



**Registration of a Charge**

Company Name: **NATWEST TRUSTEE AND DEPOSITARY SERVICES LIMITED**

Company Number: **11194605**



Received for filing in Electronic Format on the: **16/05/2022**

XB44A6MH

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**Details of Charge**

Date of creation: **11/05/2022**

Charge code: **1119 4605 0004**

Persons entitled: **BARING ASSET MANAGEMENT LIMITED**

Brief description:

**Contains fixed charge(s).**

**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: **WE 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: **BAKER & MCKENZIE LLP**



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

Company number: 11194605

Charge code: 1119 4605 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th May 2022 and created by NATWEST TRUSTEE AND DEPOSITARY SERVICES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 16th May 2022 .

Given at Companies House, Cardiff on 18th May 2022

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: 11 MAY 2022**

**SCHRODERS CAPITAL UK REAL ESTATE FUND**

**as Beneficial Grantor**

**NATWEST TRUSTEE AND DEPOSITARY SERVICES LIMITED**

**as Depositary Grantor**

**BRITISH OVERSEAS BANK NOMINEES LIMITED**

**as Nominee Grantor**

**and**

**BARING ASSET MANAGEMENT LIMITED**

**as Security Agent and secured party**

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**SECURITY INTEREST AGREEMENT**

**in relation to units in the Romford Property Unit Trust**

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THIS AGREEMENT is made the 11th day of May 2022

**BETWEEN:**

- (1) **SCHRODERS CAPITAL UK REAL ESTATE FUND** an investment company with variable capital incorporated in England and Wales with registered number IC000945 and having its registered office at 1 London Wall Place, London, EC2Y 5AU acting through its authorised corporate director **SCHRODER UNIT TRUSTS LIMITED** with registered number 04191730 and having its registered office at 1 London Wall Place, London, EC2Y 5AU (the "**Beneficial Grantor**");
- (2) **NATWEST TRUSTEE AND DEPOSITARY SERVICES LIMITED** a company incorporated in England and Wales with registered number 11194605 and having its registered office at 250 Bishopsgate, London, United Kingdom EC2M 4AA as depositary (and not otherwise) of the Beneficial Grantor pursuant to the Depositary Agreement (as defined below) (the "**Depositary Grantor**");
- (3) **BRITISH OVERSEAS BANK NOMINEES LIMITED** a company incorporated in England and Wales with registered number 00220905 and having its registered office at 250 Bishopsgate, London, England EC2M, in its capacity as nominee for and on behalf of the Depositary Grantor pursuant to the Declaration of Trust (as defined below) (the "**Nominee Grantor**" and together with the Depositary Grantor and the Beneficial Grantor, the "**Grantors**" and each a "**Grantor**"); and
- (4) **BARING ASSET MANAGEMENT LIMITED** as security trustee for the Secured Parties (the "**Security Agent**").

**WHEREAS:**

- (A) The Grantors enters into this Agreement as a condition precedent to the advance of a loan under the Facility Agreement (as defined below).
- (B) The Grantors and the Security Agent intend this Agreement to be a security agreement for the purposes of the Law (as defined below).

**IT IS HEREBY AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

**1.1 In this Agreement:**

"advance"	has the meaning given to that word in Article 33(4) of the Law;
"Affected Securities"	means the Securities which from time to time comprise or are included in the Collateral;
"after-acquired property"	has the meaning given to that expression in the Law and includes future collateral as referred to in Article 18(2)(c) and (d) of the

	Law;
"Agent"	has the meaning given to that term in the Facility Agreement;
"this Agreement"	extends to every separate and independent stipulation contained herein and includes the Recitals and Schedules and any amendment, variation, supplement, replacement, restatement or novation which is for the time being in effect;
"Article 55 BRRD"	means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms;
"Bail-In Action"	means the exercise of any Write-down and Conversion Powers;
"Bail-In Legislation"	means: <ul style="list-style-type: none"> <li>(a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and</li> <li>(b) in relation to any state other than such an EEA Member Country or (to the extent that the United Kingdom is not such an EEA Member Country) the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation;</li> </ul>
"Bankrupt" and "Bankruptcy"	include the meanings given to those words by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other state of bankruptcy, insolvent winding up, administration, receivership, administrative receivership or similar status under the laws of any relevant jurisdiction;
"certificate"	includes bond, note and other documents representing Securities;
the "Collateral"	means in respect of each Grantor: <ul style="list-style-type: none"> <li>(a) 853,626.76 units in the Unit Trust;</li> <li>(b) any other units in the Unit Trust that may from time to time be legally and/or beneficially owned by that</li> </ul>

Grantor;

- (c) all Derivative Assets;
- (d) (where the context allows) any proceeds (that are not Derivative Assets) of all such Securities and the Derivative Assets; and
- (e) all that Grantor's right, title and interest from time to time to and in all such Securities and the Derivative Assets and proceeds,

including any after-acquired property falling within any of the above paragraphs of this definition;

**"Competing Rights"**

means in relation to each Grantor any security or other right of that Grantor (whether by way of set-off, counterclaim, subrogation, indemnity, contract, proof in liquidation, contribution or otherwise) exercisable against any person with a view to:

- (a) that Grantor reducing any of its liabilities under or in connection with this Agreement;
- (b) that Grantor obtaining reimbursement in respect of any of its liabilities under or in connection with this Agreement; or
- (c) that Grantor having the benefit of, sharing in or enforcing any security for the reduction or reimbursement of any such liabilities;

the **"Confirmation"**

means the confirmation to be given to the Security Agent by the Trustees substantially in the form set out in the Schedule;

**"Control"**

means "control" as that word is defined in Article 3(5) of the Law;

**"Data Protection Laws"**

means any privacy and/or data protection law applicable from time to time to any party to this Agreement which may include, without limitation, the Data Protection (Jersey) Law 2018, the Data Protection Authority (Jersey) Law 2018 and the EU General Data Protection Regulation (Regulation EU 2016/679);

**"Declaration of Trust"**

means the nominee agreement and declaration of trust dated 21 December 2018 made between National Westminster Bank

Plc, NatWest Trustee and Depositary Services Limited, British Overseas Bank Nominees Limited and W G T C Nominees Limited, pursuant to which NatWest Trustee and Depositary Services Limited appointed British Overseas Bank Nominees Limited and W G T C Nominees Limited as its nominees to hold certain assets of Schrodgers Capital UK Real Estate Fund (as amended, supplemented, varied and/or restated from time to time);

**"Depositary Agreement"**

means the depositary agreement dated 21 December 2018 made between the Depositary Grantor (as depositary), the Beneficial Grantor (as the AIF) and Schroder Unit Trusts Limited (as the AIFM) pursuant to which National Westminster Bank plc retired as the depositary and the Depositary Grantor was appointed as the depositary, such agreement being entered into in replacement for a depositary agreement dated 7 July 2014;

