



Registration of a Charge

Company name: **LONDON AND REGIONAL GROUP PROPERTY HOLDINGS LTD**
Company number: **11393433**



X7L9O9ZM

Received for Electronic Filing: **21/12/2018**

Details of Charge

Date of creation: **21/12/2018**
Charge code: **1139 3433 0001**
Persons entitled: **CBRE LOAN SERVICES LIMITED (AS SECURITY TRUSTEE FOR THE FINANCE PARTIES (AS DEFINED IN THE INSTRUMENT))**
Brief description: **N/A**
Contains fixed charge(s).
Contains negative pledge.

Authentication of Form

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

Authentication of Instrument

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

Certified by:

CLAIRE NEWMAN



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11393433

Charge code: 1139 3433 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st December 2018 and created by LONDON AND REGIONAL GROUP PROPERTY HOLDINGS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st December 2018 .

Given at Companies House, Cardiff on 27th December 2018

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



Companies House



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

EXECUTION VERSION

DATED 21 DECEMBER 2018

(1) LONDON AND REGIONAL GROUP PROPERTY HOLDINGS LTD
as Parent

(2) CBRE LOAN SERVICES LIMITED
as Security Trustee

SECURITY AGREEMENT OVER SHARES



I CERTIFY THAT, SAVE FOR MATERIAL REDACTED
PURSUANT TO s859G OF THE COMPANIES ACT 2006,
THIS IS A TRUE, COMPLETE AND CORRECT COPY
OF THE ORIGINAL INSTRUMENT

DATE 21/12/2018

SIGNED *Cineumann*
DLA PIPER UK LLP

DLA Piper UK LLP
160 Aldersgate Street
London
EC1A 4HT
United Kingdom

CT/CT/UKM/92894337.2

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THIS DEED is made on

21 DECEMBER

2018

BETWEEN:

- (1) **LONDON AND REGIONAL GROUP PROPERTY HOLDINGS LTD**, a company registered in England and Wales with number 11393433, with the registered address of Quadrant House, Floor 6, 4 Thomas More Square, London, E1W 1YW (the "**Parent**"); and
- (2) **CBRE LOAN SERVICES LIMITED** as security trustee for the Finance Parties (the "**Security Trustee**").

BACKGROUND:

- A The board of directors of the Parent is satisfied that entering into this Deed would be most likely to promote the success of the Parent for the benefit of its members as a whole and to the further benefit and advantage of the Parent.
- B The Security Trustee and the Parent intend this document to take effect as a deed (even though the Security Trustee only executes it under hand).
- C The Security Trustee holds the benefit of this Deed for the Finance Parties on the terms of the Finance Documents.

IT IS AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**CREST**" means the relevant system (within the meaning of the Uncertificated Securities Regulations 2001) operated by Euroclear UK and Ireland Limited;

"**Delegate**" means a delegate or sub-delegate appointed by the Security Trustee or a Receiver in accordance with this Deed;

"**Charged Assets**" means all of the assets which from time to time are, or expressed to be, the subject of any Security Interests or any part of those assets;

"**Company**" means LR Skipton and Bloomsbury Ltd (Registered No. 09272236);

"**Facility Agreement**" means the facility agreement dated 12 December 2014 between (amongst others) the Borrowers and Original Lenders named in it, M&G Investment Management Limited as Arranger, CBRE Loan Servicing Limited as Agent and Security Trustee and the Company as Hold Co, as amended by an amendment agreement dated on or about the date of this Deed, and any agreement, letter or other instrument entered into under or supplemental to it or amending, restating or novating it;

"**Finance Document**" means the Facility Agreement, each Security Document, the Deed of Subordination, the Fees Letter, any Duty of Care Agreement, the Utilisation Request, each Transfer Certificate and any other document so designated in writing by both the relevant Borrower Party and the Agent;

"Finance Party" means the Arranger, the Agent, the Security Trustee or a Lender as described in the Facility Agreement;

"Insolvency Act" means the Insolvency Act 1986;

"Law of Property Act" means the Law of Property Act 1925;

"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 the Finance Parties under the Finance Documents whether actually or contingently and whether solely or jointly with any other person and in whatever style or name and whether as principal or surety except for any obligation or liability which, if it were so included, would cause that obligation or liability or any Security Interest granted in respect of that obligation or liability to be unlawful or prohibited by any applicable law;

