**11.5 Continuing security**

- (a) The security created by or pursuant to this Deed shall remain in full force and effect as a continuing security for the Liabilities unless and until the Liabilities have been irrevocably and unconditionally discharged in full and the Finance Parties have no further obligation to make any advance available to any Obligor pursuant to any Finance Document.
- (b) No part of the security from time to time intended to be constituted by this Deed will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Liabilities.

**11.6 New Accounts**

On receiving notice that the whole or any part of the Charged Assets has been encumbered by any Security Interest or disposed of:

- (a) the Security Trustee may close the Chargor's then subsisting account and open a new account with the Chargor, and (unless the Security Trustee gives the Chargor written notice otherwise) shall be deemed to have done so;
- (b) all payments made to the Finance Parties after that date will be credited (or be treated as having been credited) to the new account; and
- (c) no money credited or treated as credited to the new account shall reduce the Liabilities.

**11.7 Consolidation**

The restriction on the right of consolidating mortgage securities contained in section 93 of the Act shall not apply to the Security Interest created by this Deed.

**11.8 Expenses**

The Chargor must pay the Security Trustee within three Business Days of demand the amount of all costs and expenses (including legal fees) incurred by it in connection with the enforcement of, or the preservation of any rights against it under this Deed.

**11.9 Rights of third parties**

11.9.1 Other than in respect of a Receiver, it is not intended that a third party should have the right to enforce a provision of this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.

11.9.2 The Parties may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of a third party to whom an express right to enforce any of its terms has been provided.

**11.10 Partial invalidity**

The illegality, invalidity or unenforceability for whatever reason of any provision of this Deed in any jurisdiction, shall not affect the legality, validity or enforceability of that provision in any other jurisdiction or the legality, validity or enforceability of the remaining provisions in any jurisdiction.

**11.11 Effect as a deed**

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

**11.12 Counterparts**

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

**11.13 Remedies and waivers**

No failure to exercise, nor any delay in exercising, on the part of the Security Trustee, any right or remedy under this Deed shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and are not exclusive of any right or remedies provided by law.

**12 LAW AND JURISDICTION**

**12.1 Law**

This Deed and any non-contractual obligations arising out of or in relation to this Deed shall be governed by English law.

**12.2 Jurisdiction of English courts**

12.2.1 The courts of England have exclusive jurisdiction to settle any dispute, including, without limitation disputes relating to any non-contractual obligations arising out of or in connection with this Deed (a "Dispute").

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

12.2.3 This Clause is for the benefit of the Security Trustee only. As a result, the Security Trustee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Security Trustee may take concurrent proceedings in any number of jurisdictions.

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

**Schedule 1**  
**The Property**

All of that freehold land known as Alban House, 16-18 High Town, Hereford HR1 2AA registered at the Land Registry with Title Absolute under title number HE383.

**Schedule 2  
The Documents**

**Part 1  
Acquisition Documents**

Not applicable.

**Part 2  
Construction Documents**

Building Contract

Appointments

Collateral Warranties

Sub-Contracts

**Part 3  
Occupational Leases**

None.

**Schedule 3  
The Accounts**

<b>Account Name</b>	<b>Account No</b>	<b>Sort Code</b>	<b>Account Bank</b>
Operating Account	51631268	30-65-49	Lloyds Bank plc (New St Birmingham Branch)

**Schedule 4**  
**Security Trustee's and Receiver's powers**

**1 Conduct of business**

**(a) Carry on business**

To carry on, manage, develop, reconstruct, amalgamate, diversify and/or conduct the business of the Chargor in all respects and for such purpose to:

- (i) enter upon and take possession, get in, collect or otherwise assume control in respect of all or any of the Charged Assets; and/or
- (ii) acquire any property, chattels, plant, machinery and materials.

**(b) Formation of companies**

To promote the formation of companies with a view to the same purchasing, leasing, licensing or otherwise acquiring any of the Charged Assets and to arrange for such companies to trade or cease to trade in all cases.