**"Derivative Assets"**

means all Securities, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time (including after-acquired property) by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Affected Securities or any Derivative Assets previously described and all rights from time to time thereto;

**"EEA Member Country"**

means any member state of the European Union, Iceland, Liechtenstein and Norway;

**"EU Bail-In Legislation Schedule"**

means the document described as such and published by the Loan Market Association (or any successor person) from time to time;

**"Encumbrance"**

includes any security interest, mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest;

**"Event of Default"**

means any of the events listed or referred to in Clause 9;

**the "Exchange Rate"**

means a rate of exchange between one currency and another which is determined by the Security Agent to be a reasonable market rate as at the time that the exchange is effected;



the " <b>Facility Agreement</b> "	means the up to £48,600,000 term loan facility agreement dated on or about the date of this Agreement between (1) Romford Property Trustees 1 Limited and Romford Property Trustees 2 Limited in their capacities as trustees for and on behalf of the Romford Property Unit Trust (as borrower); (2) Baring Asset Management Limited (as arranger); (3) the financial institutions listed in part 1 of schedule 1 thereto (as lenders); (4) Baring Asset Management Limited (as agent of the other finance parties); and (5) and the Security Agent (as that agreement may be amended and/or restated from time to time);
" <b>Finance Document</b> "	has the meaning given to that term in the Facility Agreement and Finance Documents will be construed accordingly;
" <b>Further Advance</b> "	means "further advance" as that expression is defined in Article 33(4) of the Law, for the avoidance of doubt being of any amount or value, made for any purpose and whether or not contemplated by any party to this Agreement or any other Transaction Obligor when this Agreement is executed;
the " <b>Grantors</b> "	includes each successor or (as the case may be) heir of a person named as a Grantor above;
the " <b>Law</b> "	means the Security Interests (Jersey) Law 2012;
" <b>Party</b> "	means a party to this Agreement;
" <b>proceeds</b> "	has in relation to the (other) Collateral the meaning given to that word in the Law;
" <b>Required Currency</b> "	means the currency or currencies in which the Secured Liabilities are for the time being expressed;
" <b>Resolution Authority</b> "	means any body which has authority to exercise any Write-down and Conversion Powers;
the " <b>Secured Liabilities</b> "	means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document and including for the avoidance of doubt any obligations and liabilities in respect of any Further Advances;

<b>"Secured Party"</b>	has the meaning given to that term in the Facility Agreement and Secured Parties will be construed accordingly;
<b>"Securities"</b>	include without limitation any property within the definition of "investment security" under Article 1 ( <i>Definitions</i> ) of the Law;
the <b>"Security Agent"</b>	includes the successors and assigns of the person named as the Security Agent above;
<b>"Security Interests"</b>	means the security interest(s) created by or for which provision is made in this Agreement;
<b>"Security Period"</b>	means the period starting on the date of this Agreement and ending on the date on which all of the Secured Liabilities are irrevocably discharged in full and no Finance Party has any commitment or liability, whether present or future, actual or contingent, in relation to any Facility under the Facility Agreement;
<b>"Transaction Obligor"</b>	has the meaning given to that term in the Facility Agreement;
<b>"Trustees"</b>	means Romford Property Trustees 1 Limited, a company incorporated in Jersey with registered number 140063 and Romford Property Trustees 2 Limited, a company incorporated in Jersey with registered number 140052, each in its capacity as trustee of the Unit Trust and each successor as trustee of the Unit Trust;
<b>"Trust Income"</b>	has the meaning given to the term "Income" under the Trust Instrument;
<b>"Trust Instrument"</b>	means the trust instrument relating to the Romford Property Unit Trust executed by the Trustees and Schroder Real Estate Managers (Jersey) Limited and dated 13 January 2022 documenting the Unit Trust;
<b>"UK Bail-In Legislation"</b>	means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency

proceedings);

**"Unit Trust"**

means the Romford Property Unit Trust as established and constituted by and pursuant to the Trust Instrument; and

**"Write-down and Conversion Powers"**

(a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;

(b) in relation to any other applicable Bail-In Legislation:

(i) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(ii) any similar or analogous powers under that Bail-In Legislation; and

(a) in relation to any UK Bail-In Legislation:

(i) any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or

instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

- (ii) any similar or analogous powers under that UK Bail-In Legislation.

1.2 In this Agreement, unless the context otherwise requires:

- 1.2.1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*;
- 1.2.2 references to a "**Recital**", "**Clause**" or "**Schedule**" are to a recital, clause or schedule of or to this Agreement;
- 1.2.3 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being and as amended, varied, supplemented, replaced, restated or novated from time to time and including any (however fundamental) variation, increase, extension or addition of or to:  
(a) any such agreement, instrument or document (including any Finance Document);  
and/or (b) any facility or amount or value made available thereunder; and/or (c) any purpose thereof, and whether or not contemplated by any party to this Agreement or any other Transaction Obligor when this Agreement is executed;
- 1.2.4 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law;
- 1.2.5 references to a "**person**" include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.6 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Facility Agreement and words and expressions not otherwise defined in this Agreement or in the Facility Agreement shall, if defined in the Law, be construed in accordance with the Law;

- 1.2.7 the Security Agent is "**the secured party**", each Grantor is a "**grantor**", the Collateral is the "**collateral**" and this Agreement is a "**security agreement**", for the purposes of the Law;
- 1.2.8 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement;
- 1.2.9 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property;
- 1.2.10 an Event of Default is "continuing" if it has not been waived or, at any point prior to the taking of any action by the Agent under Clause 22.17 (*Acceleration*) of the Facility Agreement, remedied to the knowledge of the Agent ; and
- 1.2.11 to the extent that there is a conflict or inconsistency between the provisions of the Facility Agreement and this Agreement, the provisions of the Facility Agreement shall prevail, unless this would prejudice the security interests constituted or intended to be constituted by this Agreement, or be contrary to the requirements of the Law.
- 1.3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement.
2. **CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS**
- 2.1 Each Grantor and the Security Agent hereby agree that the Security Agent shall have continuing first priority security interests in the Collateral as security for the Secured Liabilities in accordance with the Law and that such security is hereby created.
- 2.2 To the intent that the Security Interests shall attach to the Collateral, each Grantor and the Security Agent hereby agree that:
- 2.2.1 in the case of Affected Securities represented by a certificate or certificates the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being (at the option of the Security Agent) registered with the Trustees in the register of unitholders of the Unit Trust as the holder of the Affected Securities; and
- 2.2.2 to the extent that the Security Agent shall not have Control of some or any of the Affected Securities represented by a certificate or certificates pursuant to Clause 2.2.1, the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being in possession of all certificates representing all such Affected Securities; and
- 2.2.3 in the case of Collateral that is not Affected Securities to which Security Interests have attached pursuant to Clauses 2.2.1 or 2.2.2, the Security Interests shall hereby attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law.

- 2.3 In accordance with Clause 2.2, and in order to facilitate the exercise of the Security Agent's rights under this Agreement, the Grantors have delivered together with this Agreement and shall ensure that in the future there shall promptly be delivered to the Security Agent or to its order:
- 2.3.1 the certificates representing all Affected Securities represented by a certificate or certificates;
  - 2.3.2 instruments of transfer in respect of all Affected Securities represented by a certificate or certificates and in respect of which Security Interests are attached under Clause 2.2.2, duly executed by the holder but otherwise completed or partially completed in such manner as the Security Agent directs;
  - 2.3.3 a copy (certified true and correct by a director or the secretary of a Trustee) of the register of unitholders of the Unit Trust or, where relevant, the Trustees showing:
    - (a) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.2.1, the Security Agent; and
    - (b) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.2.2, the Nominee Grantor,as the registered holders of all Affected Securities represented by a certificate or certificates and in either case noting the interest of the Security Agent pursuant to this Agreement;
  - 2.3.4 the Confirmation, signed by a director or other duly authorised signatory of each of the Trustees.
- 2.4 In accordance with Articles 18 (*Attachment: general rule*) and 19 (*After-acquired property*) of the Law, the Security Agent and the Grantors hereby agree that the Security Interests shall attach:
- 2.4.1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon execution of this Agreement; and
  - 2.4.2 to the extent that the Collateral constitutes after-acquired property, to such Collateral immediately on the acquisition of rights in such Collateral by any Grantor without the need for any specific appropriation of the property by that Grantor.
- 2.5 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and the Grantors hereby agree that:
- 2.5.1 in the case of the Nominee Grantor and the Depositary Grantor the Security Interests shall be perfected when the same attach to the Collateral in accordance with Clause 2.2;
  - 2.5.2 in the case of the Beneficial Grantor:

- (a) the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Collateral pursuant to Clause 2.2.1 or 2.2.2 and/or (at the option of the Security Agent) by registration of a financing statement in accordance with Article 22(4) of the Law;
  - (b) the Security Interests in any Affected Securities not represented by a certificate or certificates shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law;
  - (c) the Security Interests in Collateral that is not Affected Securities represented by a certificate or certificates shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law; and
  - (d) the Security Interests in proceeds shall, without prejudice to the operation of Article 26 (*Temporary perfection of security interests in proceeds*) of the Law, be perfected by registration of a financing statement in accordance with Article 25 (*Continuous perfection of security interests in proceeds*) of the Law.
- 2.6 The Security Agent may, subject only to the Law, at any time (without exercising the power of enforcement) cause or require any person on its behalf other than a Grantor to become the registered holder of any part of the Collateral and/or to have possession of the certificates representing the Affected Securities.
- 2.7 The Security Agent may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Security Agent for the purpose of becoming registered under Clause 2.2.1 or otherwise facilitating the exercise of any of its rights under this Agreement and on the request of the Security Agent, the Grantors shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust or, where relevant, the Trustees.
- 2.8 Each Grantor hereby agrees that the Security Agent may at any time and from time to time without the consent of any Grantor take any such further action as the Security Agent may deem necessary or desirable in order to give the Security Agent a continuing first priority security interest or interests in the Collateral under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.9 Subject to Clause 19 (*Limited Recourse*) each Grantor covenants with and undertakes to the Security Agent for itself and on behalf of the other Secured Parties to pay and discharge the Secured Liabilities when due in accordance with the terms of the Finance Documents.
- 2.10 The Security Agent hereby agrees that notwithstanding Clauses 2.2.1, 2.6 and 2.7, it (or its nominee) shall not become registered as holder of the Affected Securities in the register of unitholders of the Unit Trust unless and until an Event of Default has occurred and is continuing.

### **3. FURTHER ASSURANCE**

- 3.1 Each Grantor shall, at its own expense, promptly take whatever action and sign or execute any further documents which the Security Agent may require to:
- 3.1.1 (acting reasonably) give effect to the requirements of this Agreement;
  - 3.1.2 (acting reasonably) create, protect, preserve and perfect the Security Interest intended to be created by or under this Agreement;
  - 3.1.3 (acting reasonably) protect and preserve the ranking of the Security Interest intended to be created by or under this Agreement; and
  - 3.1.4 facilitate the realisation of all or any of the Collateral, or the exercise of any rights, powers and discretions by the Security Agent or any delegate, agent or employee in connection with all or any of the Collateral, including but not limited to executing and delivering all documentation necessary to transfer legal title to any Collateral to the Security Agent, its nominee or any third party.

### **4. POWER OF ATTORNEY**

- 4.1 Each Grantor by way of security, irrevocably and severally, appoints each of the Security Agent and any of its delegates or sub-delegates, or other person nominated in writing by, an officer of the Security Agent jointly and severally as its attorney, in the name of that Grantor, on its behalf and in such manner as the attorney may in its or his/his absolute discretion think fit following the occurrence of an Event of Default that is continuing or following the failure by that Grantor to comply with a request from the Security Agent within any applicable grace period, to take any action, sign or execute any documents which that Grantor is obliged to take, sign or execute under with this Agreement and has failed to do so within any applicable grace period.
- 4.2 Each Grantor ratifies and confirms, and agrees to ratify and confirm, all such actions taken and documents signed or executed or purported to be done by any attorney under its appointment under this Agreement.

### **5. REPRESENTATIONS AND WARRANTIES**

- 5.1 The Grantors represent and warrant to the Security Agent on the date of this Agreement and represent, with reference to the facts and circumstances then existing on the date of each Utilisation Request, on the Utilisation Date and the first day of each Interest Period:
- 5.1.1 that for the purposes of Article 18(1)(a) of the Law, value has been given;
  - 5.1.2 that for the purposes of Article 18(1)(b) of the Law, the Grantors have rights in all of the Collateral and the power to grant rights in the Collateral to the Security Agent;



- 5.1.3 that, subject only to the Security Interests, the Collateral is the Grantors' sole and absolute property free from any Encumbrance and that the Grantor's title to the Collateral is not liable to be challenged on any grounds;
- 5.1.4 that all Affected Securities have been duly issued and are fully paid (including any premium thereon) and that none is or will be subject to any options to purchase or sell or any similar rights or obligations;
- 5.1.5 that, except as may be created by this Agreement, there are and will be no restrictions or prohibitions on the transferability of any of the Collateral or on the exercise of:
- (a) voting rights attached to any of the Affected Securities; or
  - (b) rights constituting or included in the Collateral;
- 5.1.6 that each Grantor is duly incorporated and validly existing and in good standing under the laws of its place of incorporation;
- 5.1.7 that each Grantor has good cause and full power, authority and competence to enter into and perform this Agreement and that it has duly obtained any authority, consent and approval which is necessary for it properly to do so;
- 5.1.8 that each Grantor is able to pay its debts as they fall due and that it will not be rendered unable to do so as a result of entering into and performing this Agreement;
- 5.1.9 that no Grantor or Trustee has been declared Bankrupt or suffered or instituted similar proceedings, nor has it committed any act indicative of insolvency under the laws of any jurisdiction or had any judgment taken against it in any court;
- 5.1.10 that this Agreement constitutes legal, valid and binding obligations of the Grantors that are enforceable in accordance with their terms;
- 5.1.11 that no Grantor has granted any power of attorney or similar right in respect of any rights or powers relating to the Collateral other than to the Security Agent under this Agreement other than a power of attorney granted by the Nominee Grantor authorising specified individuals to execute documentation in order to facilitate the Nominee Grantor's day-to-day duties and obligations in its capacity as nominee for and on behalf of the Depositary Grantor;
- 5.1.12 that the execution, delivery and performance by each Grantor of this Agreement do not and will not violate, cause a default under or in any other way conflict with:
- (a) any terms of that Grantor's memorandum and articles of association or other constitutional documents; or

- (b) any agreement, indenture or other instrument entered into by a Grantor with or for the benefit of any other party (including the Depositary Agreement and the Declaration of Trust) or any licence, condition, judgment, decree, order, law, regulation, ordinance or other rule which for the time being is applicable to the Grantor;
- 5.1.13 that no governmental or regulatory approval, filing or registration (other than any registration of a financing statement under the Law in accordance with Clause 2 required in order to perfect a security interest that has not been perfected by another means) is required in order to give the Security Agent the full benefit of a continuing first priority security interest in all of the Collateral pursuant to the terms of this Agreement;
- 5.1.14 that all Security Interests will be recognised as attached and perfected, first priority rights of security over the Collateral for the Secured Liabilities in any Bankruptcy of any Grantor;
- 5.1.15 that each Grantor:
  - (a) has disclosed all of its previous names (if any) to the Security Agent; and
  - (b) is not in the process of changing its name;
- 5.2 The Beneficial Grantor represents and warrants to the Security Agent on the date of this Agreement and represents, with reference to the facts and circumstances then existing on the date of each Utilisation Request, on the Utilisation Date and the first day of each Interest Period:
  - 5.2.1 that the Unit Trust is duly constituted and validly existing under the laws of Jersey by which laws the Unit Trust is expressed to be governed;
  - 5.2.2 that the Trust Instrument is in full force and effect;
  - 5.2.3 that the Trustees are all of the trustees of the Unit Trust;
  - 5.2.4 that each of the Trustees is duly incorporated and validly existing under the laws of Jersey having full power and authority and having any consent and approval necessary to hold its assets and to conduct its business as presently conducted and as intended to be conducted in the future;
  - 5.2.5 that there has not been nor is there subsisting any breach of trust in relation to the Unit Trust; and
  - 5.2.6 that the Affected Securities insofar as comprising units in the Unit Trust comprise 50% of the issued units of the Unit Trust (or such other percentage of the issued units of the Unit Trust as may occur following any transfers or other changes to the units which are permitted in accordance with the Facility Agreement or any Finance Document).

- 5.3 Each Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the representations and warranties set out in this Clause 5.

**6. COVENANTS AND UNDERTAKINGS**

- 6.1 The Grantors covenant with and undertake to the Security Agent to the intent that the same shall be continuing covenants and undertakings until the Security Agent's security interest in the Collateral is wholly discharged:

- 6.1.1 that each Grantor shall immediately on request provide to the Security Agent all information that the Security Agent requires in order to register any financing statement or financing change statement in accordance with Clause 2.5 or any other provision of this Agreement and the Beneficial Grantor shall pay on demand the costs of registering such financing statement or financing change statement for such period or periods as the Security Agent shall in its discretion deem appropriate;
- 6.1.2 not to (and not to attempt to) sell, create any Encumbrance over, withdraw, disburse, pay, assign, transfer or otherwise dispose of or deal with the Collateral or any interest in the Collateral (other than by or pursuant to this Agreement or the provisions of the Facility Agreement);
- 6.1.3 promptly to give to the Security Agent copies of any notices or other communications or other documents (including, without limitation, any report, accounts, circular or resolution or proposed resolution) received by it with respect to, or which might affect, the Collateral together with a statement that any such notice, communication or other document relates to the subject matter of this Agreement;
- 6.1.4 promptly to pay all calls and other payments due in respect of the Collateral without cost to the Security Agent;
- 6.1.5 that each Grantor shall remain liable to observe and perform all of the other conditions and obligations assumed by it or by which a holder of units in the Unit Trust is bound in respect of any of the Collateral, notwithstanding the method by which the Security Interests may have attached or been perfected;
- 6.1.6 except as permitted by the terms of the Facility Agreement, to procure that without the prior written consent of the Security Agent:
- (a) no further units in the Unit Trust or other Securities are issued by the Trustees to any person; and
  - (b) no change is made to the Trust Instrument or to the terms of issue of any Affected Securities or any rights attaching thereto;

- 6.1.7 to provide, or procure the provision of, such financial and other information relating to any Grantor, the Unit Trust or the Collateral as the Security Agent may from time to time require;
  - 6.1.8 that, except pursuant to the terms of this Agreement, there are and will be no restrictions on the transferability of, or on the voting rights attached to, the Affected Securities;
  - 6.1.9 not to take or permit the taking of any action which may result in any rights, terms, conditions, agreements or arrangements in respect of or applicable to the Collateral being breached, amended or replaced in any respect;
  - 6.1.10 that no Grantor shall do or cause or permit to be done anything which may in any way materially depreciate, jeopardise or otherwise prejudice the value to the Secured Parties of the Security Interests;
  - 6.1.11 that no Grantor shall take any steps to terminate the Unit Trust or to commence any Bankruptcy or insolvency procedure or process of or relating to the Trustees, the Unit Trust or itself or in respect of any assets of any Trustee, the Unit Trust or a Grantor;
  - 6.1.12 that, other than as provided for in the Facility Agreement or in favour of the Security Agent, no Grantor shall create, confer or enter into, or enforce or take the benefit of (or attempt to enforce or take the benefit of), any contractual rights or obligations of set-off or netting with respect to the Collateral;
  - 6.1.13 that no Grantor shall change its name without first notifying the Security Agent in writing of the proposed new name not less than ten business days before the change takes effect;
  - 6.1.14 that unless the Security Agent otherwise agrees in writing, the Grantors shall forthwith procure the discharge of the registration of any security interest that is registered against a Grantor in relation to any Collateral (other than registration in respect of any Security Interest); and
  - 6.1.15 that the Grantors shall make such alterations to the Trust Instrument as the Security Agent may require to protect the Security Interests and the rights and powers of the Security Agent under this Agreement and the Law.
- 6.2 Each Grantor irrevocably:
- 6.2.1 agrees that the Trust Income arising in respect of the Unit Trust and belonging to that Grantor (notwithstanding any provisions of the Trust Instrument) may be applied by the Trustees or Finance Parties to meet the amounts due under the Finance Documents;
  - 6.2.2 instructs the Trustees or Finance Parties to so apply the said Trust Income pursuant to the terms of the Finance Documents;

- 6.2.3 instructs the Trustees to grant Security over all Trust Income;
- 6.2.4 agrees that its interests in all such property and assets are overreached by such Security and that the Finance Parties may act in respect of such property and assets as if the Trustees were (subject to the Security) the legal and beneficial owners thereof, and so that the beneficiary or acquirer of any such property or assets (whether a Finance Party or other person) on any realisation or enforcement pursuant to such Security will take free of its interests in such property and assets; and
- 6.2.5 agrees that any claim the Grantor has in respect of any such property and assets shall be against the Trustees only (except in the case of fraud, wilful deceit or gross negligence on the part of the Finance Parties).
- 6.3 Notwithstanding the security created over the Affected Securities by the Grantors pursuant to this Agreement, each Grantor undertakes and agrees that it shall remain liable to observe and perform all of the conditions and obligations assumed by it or by which a holder of units in the Unit Trust is bound.
- 6.4 Each Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 6.

## **7. VOTING RIGHTS**

- 7.1 Prior to the occurrence of an Event of Default which is continuing, the Grantors may exercise or cause to be exercised all voting and other rights attaching to the Affected Securities provided such rights are exercised only in a manner consistent with this Agreement and do not to prejudice the ability of the Security Agent to enforce the Security Interest or other rights created under this Agreement.
- 7.2 Following the occurrence of an Event of Default which is continuing, the Security Agent may:
  - 7.2.1 (but without any obligation to do so or liability for failing to do so) exercise or cause to be exercised all voting and other rights attached to the Affected Securities in such manner as the Security Agent in its absolute discretion thinks fit; and/or
  - 7.2.2 require the Grantors or any specific Grantor (or any nominee on its behalf) to exercise all voting and other rights attached to any Affected Securities as directed by the Security Agent.

## **8. DISTRIBUTIONS AND OTHER DERIVATIVE ASSETS**

- 8.1 The Security Agent shall not have (and nor shall any nominee of the Security Agent have) any duty to take up any Derivative Assets to ensure that any such Derivative Assets or are duly and punctually paid, received or collected as and when due and payable or to ensure that the correct amounts are paid, received or collected.

- 8.2 Prior to the occurrence of an Event of Default which is continuing, the Grantors shall be entitled to retain any distributions, interest and other Derivative Assets of an income nature to the extent such distribution constitutes a Permitted Payment as defined in and under the terms of the Facility Agreement, free from Security Interests.
- 8.3 Subject to Clause 8.4, if any Derivative Assets are distributed to, distributed to or received by a Grantor (or its nominee) in respect of the Collateral that a Grantor is not permitted to retain under Clause 8.2 of this Agreement that Grantor shall immediately notify the Security Agent and Derivative Assets shall immediately be paid, delivered and transferred (as appropriate) to the Security Agent (or its nominee) and pending such payment, delivery or transfer such Derivative Assets:
- 8.3.1 shall be held by that Grantor (or its nominee) in trust for the Security Agent; and
- 8.3.2 shall be segregated from other property and funds of that Grantor (or such nominee).
- 8.4 In the case of any distributions, interest and other Derivative Assets of an income nature that a Grantor is not permitted to retain under Clause 8.2 of this Agreement the Security Agent may at its discretion:
- 8.4.1 apply all or any part of such Derivative Assets received by it in or towards the discharge of the Secured Liabilities; and/or
- 8.4.2 retain all or any part of the Derivative Assets received by it in accordance with Clause 14 (*Suspense Account*).
- 8.5 Until such application or agreement, distributions, interest and Derivative Assets of an income nature that a Grantor is not permitted to retain under Clause 8.2 of this Agreement shall remain part of the Collateral.
- 8.6 For the avoidance of doubt, a security interest in Affected Securities shall itself encompass all Derivative Assets which are considered as a matter of law to be a composite part of such Affected Securities.

## 9. **EVENTS OF DEFAULT**

Any Event of Default as defined in the Facility Agreement shall be an Event of Default for the purposes of this Agreement.

## 10. **ENFORCEMENT BY THE SECURITY AGENT**

- 10.1 The Security Agent's power of enforcement over the Collateral shall become exercisable immediately upon the occurrence of an Event of Default which is continuing, provided that the Security Agent has served on the Grantors written notice specifying the Event of Default.

- 10.2 Subject only to the Law, the Security Agent may exercise the power of enforcement in respect of the Security Interests in any manner permitted by or not in conflict with the Law, including, without limitation, by the Security Agent or some person on its behalf:
- 10.2.1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
  - 10.2.2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
  - 10.2.3 by taking any one or more of the following ancillary actions:
    - (a) taking control or possession of all or any of the Collateral;
    - (b) exercising any rights of any Grantor in relation to all or any of the Collateral;
    - (c) instructing any person who has an obligation in relation to all or any of the Collateral to carry out that obligation for the benefit of the Security Agent (or to its order); and
  - 10.2.4 exercising or applying any remedy set out in this Clause 10.2.4 (such remedies being exercisable pursuant to the power of enforcement) to the extent that such remedy is not in conflict with the Law:
    - (a) directing from time to time any Grantor as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any of the Collateral;
    - (b) directing any Grantor as to the disposal of all or any of the Collateral, including, where appropriate specifying the person(s) who are to acquire such Collateral, the terms upon and manner in which such disposal(s) shall take place, including the price or other *cause* or consideration (whether payable immediately, by instalments or otherwise deferred); and directing the mode of application of the proceeds of such disposal(s) in such manner as the Security Agent shall in its absolute discretion determine, including by way of sale to a third party, to the Security Agent or to an associate or nominee of the Security Agent.
- 10.3 (Subject only to the Law) for the purposes of this Agreement, references to the exercise of a "**power of enforcement**" shall include any method or process by which value is given, allowed or credited by the Security Agent for the Collateral against the Secured Liabilities.
- 10.4 Where the power of appropriation or sale is exercised in relation to any non-monetary obligation, the "monetary value" (as referred to in Article 51 (*When does a surplus exist?*) of the Law) of such obligation shall be the loss or losses suffered by the Secured Parties or by any other person by reason of non-performance of such obligation (including as such obligation is owed, or also owed,

to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Grantors by the Security Agent.

- 10.5 The Security Agent may at any time and from time to time exercise one or more than one of the powers set out in Clause 10.2, in whatever order and combination as the Security Agent thinks fit and against one or more Grantors and not others, or in series or in parallel against different Grantors, or pursue different enforcement strategies against different Grantors.
- 10.6 The exercise by the Security Agent (or some person on its behalf) of its power of enforcement in respect of the Security Interests of one or more Grantors shall not affect, discharge or prejudice the Security Interests granted by any other Grantor or Grantors, all rights and remedies against them shall remain available to the Security Agent to the end of the Security Period.
- 10.7 In accordance with Article 44(4) of the Law, the Security Agent and each Grantor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to any Grantor.
- 10.8 Subject only to the Law, the Security Agent may at its discretion:
- 10.8.1 exercise its power of enforcement in respect of the Security Interests over any part of the Collateral without reference to the time, manner, *cause*, consideration or Exchange Rate that may be/has been applicable to such exercise in respect of any other part of the Collateral; and
- 10.8.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Collateral notwithstanding that it shall have exercised such power over any other part of the Collateral.
- 10.9 No person dealing with the Security Agent shall be concerned to enquire as to the propriety of exercise of any power of enforcement in respect of the Security Interests (including, without limitation, whether any Security Interest has become enforceable, whether any of the Secured Liabilities remain due, as to the necessity or expediency of any conditions to which a sale or other disposition is made subject or generally as to the application of any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.
- 10.10 To the fullest extent permitted by law, the Security Agent shall be under no liability to any Grantor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral in accordance with the Law if the Security Agent applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution.



- 10.11 In accordance with Article 54(5)(a) of the Law, the Security Agent and each Grantor hereby agree that no Grantor shall have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise.
- 10.12 The Security Agent is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held by it, or any moneys or property that it holds or is entitled to receive, before the power of enforcement is exercised.
- 10.13 The Security Agent will be accountable (and the Grantors are entitled to be credited) only for actual value or proceeds realised by the Security Agent arising from the appropriation, sale or other realisation of any Collateral by the Security Agent.
- 10.14 If the value or proceeds of the appropriation, sale or other realisation of any Collateral is insufficient to discharge the Secured Liabilities in full, the Grantors will remain liable to the Security Agent for any shortfall.

## **11. EXPENSES AND INDEMNITIES**

### **11.1 The Beneficial Grantor must:**

- 11.1.1 within three business days of demand pay to the Security Agent the amount of all costs and expenses (including legal fees) reasonably incurred by the Security Agent in connection with this Agreement including any arising from any actual or alleged breach by any person of any law or regulation; and
- 11.1.2 keep the Security Agent indemnified against any failure or delay in paying those costs or expenses.

## **12. ASSIGNMENT AND SUCCESSION**

- 12.1 The Security Agent may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any Security Interest in accordance with the Facility Agreement and appoint such assignee and/or transferee as a new and successor security trustee of the trusts under this Agreement. For the purpose of any such participation, assignment, transfer or disposal the Security Agent may disclose information about the Grantors, the Trustees and the Unit Trust in accordance with clause 39 (*Confidential Information*) of the Facility Agreement.
- 12.2 The Security Interests and other rights of the Security Agent arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Security Agent and shall inure for the benefit of the Security Agent's successors.
- 12.3 No Grantor may assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

13. **SET-OFF**

The Security Agent may set off any matured obligation due from a Grantor under this Agreement against any matured obligation owed by the Security Agent to a Grantor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Security Agent may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

14. **SUSPENSE ACCOUNT**

14.1 The Security Agent may, in its discretion, place to the credit of a suspense account or impersonal account for so long as the Security Agent shall think fit, any monies received under or in connection with this Agreement in order to, amongst other things and as required by the Security Agent, preserve the rights of the Security Agent and the other Secured Parties to prove for the full amount of all claims against any Grantor or any other person.

14.2 The Security Agent may, at any time, apply any of the monies referred to in Clause 14.1 in or towards satisfaction of any of the Secured Liabilities as the Security Agent, in its absolute discretion, may from time to time conclusively determine.

15. **EXTINGUISHMENT OF SECURITY INTEREST(S)**

15.1 The Security Interests shall not be extinguished prior to the expiry of the Security Period.

15.2 Where the Secured Liabilities include obligations as to any Further Advance, whether expressly or in terms, the Security Interests shall not be extinguished by the repayment of any current advance.

15.3 Upon expiry of the Security Period, the Security Agent shall, at the request and cost of the Grantors, take such steps as may be reasonably required to release the Security Interests and return any documentation delivered to the Security Agent pursuant to Clause 2.

15.4 Prior to the expiry of the Security Period, no Grantor shall serve a demand that the Security Agent register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Security Agent under or in connection with this Agreement.

16. **MISCELLANEOUS**

16.1 The Security Agent may exchange or convert to the Required Currency any currency held or received at the Exchange Rate.

16.2 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Secured Liabilities.

16.3 Each Security Interest is independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or other Encumbrance

or guarantee for any of the Secured Liabilities now or subsequently held by the Security Agent or any person on its behalf or any other Secured Party.

- 16.4 The rights and remedies of the Security Agent under this Agreement may be exercised from time to time and as often as the Security Agent deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available to the Security Agent or any other Secured Party (whether at law or pursuant to this Agreement, another agreement or the order of any court).
- 16.5 Any settlement or discharge between the Security Agent and a Grantor in respect of the Secured Liabilities shall be conditional upon no security provided, or payment made, to the Security Agent or any other Secured Party by that Grantor or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or voidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Security Agent shall be entitled to recover the value or amount thereof from that Grantor as if no such settlement or discharge had taken place.
- 16.6 No delay, omission, time or indulgence on the part of the Security Agent (or any other Secured Party) in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it; nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Security Agent may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral.
- 16.7 Save as otherwise expressly provided in this Agreement and subject always to the Law, any liberty or power which may be exercised or any determination which may be made by the Security Agent may be exercised or made in the absolute and unfettered discretion of the Security Agent which shall not be under any obligation to give reasons.
- 16.8 Each Grantor acknowledges that the Security Agent has no obligation to perform any of the obligations of that Grantor, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of that Grantor or to take any other action to collect or enforce payment of amounts the Security Agent is entitled to under or pursuant to this Agreement in respect of any Collateral.
- 16.9 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way. In particular, without prejudice to the generality of the foregoing, no defect

in respect of a Security Interest created or intended to be created over any part of the Collateral shall affect the Security Interest created over any other part.

- 16.10 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of each Grantor and the Security Agent. Any waiver by the Security Agent of any Event of Default or other breach of terms of this Agreement, and any consent or approval given by the Security Agent for the purposes of this Agreement, shall also be effective only if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is granted.
- 16.11 No Grantor may direct the application by the Security Agent of any sums received by the Security Agent under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Liabilities.
- 16.12 The Security Agent shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the Security Interests.
- 16.13 Any certificate submitted by the Security Agent to a Grantor as to the amount of the Secured Liabilities or any other amount referred to in or arising under this Agreement shall, in the absence of manifest error, be conclusive and binding on that Grantor.
- 16.14 This Agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument.
- 16.15 Save as expressly provided in this Agreement, the Security Agent shall at no time be deemed to authorise impliedly or otherwise any dealing in the Collateral for the purposes of Article 24 (*Continuation of security interests in proceeds*) of the Law.
- 16.16 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, each Grantor hereby irrevocably waives the right to receive a copy of any verification statement relating to any financing statement or financing change statement registered in respect of any Security Interest.
- 16.17 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without prejudice to Clause 11 and any other obligation under the Facility Agreement, the Grantors shall pay to the Security Agent on demand the Security Agent's fees (calculated in accordance with its standard scale of fees and charges from time to time), costs and expenses including, but not limited to, legal fees and expenses on solicitor and own client basis, in connection with any demand for registration of a financing change statement relating to a Security Interest served or purported to be served by any person at any time under or pursuant to Article 75 (*Demand for registration of financing change statement*) of the Law.
- 16.18 The Security Agent and/or any or all of the other Secured Parties may at any time without prejudicing its/their rights under this Agreement:

- 16.18.1 determine, reduce, increase or otherwise vary any credit to any person;
  - 16.18.2 give time for payment or grant any other indulgence to any person;
  - 16.18.3 renew, hold over or give up any bills of exchange, promissory notes or other negotiable instruments;
  - 16.18.4 deal with, exchange, release, modify or abstain from perfecting or enforcing any security, guarantee or other right which the Security Agent or any other Secured Party may now or at any time have from or against any person;
  - 16.18.5 compound with any guarantor or other person;
  - 16.18.6 do or omit to do any other act or thing the doing or omission of which, apart from this provision, would or might afford any defence to a surety.
- 16.19 Each Grantor waives any right it may have (whether by virtue of the *droit de discussion*, *droit de division* or otherwise) to require that:
- 16.19.1 the Security Agent and/or any or all of the other Secured Parties, before enforcing this Agreement, take(s) any action, exercise(s) any recourse or seek(s) a declaration of Bankruptcy against any other Transaction Obligor or any other person, make(s) any claim in a Bankruptcy, liquidation, administration or insolvency of any person or enforce(s) or seek(s) to enforce any other right, claim, remedy or recourse against any other Transaction Obligor or any other person;
  - 16.19.2 the Security Agent and/or any or all of the other Secured Parties, in order to preserve any of its/their rights against the Grantor, join(s) that Grantor as a party to any proceedings against any other Transaction Obligor or any other person or any other Transaction Obligor or any other person as a party to any proceedings against that Grantor or takes any other procedural steps; or
  - 16.19.3 the Security Agent and/or any or all of the other Secured Parties divide(s) the liability of that Grantor under this Agreement with any other Transaction Obligor or any other person.
- 16.20 Each Grantor warrants that, as at the date of this Agreement, it has not taken, received or exercised any Competing Rights and agrees that it will not in the future take, receive or exercise any Competing Rights until the Security Agent has confirmed in writing to that Grantor that the Secured Liabilities have been wholly discharged or until that Grantor is otherwise released by the Security Agent from its obligations under this Agreement.
- 16.21 If, notwithstanding Clause 16.20, any Competing Rights are taken, exercised or received by a Grantor, such Competing Rights and all monies or other property or assets received or held in respect thereof shall be held by that Grantor on trust for the Security Agent to be applied in or

towards the discharge of that Grantor's liabilities under this Agreement and shall be transferred, assigned or, as the case may be, paid to the Security Agent promptly following the Security Agent's demand.

- 16.22 The Security Agent's (and any other Secured Party's) rights under Clauses 16.18 to 16.21 are in addition to and shall not in any way derogate from or be prejudiced by any security held by the Security Agent (or any other Secured Party) from any person (including the Security Interests).
- 16.23 Each Party shall comply in all respects with the Data Protection Laws as far as they may apply from time to time and each such Party shall assist the other in bringing such fair processing and other notices as may be required by the other Party and in the form required by the other Party to the attention of data subjects.
- 16.24 The Security Agent shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, representations and warranties and undertakings and covenants given by each Grantor in and pursuant to this Agreement upon trust for the Secured Parties on the terms and conditions of the Facility Agreement.
- 16.25 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in the Facility Agreement. All and any other duties and liabilities of a trustee that would otherwise attach to the Security Agent as a trustee under or by reason of this Agreement are hereby excluded to the maximum extent permitted by law.
- 16.26 None of the provisions of this Agreement, nor any notice or other document given in connection with this Agreement shall constitute an appointment of the Security Agent (or any person on its behalf) as (or its agreement to be) a trustee or protector of the Unit Trust.
- 16.27 The Depositary Grantor is party to this Agreement as depositary and bare trustee, and at the direction and instruction hereby given, of the Beneficial Grantor.
- 16.28 The Nominee Grantor is party to this Agreement as nominee and bare trustee, and at the direction and instruction hereby given, of the Depositary Grantor.

## 17. **CONTRACTUAL RECOGNITION OF BAIL-IN**

Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with this Agreement may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

17.1.1 any Bail-In Action in relation to any such liability, including (without limitation):

- (a) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;

(b) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and

(c) a cancellation of any such liability; and

17.1.2 a variation of any term of this Agreement to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

## 18. COMMUNICATIONS

18.1 Clause 33 (*Notices*) of the Facility Agreement shall apply *mutatis mutandis* to this Agreement as if set out in full herein with each Grantor's contact details being as follows:

### **Beneficial Grantor**

18.1.1 for the attention of: Paul Chislett  
18.1.2 by post: (SCREF) 1 London Wall Place, London EC2Y 5AU  
18.1.3 by email: [paul.chislett@schroders.com](mailto:paul.chislett@schroders.com)  
18.1.4 by facsimile: 02076586252

### **Depository Grantor**

18.1.5 for the attention of: Joyce Ooi  
18.1.6 by post: Natwest Trustee and Depository Services, Level 3, 440 Strand,  
London, WC2R 0QS  
18.1.7 by email: [joyce.ooi@natwesttds.com](mailto:joyce.ooi@natwesttds.com)  
18.1.8 by facsimile: 07929786696

### **Nominee Grantor**

18.1.9 for the attention of: Joyce Ooi  
18.1.10 by post: Natwest Trustee and Depository Services, Level 3, 440 Strand,  
London, WC2R 0QS  
18.1.11 by email: [joyce.ooi@natwesttds.com](mailto:joyce.ooi@natwesttds.com)  
18.1.12 by facsimile: 07929786696

19. **LIMITED RECOURSE**

19.1 Notwithstanding any other provision of this Agreement, it is expressly agreed that:

19.1.1 the recourse of the Security Agent to each Grantor under this Agreement is to the Collateral of that Grantor;

19.1.2 the liability of each Grantor to the Security Agent and the other Secured Parties pursuant to this Agreement shall be:

- (a) limited in aggregate to a value or an amount equal to that realised or at any time realisable as a result of enforcement of the Security Interests; and
- (b) satisfied only from the value or amount realised by the Security Agent from the appropriation, sale or other realisation of the Collateral of that Grantor pursuant to this Agreement;

19.1.3 the Nominee Grantor and any party succeeding it is entering into this Agreement in its capacity as nominee for and on behalf of the Depositary Grantor and as such any liability on their part pursuant to this Agreement is limited to the Collateral held by it for the time being as nominee for and on behalf of Depositary Grantor;

19.1.4 the Depositary Grantor acts solely in its capacity as depositary for the Beneficial Grantor and as such any liability on its part (or any successor depositary) pursuant to this Agreement is limited to the extent that the Depositary Grantor (or any successor depositary) has recourse to the Collateral held by it for the time being for the Beneficial Grantor; and

19.1.5 notwithstanding any provisions of this Agreement neither the Nominee Grantor nor the Depositary Grantor (or any successor nominee or depositary of the Beneficial Grantor) have any obligation to meet any claim or liability under this Agreement except to the extent that they can properly meet such claim or liability out of the Collateral held by it for the time being for the Beneficial Grantor or Depositary Grantor (as applicable).

20. **GOVERNING LAW AND JURISDICTION**

20.1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Security Agent that the courts of the Island of Jersey are to have exclusive jurisdiction (without prejudice to Clauses 20.2 to 20.4) to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("Proceedings") shall be brought in such court.

20.2 Nothing contained in this Agreement shall limit the right of the Security Agent to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related



matter against a Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.

20.3 Each Grantor irrevocably waives (and hereby irrevocably agrees not to raise) any objection which it may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process.

20.4 Each Grantor further hereby irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon that Grantor and may be enforced in the court of any other jurisdiction.

## 21. **AGENT FOR SERVICE**

21.1 Each Grantor:

21.1.1 irrevocably appoints Schroder Real Estate Managers (Jersey) Limited of 47 Esplanade, St Helier, Jersey JE1 0BD (c/o Crestbridge Limited – email: [schrodersrealestate@crestbridge.com](mailto:schrodersrealestate@crestbridge.com)) as its agent for service of process relating to Proceedings brought in the courts of the Island of Jersey;

21.1.2 agrees that failure by a process agent to notify that Grantor of the process will not invalidate the proceedings concerned.

21.2 If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process or terminates its/their appointment as process agent, each Grantor must immediately (and in any event within five days of such event taking place) notify the Security Agent and appoint another agent on terms acceptable to the Security Agent. Failing this, the Security Agent may appoint another agent for this purpose.

## THE SCHEDULE

### CONFIRMATION

To: Baring Asset Management Limited  
20 Old Bailey  
London  
EC4M 7BF  
United Kingdom

as security trustee for the Secured Parties

For the attention of [NAME]

Dear Sirs

In this Confirmation:

**"Derivative Assets"** means all securities, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time by way of distribution, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Securities or to assets previously described and all rights from time to time thereto and including any after-acquired property falling within any of the foregoing;

**"Grantors"** means Schroders Capital UK Real Estate Fund, Natwest Trustee and Depositary Services Limited and British Overseas Bank Nominees Limited, and **"Grantor"** means each of them;

**"Securities"** means the securities specified below; and

**"Security Agreement"** means the security interest agreement between the Grantors and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Derivative Assets.

We confirm that:

1. as at the date of this Confirmation we have not had notice of any security interest (other than under the Security Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Securities

or the Derivative Assets;

2. we shall promptly notify you if we receive notice of any such matter in the future;
3. to the extent that it may prejudice or compete with the priority of any security granted to you by the Grantors we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Securities, the Derivative Assets or any proceeds (that are not Derivative Assets) of the Securities and Derivative Assets; and
4. if you wish your own name, or the name of such other person as you shall nominate, to be entered in the register of unitholders of the Unit Trust as holder of any Securities, we shall immediately effect this.

This confirmation is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....  
duly authorised

**ROMFORD PROPERTY TRUSTEES 1 LIMITED** in its own capacity and as trustee of the Romford Property Unit Trust

Date: \_\_\_\_\_ 2022

.....  
duly authorised

**ROMFORD PROPERTY TRUSTEES 2 LIMITED** in its own capacity and as trustee of the Romford Property Unit Trust


Date: \_\_\_\_\_ 2022

## THE SECURITIES

853,626.76 units in the Romford Property Unit Trust (the "**Unit Trust**") any other units in the Unit Trust that may from time to time be legally and/or beneficially owned by any Grantor, all such securities being subject to the Security Agreement.

The parties have duly executed this Agreement the day and year first above written

**SIGNED**

DocuSigned by:  
  
996EB04EA9BC46D.....

Signature redacted

duly authorised

for and on behalf of

**SCHRODERS CAPITAL UK REAL ESTATE FUND**

acting by its authorised corporate director


**SCHRODER UNIT TRUSTS LIMITED**

Paul Chislett  
By: .....

Name: Paul Chislett

Title: Director

**SIGNED**

DocuSigned by:  
  
.....F6EB56417E914F9.....

Signature redacted


duly authorised  
for and on behalf of  
**NATWEST TRUSTEE AND DEPOSITARY SERVICES  
LIMITED**

By: Lawrence Ladbrook  
.....

Name: Lawrence Ladbrook

Title: Client Relationship Director

**SIGNED**

DocuSigned by:  
  
.....F6ED56417E914F0.....

Signature redacted

duly authorised  
for and on behalf of  
**BRITISH OVERSEAS BANK NOMINEES LIMITED**  
in its capacity as nominee for and on behalf of  
**NATWEST TRUSTEE AND DEPOSITARY SERVICES**  
**LIMITED** as depositary (and not otherwise) of  
**SCHRODERS CAPITAL UK REAL ESTATE FUND**

By: Lawrence Ladbroke  
.....

Name: Lawrence Ladbroke

Title: Client Relationship Director

**SIGNED**

.....  
for and on behalf of

**BARING ASSET MANAGEMENT LIMITED**

as security trustee for the Secured Parties

By: ...



Signature redacted

Name: Chris Bates

Title: Authorised Signatory