"Party" means a party to this Deed;

"Quasi Security" means a transaction under which the Parent will:

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by any Charor or Obligor;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

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

"Receiver" means any one or more receiver or receiver and manager or administrative receiver appointed by the Security Trustee (whether sole, joint and/or several and including any substitute);

"Related Rights" means, in relation to a Charged Asset:

- (a) any proceeds of sale, transfer or other disposal, lease, licence, sub-licence, or agreement for sale, transfer or other disposal, lease, licence or sub-licence, of that Charged Asset;
- (b) any moneys or proceeds paid or payable deriving from that Charged Asset;
- (c) any rights, claims, guarantees, indemnities, Security or covenants for title in relation to that Charged Asset;
- (d) any awards or judgments in favour of the Parent in relation to that Charged Asset; and
- (e) any other assets deriving from, or relating to, that Charged Asset;

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

"Security Interest" means all or any of the Security created or expressed to be created in favour of the Security Trustee by or pursuant to this Deed; and

"Shares" means, in relation to the Parent, all its right, title and interest from time to time in and to:

- (a) the shares described in Schedule 2 (*Shares*) and any other shares issued in the future by the Company;
- (b) warrants, options and other rights to subscribe for, purchase or otherwise acquire any such shares in the Company; and
- (c) any other securities or investments deriving from any such shares in the Company or any rights attaching or relating to any such shares in the Company,

in each case including any rights against any custodian, nominee, clearing system or other similar person holding any such right, title or interest on its behalf, and all dividends and other Related Rights.

1.2 Interpretation

Unless a contrary indication appears, terms defined in the Facility Agreement have the same meanings in this Deed.

1.3 Construction

- (a) Any reference in this Deed to a **"Finance Document"** or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated (however fundamentally and whether or not more onerously) or replaced and includes any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under that Finance Document or other agreement or instrument.
- (b) The provisions in clause 1.2 (*Construction*) of the Facility Agreement apply to this Deed, except that references to the Facility Agreement shall be construed as references to this Deed.

1.4 Third party rights

- (a) Unless expressly provided to the contrary in a Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the **"Third Parties Act"**) to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required for the parties to (if they agree) rescind or vary this Deed at any time.

2. CREATION OF SECURITY INTERESTS

- (a) The Parent, with full title guarantee and as security for the payment of all Liabilities, charges by way of first mortgage, all the Shares in favour of the Security Trustee.
- (b) Notwithstanding any other provision of the Finance Documents, it is expressly agreed and understood that the sole recourse of each Finance Party and any Receiver and

Delegate against the Parent in respect of the Liabilities under this Deed is limited to its rights of enforcement and recovery against the Charged Assets and accordingly the total amount recoverable against the Parent under this Deed shall be limited to the proceeds received by the Finance Parties or any Receiver and/or Delegate in realising the Charged Assets in accordance with the terms of this Deed.

3. RESTRICTIONS ON DEALING WITH CHARGED ASSETS

3.1 Negative pledge

The Parent must not create or permit to subsist any Security or Quasi Security over any Charged Asset except as permitted by the Facility Agreement.

3.2 Disposals

The Parent must not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Charged Asset except as permitted by the Facility Agreement.

4. FURTHER ASSURANCE

- (a) The Parent shall promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s)):
 - (i) to perfect the Security created or intended to be created under or evidenced by this Deed (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Trustee or the Finance Parties provided by or pursuant to the Finance Documents or by law; or
 - (ii) to confer on the Security Trustee or confer on the Finance Parties Security over any property and assets of the Parent located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or
 - (iii) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.
- (b) The Parent shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Security Trustee or the Finance Parties by or pursuant to this Deed.

5. SHARES

5.1 Notification

The Parent shall promptly notify the Security Trustee of:

- (a) its acquisition of, or agreement to acquire, any Shares;

- (b) the declaration, payment, receipt, offer or issue of any Related Right in respect of any Shares excluding any cash dividend; and
- (c) any intention of which it becomes aware for any Shares to be held in uncertificated form and to be transferable through CREST.

5.2 Documents

The Parent shall on the date of this Deed and, where Shares are acquired by it after the date of this Deed, on the date of that acquisition:

- (a) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, all certificates and other documents of title or evidence of ownership in relation to its Shares; and
- (b) deliver to the Security Trustee, or as it directs, and the Security Trustee shall be entitled to hold, transfers of the Shares, each executed in blank, and other documents relating to the Shares reasonably required by the Security Trustee.

5.3 Voting before enforcement

At any time prior to the occurrence of an Event of Default which is continuing the Parent shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share provided that:

- (a) it does so for a purpose not inconsistent with any Finance Document; and
- (b) the exercise of or, as the case may be, the failure to exercise those rights would not have an adverse effect on the value of the relevant Shares or the Charged Assets or the ability of the Security Trustee to realise the Security Interests and would not otherwise prejudice the interests of any Finance Party under any Finance Document.

5.4 Voting after enforcement

At any time while an Event of Default is continuing and the Security Trustee has given notice to the Parent that it intends to exercise its rights under this clause 5.4 (*Voting after enforcement*):

- (a) the Security Trustee or the Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share; and
- (b) the Parent shall comply or procure the compliance with any directions of the Security Trustee or the Receiver in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Trustee or the Receiver such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

5.5 Cash dividends before enforcement

At any time prior to the occurrence of an Event of Default which is continuing the Parent shall be entitled to retain any cash dividend deriving from the Shares.

5.6 Cash dividends after enforcement

At any time while an Event of Default is continuing the Parent shall hold any cash dividend deriving from the Shares received by it on trust for the Finance Parties and transfer or pay the same immediately to the Security Trustee or as it may direct.

5.7 Shares held by nominees of the Parent

If any Share is held in the name of a nominee of the Parent, the Parent shall promptly upon request by the Security Trustee deliver to it an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by that nominee. That power of attorney shall appoint the Security Trustee, each Receiver and each Delegate, as the attorney of the holder and shall be in such form as the Security Trustee requires (acting reasonably).

5.8 Communications

- (a) The Parent shall promptly upon request by the Security Trustee deliver to it a copy of each circular, notice, report, set of accounts or other document received by it or its nominee relating to any of its Shares.
- (b) The Parent shall promptly deliver to the Security Trustee a copy of, and comply with, each request for information which is made under section 793 of the Companies Act 2006 or any similar provision contained in any articles of association or other constitutional document relating to any of its Shares.
- (c) If the Parent does not comply with paragraph (b) above, the Security Trustee may provide any information it has on behalf of the Parent.

5.9 Payment of calls

- (a) The Parent shall promptly pay all calls or other payments in respect of any of its Shares.
- (b) If the Parent does not comply with paragraph (a) above, the Security Trustee may pay that call or other payment on behalf of the Parent.
- (c) The Parent shall immediately on request by the Security Trustee reimburse the Security Trustee for any payment made by the Security Trustee under this clause 5.9 (*Payment of calls*).

6. GENERAL UNDERTAKINGS

6.1 Information

The Parent shall supply to the Security Trustee promptly such information regarding its Charged Assets and its compliance with this Deed as the Security Trustee may reasonably request.

6.2 No other prejudicial conduct

The Parent must not do, or permit to be done, anything which could prejudice the Security Interests.

7. REPRESENTATIONS AND WARRANTIES

- (a) The Parent in respect of itself only, makes the representations and warranties set out in:
- (i) clauses 17.1 (*Status*) to 17.5 (*Validity and admissibility in evidence*) (inclusive);
 - (ii) clause 17.9 (*No default*);
 - (iii) clause 17.12 (*No proceedings pending or threatened*);
 - (iv) in respect of the Charged Assets only, clause 17.15 (*Legal and beneficial ownership*);
 - (v) in respect of the Security Interests (as applicable) only, clause 17.16 (*Security Interests*);
 - (vi) in respect of Shares only, clause 17.18 (*Share capital and ownership*); and
 - (vii) clause 17.21 (*Governing law and enforcement*),

of the Facility Agreement to the Security Trustee on the date of this Deed, provided that any reference in any of such clause to any Finance Document or any Security Document shall be deemed to be a reference to this Deed only.

- (b) The Parent represents that, save for any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 15 days of commencement, no corporate action, legal proceedings or other procedure or step has been taken in relation to:
- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Parent;
 - (ii) the appointment of a liquidator, receiver over any Charged Asset, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Parent or any Charged Assets; or
 - (iii) enforcement of any Security over any Charged Assets,
- or any analogous procedure or step is taken in any jurisdiction.

8. ENFORCEMENT OF SECURITY INTERESTS

8.1 When enforceable

The Security Interests shall be immediately enforceable on and at any time after the occurrence of an Event of Default which is continuing.

8.2 Enforcement action

At any time after the Security Interests have become enforceable, the Security Trustee may in its absolute discretion enforce all or any part of the Security Interests in any manner it sees fit or as directed by the Majority Lenders.

8.3 Law of Property Act powers

At any time after the Security Interests have become enforceable, the powers, authorities and discretions conferred by the Law of Property Act on mortgagees, including the power of sale and other powers conferred by section 101 (Powers incident to estate or interest of mortgagee) of the Law of Property Act, as varied and extended by this Deed, shall be immediately exercisable.

9. LAW OF PROPERTY ACT

9.1 Section 101

The power of sale and other powers conferred by section 101 (Powers incident to estate or interest of mortgagee) of the Law of Property Act on mortgagees, as varied and extended by this Deed, shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on the date of this Deed and shall be exercisable in accordance with clause 8.3 (*Law of Property Act powers*).

9.2 Section 103

Section 103 (Regulation of exercise of power of sale) of the Law of Property Act shall not apply to this Deed.

9.3 Section 93

Section 93 (Restriction on consolidation of mortgages) of the Law of Property Act shall not apply to this Deed.

10. APPOINTMENT OF RECEIVERS

10.1 Appointment of Receivers

If:

- (a) requested by the Parent; or
- (b) the Security Interests have become enforceable,

without any notice or further notice, the Security Trustee may, by deed or otherwise in writing signed by the Security Trustee or any person authorised for this purpose by the Security Trustee, appoint one or more persons to be a Receiver of all or any part of the Charged Assets. The Security Trustee may similarly remove any Receiver and appoint any person instead of any Receiver. If the Security Trustee appoints more than one person as Receiver, the Security Trustee may give those persons power to act either jointly or severally.

10.2 Agent of the Parent

Any Receiver shall be the agent of the Parent for all purposes. The Parent alone shall be responsible for the Receiver's contracts, engagements, acts, omissions and defaults.

10.3 Remuneration of Receivers

The Security Trustee may determine the remuneration of any Receiver and the maximum rate specified in section 109(6) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act shall not apply. The Security Trustee may direct payment of that remuneration out of moneys it receives as Receiver. The Parent alone shall be liable for the remuneration and all other costs, losses, liabilities and expenses of the Receiver.

11. RIGHTS AND LIABILITIES OF SECURITY TRUSTEE AND RECEIVERS

11.1 Rights of Receivers

Any Receiver appointed pursuant to clause 10 (*Appointment of Receivers*) shall have:

- (a) the rights set out in Schedule 1 (*Rights of Receivers*); and
- (b) the rights, powers, privileges and immunities conferred by law, including the rights, powers, privileges and immunities conferred by the Law of Property Act and the Insolvency Act on receivers or receivers and managers.

11.2 Rights of Security Trustee

At any time after the Security Interests have become enforceable, to the fullest extent permitted by law, any rights conferred by any Finance Document or by law upon a Receiver may be exercised by the Security Trustee, whether or not the Security Trustee shall have appointed a Receiver of all or any part of the Charged Assets.

11.3 Delegation

The Security Trustee may delegate in any manner to any person any rights exercisable by the Security Trustee under any Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Security Trustee thinks fit and the Security Trustee may pass confidential information to any such delegate.

11.4 Financial collateral arrangement

- (a) To the extent that this Deed constitutes a "financial collateral arrangement" (as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**Financial Collateral Regulations**")) the Security Trustee shall have the right:
 - (i) to use and dispose of any Charged Asset which constitutes "financial collateral" (as defined in the Financial Collateral Regulations ("**Financial Collateral**")) in such manner as it sees fit, in which case the Security Trustee shall comply with any requirements of the Financial Collateral Regulations in relation to obtaining "equivalent financial collateral" (as defined in the Financial Collateral Regulations);

- (ii) to set-off the value of any equivalent financial collateral against, or apply it in discharge of, any Liabilities in accordance with the Financial Collateral Regulations; and
 - (iii) at any time after the Security Interests have become enforceable, to appropriate any Charged Asset which constitutes Financial Collateral in such manner as it sees fit in or towards satisfaction of the Liabilities in accordance with the Financial Collateral Regulations.
- (b) If the Security Trustee is required to value any equivalent financial collateral or Financial Collateral for the purpose of paragraph (a)(ii) or (a)(iii) above, the value shall be:
- (i) in the case of cash, its face value at the time of appropriation or set-off; and
 - (ii) in the case of financial instruments or other Financial Collateral, their market value at the time of appropriation or set-off as determined (after appropriation) by the Security Trustee by reference to a public index or other applicable generally recognised source or such other process as the Security Trustee may select, including a valuation carried out by an independent investment bank, firm of accountants or other valuers appointed by the Security Trustee,

as converted, where necessary, into the currency in which the Liabilities are denominated at a market rate of exchange prevailing at the time of appropriation or set-off selected by the Security Trustee. The Parties agree that the methods of valuation set out in this paragraph (b) are commercially reasonable for the purpose of the Financial Collateral Regulations.

- (c) The Parent authorises the Security Trustee to transfer any Charged Asset which constitutes Financial Collateral in accordance with the Financial Collateral Regulations, and any such Charged Asset shall pass from the Parent to the Security Trustee by way of outright title transfer, free and clear of any liens, claims, charges or encumbrances or any other interest of the Parent or any third party. The Security Trustee shall, accordingly, have the right to deal with, lend, dispose of, pledge, charge or otherwise use any Charged Asset which constitutes Financial Collateral.

11.5 Possession

If the Security Trustee, any Receiver or any Delegate takes possession of the Charged Assets, it may at any time relinquish possession.

11.6 Security Trustee's liability

Neither the Security Trustee, any Receiver nor any Delegate shall, either by reason of taking possession of the Charged Assets or for any other reason and whether as mortgagee in possession or otherwise, be liable for:

- (a) any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets; or
- (b) any act or omission of the Security Trustee, any Receiver, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in

connection with the Finance Documents, unless directly caused by its gross negligence or wilful misconduct.

12. ORDER OF APPLICATION

All amounts from time to time received or recovered by the Security Trustee or any Receiver pursuant to the terms of this Deed or in connection with the realisation or enforcement of all or any part of the Security Interests shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

- (a) in discharging any sums owing to the Security Trustee, any Receiver or any Delegate;
- (b) in discharging all costs and expenses incurred by any Finance Party in connection with any realisation or enforcement of the Security Interests or any action taken at the request of the Security Trustee under clause 4 (*Further Assurance*);
- (c) in payment or distribution to the Agent on its own behalf and on behalf of the other Finance Parties for application towards the discharge of the Liabilities in accordance with the terms of the Facility Agreement;
- (d) if the Parent is not under any further actual or contingent liability under any Finance Document, in payment or distribution to any person to whom the Security Trustee is obliged to pay or distribute in priority to the Parent; and
- (e) the balance, if any, in payment or distribution to the Parent.

13. POWER OF ATTORNEY

13.1 Appointment

The Parent by way of security irrevocably appoints the Security Trustee, each Receiver and each Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

- (a) to do anything which the Parent is obliged to do under this Deed but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Trustee may reasonably specify (and in such form as the Security Trustee may reasonably require in favour of the Security Trustee or its nominee(s)), including those required under clause 4 (*Further Assurance*)); and
- (b) to exercise any of the rights conferred on the Security Trustee, any Receiver or any Delegate in relation to the Charged Assets or under this Deed or under any law.

13.2 Ratification

The Parent ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in clause 13.1 (*Appointment*).

14. PROTECTION OF THIRD PARTIES

No purchaser or other person dealing with the Security Trustee, any Receiver or its agents shall be concerned to enquire:

- (a) whether the powers conferred on the Security Trustee, any Receiver or its agents have arisen;
- (b) whether the powers conferred on the Security Trustee, any Receiver or its agents have become exercisable;
- (c) whether any consents, regulations, restrictions or directions relating to such powers have been obtained or complied with;
- (d) whether the Security Trustee, any Receiver or its agents is acting within such powers;
- (e) whether any money remains due under the Finance Documents and the receipt in writing of the Security Trustee, any Receiver or its agents shall be sufficient discharge to that purchaser or other person;
- (f) as to the propriety or validity of acts purporting or intended to be in exercise of any such powers; or
- (g) as to the application of any money paid to the Security Trustee, any Receiver or its agents.

15. SAVING PROVISIONS

15.1 Continuing Security

Subject to clause 16 (*Discharge of Security*), the Security Interests are continuing Security and will extend to the ultimate balance of the Liabilities, regardless of any intermediate payment or discharge in whole or in part.

15.2 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Parent or the Obligor or any security for those obligations or otherwise) is made by a Finance Party in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation or otherwise, without limitation, then the liability of the Parent and the Security Interests will continue or be reinstated as if the discharge, release or arrangement had not occurred.

15.3 Waiver of defences

Neither the obligations of the Parent under this Deed nor the Security Interests will be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of its obligations under any Finance Document or any of the Security Interests (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (g) any insolvency or similar proceedings.

15.4 Parent intent

Without prejudice to the generality of clause 15.3 (*Waiver of defences*), the Parent expressly confirms that it intends that the Security Interests shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

15.5 Immediate recourse

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

15.6 Appropriations

Until all amounts which may be or become payable by the Parent under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to Liabilities have terminated, each Finance Party (or any trustee or agent on its behalf) may:

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit

(whether against those amounts or otherwise) and the Parent shall not be entitled to the benefit of the same; and

- (b) hold in an interest-bearing suspense account any moneys received from the Parent or on account the Parent's liability under this Deed.

15.7 Deferral of Parent's rights

Until all amounts which may be or become payable by the Parent under or in connection with the Finance Documents have been irrevocably paid in full and all facilities which might give rise to the Liabilities have terminated and unless the Security Trustee otherwise directs, the Parent will not exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

- (a) to be indemnified by an Obligor;
- (b) to claim any contribution from any Obligor under the Finance Documents;
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party;
- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Obligor had given a guarantee, undertaking or indemnity;
- (e) to exercise any right of set-off against any Obligor; and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Finance Party.

If the Parent receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application in accordance with clause 12 (*Order of Application*).

15.8 Additional security

The Security Interests are in addition to and are not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

16. DISCHARGE OF SECURITY

16.1 Final redemption

Subject to clause 16.2 (*Retention of security*), if the Security Trustee is satisfied that all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and that all facilities which might give rise to Liabilities have terminated, the Security Trustee shall at the request and cost of the Parent release, reassign or discharge (as appropriate) the Charged Assets from the Security

Interests, without recourse to, or any representation or warranty by, the Security Trustee or any of its nominees.

16.2 Retention of security

If the Security Trustee (acting reasonably) considers that any amount paid or credited to any Finance Party under any Finance Document is capable of being avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Liabilities have been irrevocably paid.

17. INDEMNITY

The Parent shall, within three Business Days of demand, indemnify the Security Trustee and any Receiver or Delegate against any cost, loss, liability or expense incurred by it or them as a result of:

- (a) any breach by the Parent of this Deed; or
- (b) the exercise or purported exercise of any of the rights, powers, discretions, authorities and remedies conferred on it or them by this Deed or otherwise relating to the Charged Assets.

18. PAYMENTS

18.1 Demands

Any demand for payment made by any Finance Party shall be valid and effective even if it contains no statement of the relevant Liabilities or an inaccurate or incomplete statement of them.

18.2 Payments

All payments by the Parent under this Deed shall be made to such account, with such financial institution and in such other manner as the Security Trustee may direct.

18.3 Continuation of accounts

- (a) At any time after a Finance Party has received or is deemed to have received notice of any subsequent Security affecting all or any part of the Charged Assets of the Parent, that Finance Party may open a new account in the name of the Parent (whether or not it permits any existing account to continue).
- (b) If that Finance Party does not open such a new account, it shall be treated as if it had done so when the relevant notice was received or deemed to have been received and as from that time all payments made by or on behalf of the Parent to that Finance Party shall be credited or be treated as having been credited to the relevant new account and not as having been applied in reduction of the Liabilities as at the time the relevant notice was received or deemed to have been received.

18.4 Contingencies

If all or any part of the Security Interests are enforced at a time when no amount is due under the Finance Documents but any such amount may or will become due, the Security Trustee or the Receiver may pay the proceeds of any recoveries effected by it into a suspense account.

19. REMEDIES, WAIVERS AND DETERMINATIONS

19.1 Remedies and waivers

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, Receiver or Delegate, any right or remedy under any Finance Document shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No waiver or election to affirm any of the Finance Documents on the part of any Finance Party, Receiver or Delegate shall be effective unless in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.

19.2 Certificates and Determinations

Any certification or determination by the Security Trustee or any Receiver of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

20. SEPARATE AND INDEPENDENT OBLIGATIONS

The Security created by the Parent by or in connection with this Guarantee is separate from and independent of the Security created or intended to be created by any Obligor or other provider of Security by or in connection with any Finance Document.

21. NOTICES

The provisions of clause 31 (*Notices*) of the Facility Agreement shall be incorporated into this Deed as if set out in full in this Deed and if any references in that clause to any "Obligor" are references to the Parent.

22. COUNTERPARTS

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

23. GOVERNING LAW

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

24. ENFORCEMENT

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").
- (b) The Parties 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.
- (c) This clause 24 (*Enforcement*) 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 delivered on the date stated at the beginning of this Deed.

SCHEDULE 1: RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to clause 10 (*Appointment of Receivers*) shall have the right, either in its own name or in the name of the relevant Obligor or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

1. Enter into possession

To take possession of, get in and collect all or any part of the Charged Assets, and to require payment to it or to any Finance Party of any dividends;

2. Deal with Charged Assets

To sell, transfer, assign, exchange, hire out, lend, licence or otherwise dispose of or realise all or any part of the Charged Assets to any person either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments or deferred);

3. Hive down

To form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or any rights attaching thereto;

4. Borrow money

To borrow or raise money either unsecured or on the security of all or any part of the Charged Assets (either in priority to the Security Interests or otherwise);

5. Rights of ownership

To manage and use all or any part of the Charged Assets and to exercise and do all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute beneficial owner of all or any part of the Charged Assets;

6. Legal actions

To bring, prosecute, enforce, defend and abandon actions, suits and proceedings relating to all or any part of the Charged Assets;

7. Claims

To settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person or relating to all or any part of the Charged Assets;

8. Redemption of Security

To redeem any Security (whether or not having priority to the Security Interests) over all or any part of the Charged Assets and to settle the accounts of any person with an interest in all or any part of the Charged Assets;

9. Delegation

To delegate in any manner to any person any rights exercisable by the Receiver under any Finance Document, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) as it thinks fit, and to pass confidential information to any such delegate;

10. Insolvency Act

To exercise all powers set out in Schedule 1, Schedule B1 or (in the case of a Scottish Receiver) Schedule 2 to the Insolvency Act as now in force (whether or not in force at the date of exercise and whether or not the Receiver is an administrative receiver) and any powers added to Schedule 1 or Schedule 2, as the case may be, after the date of this Deed;

11. Receipts

To give a valid receipt for any moneys and do anything which may be necessary or desirable for realising all or any part of Charged Assets; and

12. Other powers

To do anything else it may think fit for the realisation of all or any part of the Charged Assets or incidental to the exercise of any of the rights conferred on the Receiver under or by virtue of any Finance Document to which the Parent is party, the Law of Property Act or the Insolvency Act.

SCHEDULE 2: SHARES

Name of Company	Name of Issuer	No. and Type of Shares	Held in Certificated Form
LR Skipton and Bloomsbury Ltd (Registration No. 09272236)	London and Regional Group Property Holdings Ltd (Registration No. 11393433)	1 Ordinary	Yes

EXECUTION PAGE

THE PARENT

Signed as a deed by **LONDON AND**)
REGIONAL GROUP PROPERTY)
HOLDINGS LTD by a director in the presence)
of a witness:)

Signature

Name (block capitals)

Director

Witness signature:

Witness name:
(block capitals)

Rosemary Underwood

Witness address

THE SECURITY TRUSTEE

Signed for and on behalf of **CBRE LOAN**)
SERVICES LIMITED acting by)

.....
Authorised Signatory

.....
Authorised Signatory