**(c) Compromise claims**

To compromise any claim relating to the Charged Assets.

**(d) Borrowing and advancing**

To borrow, raise or advance money whether or not in priority to the Liabilities and with or without Security Interest.

**(e) VAT**

To assume and exercise all or any of the power and rights conferred on the Chargor in respect of its value added tax status, liabilities, advantages or arrangements.

**(f) Employees**

To:

- (i) enter into, adopt and/or terminate any contract of employment; and
- (ii) employ solicitors, architects, surveyors, quantity surveyors, estate agents, contractors, builders, workmen, stockbrokers and others.

**2 Dealing with the Chargor's assets**

**(a) Possession**

To enter upon and take possession of, get in, use and/or collect any Charged Asset.

**(b) Payments**

To pay any rent or other outgoings and payments charged on or otherwise relating to the Charged Assets or their ownership, occupation or use.

- (c) Receipts  
To give receipts and releases for any sums received.
- (d) Carry on works  
To undertake any works, demolition, building, reconstruction, improvement, repair or decoration in respect of any of the Charged Assets which consist of property, buildings, structures, plant, machinery or equipment as it thinks fit and whether or not in accordance with any obligations imposed by the Facility Letter.
- (e) Assumption of rights  
To assume, exercise, cancel and/or vary all or any of the powers and rights conferred on the Chargor under any Charged Asset.
- (f) Insurance  
To effect insurances on such terms as it thinks fit.
- (g) Planning permissions and consents  
To obtain all necessary planning permissions, building regulation approvals and other permissions, consents or licences in relation to any development or use of the Charged Assets.
- (h) Acquisition of property  
To acquire any adjoining property and/or easements, interests or estates in property and to grant easements and rights.
- (i) Leases  
To negotiate and conclude reviews of rent and otherwise deal in relation to the Occupational Leases and the tenants' and guarantors' respective obligations under them.  
To rectify any Occupational Lease.

### 3 Disposals

- (a) Selling  
To sell or otherwise realise and deal with, and transfer title to, the Charged Assets, in return for such consideration as it thinks fit and whether or not:
  - (i) for immediate or deferred consideration;
  - (ii) in return for a single payment or instalments; and
  - (iii) for consideration wholly or partly in cash, property or securities in whatever form,
 and in all cases the terms of which shall bind any subsequent mortgagee.



(b) **Leasing**

To grant, create or surrender any lease, tenancy, licence or other agreement relating to the disposal of or other dealing with the Charged Assets on such terms as it thinks fit and:

- (i) with or without any rent, review of rent, fine or premium; and
- (ii) whether absolutely or for a term,

and in all cases the terms of which shall bind any subsequent mortgagee.

**4 General**

(a) **General powers**

To do or abstain from doing all such things as it considers necessary or desirable for perfecting, maintaining, preserving or enhancing the value of any of the Charged Assets or for or in connection with the enforcement of the Security Interest charges created by this Deed or the realisation of any of the Charged Assets, whether or not in accordance with the Facility Letter, including:

- (i) executing, delivering and completing all or any deeds or other documents;
- (ii) using the name of the Chargor in connection with any of the purposes in this Schedule 4 (*Security Trustee's and Receiver's powers*);
- (iii) commencing, carrying out and completing any acts, matters, proceedings in relation to any Charged Asset as if it were the sole and absolute beneficial owner of the Charged Assets; and
- (iv) obtaining, entering into and maintaining any bonds, covenants, commitments, engagements, guarantees and indemnities or other like arrangements.

(b) **General**

All its powers and discretions under this Deed shall be:

- (i) exercisable on such terms and conditions and otherwise as it may think fit; and
- (ii) as if it were the absolute and beneficial owner.

**Schedule 5**  
**Notices**

**Part 1**  
**Notice of assignment or charge of contract**

**Part A**

From: Alban House (Hereford) Limited (the "**Chargor**")

To: [Details of Party to Contract]

Date: [●]

Dear Sirs

**[Description of Transaction Document] (the "Contract")**

We refer to the:

- (a) Contract; and
- (b) security agreement (the "**Security Agreement**") dated [●] made between IRE Security Limited (the "**Security Trustee**") (1) and the Chargor (2).

We give you notice that pursuant to the Security Agreement, we have [charged/assigned] all of our present and future right, title, interest and benefit in, under and to the Contract (including all [monies] payable to us under the Contract) to the Security Trustee.

We irrevocably and unconditionally instruct and authorise you:

- (a) to make all payments in connection with the Contract as the Security Trustee may direct. [Until you are notified otherwise by the Security Trustee, the Security Trustee directs such sums to be paid to *[insert Chargor bank details]*];
- (b) that all our rights in connection with the Contract are exercisable by (or with the consent of) the Security Trustee. [Until you are notified otherwise by the Security Trustee, the Security Trustee directs that all such rights powers, discretions and remedies shall continue to be exercisable by us]; and
- (c) to disclose any information relating to the Contract which the Security Trustee may from time to time request.

No amendment, waiver or release of any right or obligation in connection with the Contract and no termination or rescission of the Contract by us shall be effective without the prior written consent of the Security Trustee and in any event no such termination or rescission shall be effective unless you have given notice to the Security Trustee.

Notwithstanding anything in this notice or otherwise we (and not the Security Trustee nor its appointees) shall be liable under the Contract to perform all the obligations assumed by us under it.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Trustee together give you notice in writing revoking them.

If the Security Trustee notifies you that it has transferred its rights under the Security Agreement to another person, then you shall regard such other person as the Security Trustee for the purposes of the letter.

This letter shall be governed by and construed in accordance with the laws of England.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Trustee.

Signed .....  
For and on behalf of the Chargor

**Part B - Receipt of notice of assignment or charge of Contract**

From: [Details of party to Contract]

To: IRE Security Limited  
15 Golden Square  
London W1F 9JG

For the attention of Real Estate Team

Date: [●]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and further confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Contract; and
- (b) we agree and will comply with the matters set out in that notice.

Signed .....

For and on behalf of [●]

**Part 2**  
**Notice of assignment of insurance**

**Part A**

From: Alban House (Hereford) Limited (the "**Chargor**")

To: [Details of Insurer]

Date: [●]

Dear Sirs

**[Description of insurance] (the "Insurance")**

We refer to the:

- (a) Insurance; and
- (b) security agreement (the "**Security Agreement**") dated [●] made between IRE Security Limited (the "**Security Trustee**") (1) and the Chargor (2).

We give you notice that pursuant to the Security Agreement, we have assigned by way of security all of our present and future rights, title, interest and benefit in, under and to the Insurance (including all monies payable to us under the Insurance) to the Security Trustee.

In respect of any claims under the Insurance (under which the Security Trustee and ourselves are composite insureds) we irrevocably and unconditionally instruct and authorise you as a consequence of the assignment under the Security Agreement:

- (a) to make payments in respect of any claim by us as composite insured under the Insurance as the Security Trustee may in writing direct;
- (b) that all our rights in respect of a claim under the Insurance are exercisable only by the Security Trustee (or by us with their prior written consent as provided to you); and
- (c) to disclose any information relating to the Insurance which the Security Trustee may from time to time request.

Nothing in this letter shall affect any terms of the Insurance relating to reinstatement rather than payment in the event of a claim under the Insurance.

Notwithstanding anything in this notice or otherwise we (and not the Security Trustee nor its appointees) shall be liable under the Insurance to perform all the obligations assumed by us under it.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Trustee together give you notice in writing revoking them.

If the Security Trustee notifies you that it has transferred its rights under the Security Agreement to another person, then you shall regard such other person as the Security Trustee for the purposes of the letter.

This letter shall be governed by and construed in accordance with the laws of England.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Trustee.

Signed .....  
For and on behalf of the Chargor

**Part B - Receipt of notice of assignment or charge of Insurance**

From: [Details of party to Insurance]

To: IRE Security Limited  
15 Golden Square  
London W1F 9JG

For the attention of Real Estate Team

Date: [●]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and further confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Insurance; and
- (b) we agree and will comply with the matters set out in that notice.

Signed .....

For and on behalf of [●]

**Part 3**  
**Notice of account assignment**

**Part A**

From: Alban House (Hereford) Limited (the "**Chargor**")

To: [Details of provider of the Accounts]

Date: [●]

Dear Sirs

**[Description of Accounts] (the "Accounts")**

We refer to the:

- (a) Accounts (which expression shall include all monies standing to the credit of such accounts now or in the future);
- (b) security agreement (the "**Security Agreement**") dated [●] made between IRE Security Limited (the "**Security Trustee**") (1) and the Chargor (2).

We give you notice that pursuant to the Security Agreement, all of our present and future right, title, interest and benefit in, under and to the Accounts were assigned to the Security Trustee.

We irrevocably and unconditionally instruct and authorise you:

- (a) not to release any monies from the Control Account without the prior written consent of the Security Trustee;
- (b) not to release any monies from the Operating Account without the prior written consent of the Security Trustee following notification by the Security Trustee that a default has occurred under the Facility Letter referred to in the Security Agreement;
- (c) that all our rights in connection with the Control Account are exercisable by (or with the consent of) the Security Trustee;
- (d) that all our rights in connection with the Operating Account are exercisable by (or with the consent of) the Security Trustee, following notification to you by the Security Trustee that a default has occurred under the Facility Letter referred to in the Security Agreement; and
- (e) to disclose any information relating to the Accounts which the Security Trustee may from time to time request.

By countersigning this letter you confirm that:

- (a) you do not have, and will not make or exercise, any claims or demands, any rights of counterclaim, rights of deduction, set-off or any other equities against us or the Security Trustee in respect of the Accounts; and
- (b) no amendment, waiver or release of any right or obligation in connection with the Accounts and no termination or rescission of the Accounts by us shall be effective without the prior written consent of the Security Trustee and in any event no such



termination or rescission shall be effective unless you have given notice to the Security Trustee.

Notwithstanding anything in this notice or otherwise we (and not the Security Trustee nor its appointees) shall be liable to perform all the obligations assumed by us in respect of the Accounts.

The instructions and authorisations contained in this letter shall remain in full force and effect until we and the Security Trustee together give you notice in writing revoking them.

If the Security Trustee notifies you that it has transferred its rights under the Security Agreement to another person, then you shall regard such other person as the Security Trustee for the purposes of the letter.

This letter shall be governed by and construed in accordance with the laws of England.

Please acknowledge receipt of this notice by signing the acknowledgement on the enclosed copy letter and returning the same to the Security Trustee.

Signed .....  
For and on behalf of the Chargor

## Part B - Receipt of notice of account assignment

From: [Details of provider of the Accounts]

To: IRE Security Limited  
15 Golden Square  
London W1F 9JG

For the attention of Real Estate Team

Date: [●]

### [Description of relevant Accounts]

We acknowledge receipt of the notice in the above terms. We confirm our acceptance of the instructions and authorisations contained in the notice and confirm that:

- (a) we have not received notice of any previous assignments or charges of or over the Account; and
- (b) we agree and will comply with the matters set out in that notice.

Signed .....  
For and on behalf of [provider of relevant Accounts]

EXECUTION PAGE

Chargor

Executed as a deed by )  
ALBAN HOUSE (HEREFORD) LIMITED )  
acting by a director in the presence of a witness: )

Director

Witness Signature:

Witness Name:

Witness Address:

679, Warwick Road  
ST1 1HL  
B91 3DA

Security Trustee

Executed as a deed by IRE SECURITY )  
LIMITED acting by a director in the presence )  
of a witness: )

Director

Witness Signature:

Witness Name:

Witness Address: