

MR01

Particulars of a charge



Companies House

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last page.

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Please go to www.companieshouse.gov.uk

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument.

☒ **What this form is NOT for**
You may not use this form to
register a charge where there is
an instrument. Use form MR08.

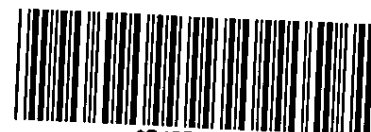
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refer to our guidance at:
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This form **must be delivered to the Registrar for registration with
21 days** beginning with the day after the date of creation of the charge.
delivered outside of the 21 days it will be rejected unless it is accompa
court order extending the time for delivery.



You **must** enclose a certified copy of the instrument with this form. Th
scanned and placed on the public record. **Do not send the original.**

MONDAY



SCT 02/03/2015 #63
COMPANIES HOUSE

1 Company details

Company number S C 2 5 7 2 2 6
Company name in full D.U.K.E. REAL ESTATE LIMITED

For official use
9
→ **Filling in this form**
Please complete in typescript or in
bold black capitals.
All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 1 7 0 2 2 0 1 5

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge.

Name BANK OF SCOTLAND PLC (AS SECURITY AGENT)

Name

Name

Name

If there are more than four names, please supply any four of these names then
tick the statement below.

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge.

MR01

Particulars of a charge

4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument. Brief description Two hundred and fifty thousand (250,000) fully paid units in VPT European Investments Trust	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument". Please limit the description to the available space.
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box. <input type="checkbox"/> Yes Continue <input checked="" type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input type="checkbox"/> Yes	
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^① You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge. <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06).
9	Signature Please sign the form here. Signature X [Signature], MEMBER FOR PROVED UP This form must be signed by a person with an interest in the charge.	

MRO1

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name KLF.BAN2.526 (26402952)

Company name Brodies LLP

Address 15 Atholl Crescent

Post town Edinburgh

County/Region

Postcode E H 3 8 H A

Country United Kingdom

DX ED10

Telephone 0131 656 3263



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.



Important information

Please note that all information on this form will appear on the public record.



How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 257226

Charge code: SC25 7226 0009

The Registrar of Companies for Scotland hereby certifies that a charge dated 17th February 2015 and created by D.U.K.E. REAL ESTATE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd March 2015.

Given at Companies House, Edinburgh on 5th March 2015



Companies House



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

DATED: 17 February 2015

D.U.K.E. REAL ESTATE LIMITED

and

BANK OF SCOTLAND PLC

acting as the Security Agent (as defined herein)

SECURITY AGREEMENT

(relating to units in VPT European Investments Trust)

This Security Agreement is entered into with the benefits of and subject to the terms of the Intercreditor Agreement (as defined herein)

CERTIFIED A TRUE
COPY SAVE FOR THE
MATERIAL REDACTED
PURSUANT TO S855
OF THE COMPANIES
ACT 2006

Attestation
BRODIES LLP
Solicitors

27 February 2015

Ref: *BAN2.526*



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THIS SECURITY AGREEMENT is made the 17 day of February 2015.

BETWEEN:

- (1) **D.U.K.E. REAL ESTATE LIMITED**, a company incorporated in Scotland with registered number SC257226 having its registered office at 1st Floor Exchange Place 3, 3 Semple Street, Edinburgh, EH3 8BL (the "**Debtor**", which expression shall include its successors and assigns);

AND

- (2) **BANK OF SCOTLAND PLC**, a Scottish company with registration number SC327000 and having its registered office at The Mound, Edinburgh, EH1 1YZ, acting as the Security Agent (as defined below).

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

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 Security Assets;
"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.
"bankruptcy"	shall have the meaning contained in the Interpretation (Jersey) Law 1954, as amended and shall also include any proceedings of a similar nature in any place outside Jersey and "bankrupt" shall be construed accordingly.
"Beneficiaries"	means: (a) each Earl Finance Party; and (b) any Receiver or Delegate (each term as defined in the Global Financing Agreement).
the "Confirmation"	means the confirmation to be given to the Security Agent by the Trustees substantially in the form set out in Schedule 2.
"Control"	means "control" as that word is defined in Article 3(5) of the Law.

"Declared Default"	means that an Event of Default (as defined in the Global Financing Agreement) has occurred and as a result the Global Financing Agent has taken steps to exercise any of its respective rights under clause 20.20 (<i>Acceleration</i>) of the Global Financing Agreement.
"Earl Facility Agreements"	means the Duke Facilities Agreement, the VCP Facilities Agreements, the V€uro Facility Agreements and the VPT EIT Facilities Agreement (each term as defined in the Global Financing Agreement).
"Earl Finance Documents"	<p>means:</p> <ul style="list-style-type: none"> (a) the Global Financing Agreement; (b) any Accession Deed, any Compliance Certificate, any Fee Letter, the Hedging Strategy Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Utilisation Request, any Transaction Security Document, the 2012 Earl Facilities Amendment Agreement and the 2014 GFA Amendment Agreement (each term as defined in the Global Financing Agreement); (c) the Earl Facility Agreements; (d) the 2012 Earl Local Intercreditor Amendment Agreements and the Earl Local Intercreditor Agreement; (e) any Finance Document, Master Document or BoS Document (each term as defined in each of the Earl Facility Agreements); (f) the Earl Duty of Care Deed; and (g) any other document designated as an "Earl Finance Document" by the Global Financing Agent and the Earl Obligors' Agent (as defined in the Global Financing Agreement) or D.U.K.E. Real Estate Limited.
"Earl Finance Party"	means the Global Financing Agent, the Arranger, the Security Agent, an Earl Lender, a VCP Master Party, a V€uro Master Party, an Earl Facility Agent or a Hedging Counterparty (each term as defined in the Global Financing Agreement) any other party which (i) is designated as an "Earl Finance Party" in or pursuant to the Global Financing Agreement or (ii) accedes to the Global Financing Agreement or any other Earl Finance

	Document as an "Earl Finance Party".
"Encumbrance"	means a security interest, mortgage, charge, pledge, lien or other encumbrance which shall take effect in accordance with the law of the jurisdiction in which the relevant asset is situate and without limit to the foregoing shall include an interest in property created pursuant to the provisions of the Law.
"Further Advance"	means "further advance" as that expression is defined in Article 33(4) of the Law.
"Global Financing Agent"	has the meaning given to that term in the Global Financing Agreement.
"Global Financing Agreement"	means the global financing agreement originally dated 22 March 2012 and made between, among others, D.U.K.E. Real Estate Limited (as the Parent), Valad Property Holdings (UK) Limited (as Earl Obligors' Agent), the parties listed therein as Earl Obligors and Bank of Scotland plc (in various capacities) as amended and restated on 19 December 2014.
"Intercreditor Agreement"	has the meaning given to that term in the Global Financing Agreement.
"Law"	means the Security Interests (Jersey) Law 2012 (as amended).
"Other Units"	means the units in the Trust and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Other Unitholder.
"Other Unitholder"	means D.U.K.E. Property Holdings (UK) Limited.
"proceeds"	has in relation to the (other) Collateral the meaning given to that word in the Law.
"Related Rights"	means all rights of the Debtor derived from or connected to the Units including, without limitation, any rights to receive additional units or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, distribution, income or otherwise) in respect of the Units.
"Secured Sums"	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 the Debtor to all or any of the Beneficiaries under each or any of the Earl Finance Documents, in each case together with: <ul style="list-style-type: none"> (a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any

Earl Finance Document; and

- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Earl Finance Document or the obligations and liabilities imposed under such documents.

"Securities"	include without limitation any property within the definition of "investment security" under Article 1 (<i>Definitions</i>) of the Law.
"Security Agent"	means Bank of Scotland plc acting as security agent and trustee for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Earl Finance Documents.
"Security Assets"	means the Units, the Related Rights and (where the context allows) any proceeds (that are not Related Rights) of all such Securities, including any after-acquired property falling within this definition.
"Security Interests"	means the security interest(s) created by or for which provision is made in this Agreement.
"Security Period"	means the period beginning on the date of this Agreement and ending on the date on which the Security Agent is satisfied that all the Secured Sums have been unconditionally paid, performed and discharged in full.
"Transfer Forms"	means instruments of transfer in relation to the Units executed by the Debtor but with the identity of the transferee and the date not completed and in forms which comply with the provisions of the Trust Instrument.
"Trust"	means the unit trust scheme constituted by the Trust Instrument and known as the VPT European Investments Trust.
"Trustees"	means Bedell Corporate Trustees Limited and Atrium Trustees Limited acting in their capacity as joint trustees of the Trust (and any additional or replacement trustee or trustees thereof from time to time).
"Trust Instrument"	means the declaration of trust dated 24 June 2008 constituting the Trust (as amended, restated, varied or supplemented from time to time).
"Units"	means the units in the Trust specified in Schedule 1 and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Debtor.

1.2 Construction

In this Agreement, unless the context otherwise requires:

- 1.2.1 all terms and expressions defined in the Global Financing Agreement (including those incorporated therein by reference) have, unless expressly defined in this Agreement, the same meaning in this Agreement;
- 1.2.2 words in the singular shall include the plural and words in the plural shall include the singular;
- 1.2.3 words denoting any gender shall include all genders;
- 1.2.4 headings are used for convenience only and shall not affect the interpretation of this Agreement;
- 1.2.5 references to Clauses are to be construed as references to clauses of this Agreement;
- 1.2.6 references to any agreement or document (including, without limitation, references to this Agreement) shall be deemed to include references to such agreement or document as from time to time varied, amended, restated, novated, supplemented or replaced;
- 1.2.7 references to any enactment shall be deemed to include references to such enactment as from time to time amended, extended, re-enacted or consolidated;
- 1.2.8 reference to any person shall include any body of persons corporate or unincorporated;
- 1.2.9 words and expressions defined in the Law, the Interpretation (Jersey) Law 1954, or the Powers of Attorney (Jersey) Law 1995 shall have the same meanings and bear the same interpretations when used in this Agreement; and
- 1.2.10 reference to any assets shall include present and future assets.

2. COVENANT AND CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

- 2.1 The Debtor and the Security Agent hereby agree that the Security Agent shall have continuing first priority security interests in the Security Assets as security for the Secured Sums 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 Security Assets, the Debtor 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 following the occurrence of a Declared Default) 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 Security Assets that are 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 Security Assets 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 Debtor has 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 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 Debtor,
- as the registered holder 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; and
- 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 Debtor hereby agree that the Security Interests shall attach:
- 2.4.1 to the extent that the Security Assets do not constitute after-acquired property, to such Security Assets immediately upon execution of this Agreement; and

- 2.4.2 to the extent that the Security Assets constitute after-acquired property, to such Security Assets immediately on the acquisition of rights in such Security Assets by the Debtor without the need for any specific appropriation of the property by the Debtor.
- 2.5 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and the Debtor hereby agree that:
- 2.5.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Security Assets 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;
- 2.5.2 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;
- 2.5.3 the Security Interests in Related Rights that are 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
- 2.5.4 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 the Debtor to become the registered holder of any part of the Security Assets 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 Debtor shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust.
- 2.8 The Debtor hereby agrees that the Security Agent may at any time and from time to time without the consent of the Debtor 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 Security Assets under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.9 The Debtor covenants to pay or discharge the Secured Sums when due for payment or discharge.

- 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 a Declared Default has occurred.

3. PRESERVATION OF SECURITY

- 3.1 The security constituted by this Agreement:

3.1.1 shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Sums but shall secure the ultimate balance of the Secured Sums; and

3.1.2 shall be in addition to and shall not be affected by any other Encumbrance now or subsequently held by the Security Agent (acting in any capacity) for all or any of the Secured Sums.

- 3.2 The obligations of the Debtor under this Agreement shall not be affected by any act, omission or circumstance which but for this provision might operate to release or otherwise exonerate the Debtor from its obligations under this Agreement or affect such obligations including (but without limitation) and whether or not known to the Debtor or the Security Agent:

3.2.1 any time or indulgence granted to or composition with the Debtor or any other person;

3.2.2 the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of the Earl Finance Documents or any rights or remedies against, or any security granted by, the Debtor or any other person;

3.2.3 any irregularity, invalidity or unenforceability of any obligations of the Debtor or any other person under the Earl Finance Documents or any present or future law or order of any government or authority (whether of right or in fact) purporting to reduce or otherwise affect any of such obligations to the intent that the Debtor's obligations under this Agreement and the security constituted by this Agreement shall remain in full force and this Agreement shall be construed accordingly as if there were no such irregularity, unenforceability, invalidity, law or order; or

3.2.4 any legal limitation, disability, incapacity or other circumstances relating to the Debtor or any other person or any amendment to or variation of the terms of the Earl Finance Documents or any other document or security.

- 3.3 The Debtor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted in this Agreement.

- 3.4 A certificate of the Security Agent as to the amount due under the Earl Finance Documents shall, as against the Debtor, be prima facie evidence of such amount in the absence of manifest error.

- 3.5 Where any discharge (whether in respect of this Agreement, any other security or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be repaid on bankruptcy, liquidation or otherwise without limitation, the security constituted pursuant to this Agreement and the liability of the Debtor under this Agreement shall continue as if there had been no such discharge or arrangement.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Debtor makes the representations and warranties set out in this Clause 4 to the Security Agent.

4.2 Legal validity

This Agreement shall, upon the delivery of the unit certificates in respect of the Units to the Security Agent or its nominee, constitute valid and perfected Security Interests in respect of the Units under the Law.

4.3 Units

4.3.1 The Units represent the entire unitholding of the Debtor in the Trust, and there are no other units in issue in the Trust (other than the Other Units).

4.3.2 There are no conditions attaching to any consents, licences, approvals or authorisations of any governmental or other authority or agency in Jersey, nor any resolutions, agreements or arrangements in place, which could restrict a transfer of Units for the purposes of creating or enforcing the security created under this Agreement, other than a condition in the consent issued under the Control of Borrowing (Jersey) Order 1958 in respect of the Trust that there be no more than fifteen unit holders.

4.4 Security

4.4.1 This Agreement creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Debtor or otherwise.

4.4.2 For the purposes of Article 18(1)(a) of the Law, value has been given.

4.4.3 For the purposes of Article 18(1)(b) of the Law, the Debtor has rights in all of the Collateral and the power to grant rights in the Collateral to the Security Agent.

4.4.4 that the Debtor:

- (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.

4.5 Times for making representations and warranties

The representations and warranties set out in this Clause 4 are made by the Debtor on the date of this Agreement and on the 2014 Effective Date, and are deemed to be repeated by the Debtor on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period with reference to the facts and circumstances then existing.

5. UNDERTAKINGS

5.1 Duration

The undertakings in this Clause 5 shall remain in force throughout the Security Period.

5.2 Restrictions on dealing

The Debtor shall not unless otherwise permitted under the Global Financing Agreement:

- 5.2.1 create or permit to subsist any Encumbrance on any Security Asset other than any Security Interest created by this Agreement or any other Encumbrance created to the benefit of Bank of Scotland plc;
- 5.2.2 sell, transfer or otherwise dispose of any Security Asset or permit the same to occur without the prior written consent of the Security Agent;
- 5.2.3 take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended or further units or other securities in the Trust are issued;
or
- 5.2.4 take or permit the taking of any action whereby the Trust may be terminated, wound-up or otherwise dissolved.

5.3 Transfer of Units

- 5.3.1 The Debtor shall on receipt of any certificate or other document evidencing any entitlement to any further or other Security Assets, deposit it with the Security Agent together with such Transfer Forms or other documents as the Security Agent may require for the purposes of facilitating the Security Agent's rights pursuant to this Agreement and the Existing Security Agreement.
- 5.3.2 Following the occurrence of a Declared Default, the Debtor authorises the Security Agent (i) to arrange for any of the Security Assets which are in registered form to be registered in the name of the Security Agent or a nominee of the Security Agent (if

required by the Security Agent); and (ii) (under its power of sale or other powers of realisation) to transfer or cause any of the Security Assets to be transferred to and registered in the name of any purchaser or transferee for the purposes of facilitating the Security Agent's rights pursuant to this Agreement.

- 5.3.3 Following the occurrence of a Declared Default, the Debtor shall from time to time on the request of the Security Agent execute and sign all transfers, powers of attorney and other documents and give such instructions and directions as the Security Agent may require for perfecting its title to any of the Security Assets or for vesting the same in itself or its nominee or in any purchaser or transferee.

5.4 Calls and other obligations

- 5.4.1 The Debtor will pay all calls or other payments which may become due in respect of any of the Security Assets and if the Debtor fails to do so the Security Agent may elect to make such payments on behalf of the Debtor. Any sums so paid by the Security Agent shall be repayable by the Debtor to the Security Agent on demand together with interest at the rate and in accordance with the terms contained in the relevant Earl Finance Document in relation to overdue sums or at such other rate as may be agreed between the Debtor and the Security Agent from time to time from the date of such payment by the Security Agent to the date of reimbursement by the Debtor pursuant to this Clause 5.4.1, and pending such repayment shall form part of the Secured Sums.
- 5.4.2 The Debtor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of the Security Assets.
- 5.4.3 The Security Agent shall not be required to perform or fulfil any obligation of the Debtor in respect of the Security Assets or to make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Debtor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Agreement at any time or times.

5.5 Registration

- 5.5.1 The Debtor shall promptly 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 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.

- 5.5.2 The Debtor shall not 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.
- 5.5.3 Unless the Security Agent otherwise agrees in writing, the Debtor shall forthwith procure the discharge of the registration of any security interest that is registered against it in relation to any Security Assets.
- 5.5.4 Prior to the expiry of the Security Period, the Debtor shall not 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.

6. POWERS

- 6.1 Subject to Clause 6.2, until the occurrence of a Declared Default, the Debtor shall be entitled:
 - 6.1.1 to receive all distributions, interest and income from the Security Assets; and
 - 6.1.2 to exercise, or (at the cost and expense of the Debtor) to direct the Security Agent to exercise (to the extent that the Security Agent is able to so exercise), any voting rights attached to any of the Security Assets.
- 6.2 Notwithstanding its rights under Clause 6.1, the Debtor shall not take or permit to be taken any action:
 - 6.2.1 that does not comply with the Debtor's memorandum and articles of association, the Trust Instrument or the Earl Finance Documents; or
 - 6.2.2 that jeopardises, impairs or prejudices the rights of the Security Agent or any security created under this Agreement.
- 6.3 At any time following the occurrence of a Declared Default:
 - 6.3.1 the Debtor shall not be authorised to, and shall not, give instructions or exercise any rights in respect of the Security Assets; and
 - 6.3.2 the Security Agent may exercise at its discretion (in the name of the Debtor or otherwise) in respect of any of the Security Assets any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Security Assets are registered or who is the holder or bearer of them.

7. ENFORCEMENT OF SECURITY

7.1 The Security Agent's power of enforcement over the Security Assets shall become exercisable immediately upon the occurrence of a Declared Default, provided that the Security Agent has served on the Debtor written notice specifying the Declared Default.

7.2 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:

7.2.1 appropriating all or some of the Security Assets (whether in one or a number of transactions and whether simultaneously or in series);

7.2.2 selling all or some of the Security Assets (whether in one or a number of transactions and whether simultaneously or in series);

7.2.3 by taking any one or more of the following ancillary actions:

(a) taking control or possession of all or any of the Security Assets;

(b) exercising any rights of the Debtor in relation to all or any of the Security Assets;

(c) instructing any person who has an obligation in relation to all or any of the Security Assets to carry out that obligation for the benefit of the Security Agent (or to its order); and

7.2.4 exercising or applying any remedy set out in this Clause 7.2.4 (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 the Debtor as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any Affected Securities;

(b) directing the Debtor as to the disposal of all or any of the Security Assets, including, where appropriate specifying the person(s) who are to acquire such Security Assets, 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.

- 7.3 (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 Security Assets against the Secured Sums.
- 7.4 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 Security Agent or any of the Beneficiaries by reason of non-performance of such obligation, including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Debtor by the Security Agent.
- 7.5 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 7.2, in whatever order and combination as the Security Agent thinks fit.
- 7.6 In accordance with Article 44(4) of the Law, the Security Agent and the Debtor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of Security Assets*) of the Law to the Debtor.
- 7.7 Subject only to the Law, the Security Agent may at its discretion:
- 7.7.1 exercise its power of enforcement in respect of the Security Interests over any part of the Security Assets 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 Security Assets; and
 - 7.7.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Security Assets notwithstanding that it shall have exercised such power over any other part of the Security Assets.
- 7.8 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 Sums 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 Security Assets). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.
- 7.9 To the fullest extent permitted by law, the Security Agent shall be under no liability to the Debtor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Security Assets 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.

- 7.10 In accordance with Article 54(5)(a) of the Law, the Security Agent and the Debtor hereby agree that the Debtor shall not have any right of reinstatement pursuant to Article 54(4) of the Law.
- 7.11 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.
- 7.12 The Security Agent will be accountable (and the Debtor is 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 Security Assets by the Security Agent.
- 7.13 If the value or proceeds of the appropriation, sale or other realisation of any Security Assets is insufficient to discharge the Secured Sums in full, the Debtor will remain liable to the Security Agent for any shortfall.

8. APPLICATION OF PROCEEDS

- 8.1 The Security Agent shall be under no liability to the Debtor for any failure to realise the Security Assets and apply and distribute the proceeds of sale of the Security Assets or any part thereof in accordance with the Law so long as the Security Agent realises the Security Assets and applies and distributes such proceeds in good faith having regard to the provisions of the Law and the Earl Finance Documents and having made reasonable enquiries.
- 8.2 In the event that at the time the Security Agent exercises the power of appropriation or sale, the Secured Sums, or any part thereof, are for any reason contingent, the Security Agent may hold the proceeds thereof as a continuing security for the Secured Sums and the Debtor hereby expressly consents thereto.

9. POWER OF ATTORNEY

- 9.1 In accordance with Article 5(2)(a) of the Powers of Attorney (Jersey) Law 1995 for the purpose of facilitating the exercise of the powers of the Security Agent under the Law and the powers given by the Debtor to the Security Agent pursuant to this Agreement, the Debtor by way of security irrevocably appoints the Security Agent the attorney of the Debtor (with full power of substitution in accordance with Article 8 of the Powers of Attorney (Jersey) Law 1995) on its behalf and in the name of the Debtor or the Security Agent (as the attorney may decide) to execute, seal and deliver and otherwise perfect and do all such deeds, assurances, agreements, instruments, acts and things in relation to any matters dealt with in this Agreement which the Debtor is obliged to do but has not done, including (but without limitation):
- 9.1.1 to complete, execute and deliver all Transfer Forms delivered in connection with the Security Assets;
- 9.1.2 to execute any transfer, bill of sale or other assurance in respect of the Security Assets;

- 9.1.3 to exercise all the rights and powers of the Debtor in respect of the Security Assets;
- 9.1.4 to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due and to become due under or arising out of any of the Security Assets;
- 9.1.5 to endorse any cheques or other instruments or orders in connection with any of the Security Assets;
- 9.1.6 to make any claims or to take any action or to institute any proceedings which the Security Agent considers to be necessary or advisable to protect the security created by this Agreement; and
- 9.1.7 any action which the Debtor is obliged to take pursuant to Clause 12 (*further assurances*).

10. PROTECTION OF PURCHASER

- 10.1 No purchaser or other person dealing with the Security Agent or with its attorney or agent shall be concerned to enquire:
 - 10.1.1 whether any Declared Default has happened;
 - 10.1.2 whether any power exercised or purported to be exercised by it or him has become exercisable;
 - 10.1.3 whether any money remains due under this Agreement;
 - 10.1.4 as to the propriety or regularity of any of its or his actions; or
 - 10.1.5 as to the application of any money paid to it or him.
- 10.2 In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed, so far as regards the safety and protection of such purchaser or other person, to be within the powers conferred by this Agreement and to be valid accordingly. The remedy of the Debtor in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

11. EXPENSES AND INDEMNITY

- 11.1 The Debtor shall forthwith on demand pay all fees, costs and expenses (including legal fees) reasonably incurred by the Security Agent, or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement in connection with or relating to the negotiation, preparation and/or execution of this Agreement, the creation, preservation and/or enforcement of any rights under this Agreement or the exercise or purported exercise of any of

the powers arising pursuant to this Agreement and shall keep the Security Agent and each such person indemnified against any failure or delay in paying the same.

11.2 All such fees, costs and expenses shall be reimbursed by the Debtor on a full indemnity basis and shall carry interest at the rate and in accordance with the terms contained in the relevant Earl Finance Document in relation to overdue sums or at such other rate as may be agreed between the Debtor and the Security Agent from time to time. In each case, such interest shall be payable from the date that the Security Agent or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement incurred such fees, costs and expenses to the date of reimbursement by the Debtor pursuant to this Clause 11.

11.3 The Debtor shall indemnify and keep indemnified the Security Agent and any attorney, manager, agent or other person appointed by the Security Agent under this Agreement on demand against each and every loss, action, claim, expense, cost and/or liability which may be incurred by the Security Agent or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement in connection with or relating to the creation, preservation and/or enforcement of any of the Security Agent's rights under this Agreement, the exercise or purported exercise of any of the Security Agent's powers pursuant to this Agreement or any breach by the Debtor of any of its obligations hereunder, in each case save where such loss, action, claim, expense, cost or liability arises as the result of the gross negligence or wilful misconduct of the Security Agent (and provided that, in the case of expenses and costs incurred in connection with or relating to the creation and/or preservation of any of the Security Agent's rights under this Agreement or the exercise or purported exercise of any of the Security Agent's powers pursuant to this Agreement prior to a Declared Default only, such expenses and costs are reasonable).

12. FURTHER ASSURANCES

12.1 The Debtor shall, at its own expense, take whatever action the Security Agent or its agent, trustee or any person on its behalf may require for:

12.1.1 perfecting or protecting the security intended to be created by this Agreement over any Security Asset;

12.1.2 facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable, by the Security Agent or its agent, trustee or any person on its behalf or any of its or their delegates or sub-delegates in respect of any Security Asset;

including the execution of any document, transfer, instrument, conveyance, assignment or assurance of any property whether to the Security Agent or to its nominees following the occurrence of a Declared Default, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Security Agent may think expedient.

13. NEW ACCOUNT

- 13.1 On receiving notice that the Debtor has acted in breach of Clause 5.2 or upon the commencement of any form of bankruptcy or insolvency proceeding affecting the Debtor or any part of this Agreement ceasing to be binding on the Debtor, the Security Agent may rule off the Debtor's then subsisting account or accounts with the Security Agent (if any) and open a new account or accounts with the Debtor (and, unless the Security Agent gives express notice to the contrary to the Debtor, the Security Agent shall be deemed to have done so whether or not it actually does so) and accordingly (without prejudice to any right of the Security Agent to combine accounts) no money paid in or carried to the Debtor's credit in any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to the Security Agent hereunder or in respect of the Secured Sums on any such closed account before such notice was received or such circumstances arose.

14. GENERAL

- 14.1 The giving by the Security Agent of any consent to the doing of any act which by the terms of this Agreement requires the consent of the Security Agent shall not prejudice the right of the Security Agent to give or withhold as it reasonably thinks fit its consent to the doing of any other such similar act.
- 14.2 The Security Agent may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Security Agent under this Agreement. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Security Agent may think fit. The Security Agent will not be in any way liable or responsible to the Debtor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.
- 14.3 Every power and remedy given to the Security Agent under this Agreement shall be in addition to and not a limitation of any and every other power and remedy vested in the Security Agent hereunder and all the powers so vested in the Security Agent may be exercised from time to time and as often as the Security Agent may deem expedient and 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 constituted by this Agreement.
- 14.4 The rights and benefits of the Security Agent under this Agreement shall remain valid and binding for all purposes notwithstanding any change, amalgamation, consolidation or otherwise which may be made in the constitution of the company by which the business of the Security Agent may from time to time be carried on and shall be available to the entity carrying on that business for the time being.
- 14.5 For the purpose of the discharge of the Secured Sums the Security Agent may convert any monies received, recovered or realised by the Security Agent in connection herewith from their

existing currency of denomination into such other currency of denomination as the Security Agent may think fit and any such conversion shall be effected at the Security Agent's then prevailing spot selling rate of exchange for such other currency against the existing currency.

- 14.6 If at any time one or more 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.
- 14.7 Time shall be of the essence for the purposes of this Agreement, both as regards the dates and periods specifically mentioned in the Earl Finance Documents and as to any dates and periods which may by agreement in writing between or on behalf of the Security Agent and the Debtor be substituted for them.
- 14.8 No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each of the parties hereto.
- 14.9 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 or benefits under this Agreement. For the purpose of any such participation, assignment, transfer or disposal, the Security Agent may disclose information about the Debtor and the financial condition of the Debtor as may have been made available to the Security Agent by the Debtor or which is otherwise publicly available.
- 14.10 The Debtor may not assign or transfer any of its rights or obligations under this Agreement.
- 14.11 Where the Debtor comprises two or more persons, all agreements, warranties, undertakings and covenants on the part of the Debtor are given jointly and severally and shall be construed accordingly.
- 14.12 Without prejudice to any other mode of service allowed under any relevant law or this Agreement, the Debtor:
- 14.12.1 irrevocably appoints Bedell Corporate Trustees Limited and Atrium Trustees Limited acting in their respective capacities as joint trustees of the Trust and each having its registered office at 26 New Street, St Helier, Jersey JE2 3RA, as its agent for service of process in relation to any proceedings before the courts of the Island of Jersey in connection with or in relation to this Agreement; and
- 14.12.2 acknowledges and agrees that failure by a process agent to notify the Debtor of the process will not invalidate the proceedings concerned.
- 14.13 This Agreement is a Transaction Security Document (as defined in the Global Financing Agreement).

- 14.14 The Security Agent shall hold the benefit of this Agreement inclusive of, inter alia, the Security Interests, confirmations, undertakings and covenants given by the Debtor in and pursuant to this Agreement upon trust for the Beneficiaries on the terms and conditions of the Intercreditor Agreement.
- 14.15 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 16 (*The Security Agent*) of the Intercreditor 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.
- 14.16 Subject to 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.
- 14.17 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, the Debtor 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.
- 14.18 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without any other obligation under this Agreement or the Credit Agreement, the Debtor 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.
- 14.19 The Debtor hereby irrevocably consents and agrees to the processing by the Security Agent or any person on its behalf of any personal data (as defined in the Data Protection (Jersey) Law 2005) and inclusion of such information in any financing statement or financing change statement registered pursuant to the Law in connection with the Security Interests and/or this Agreement.

15. APPROPRIATIONS

- 15.1 Until all of the Secured Sums have been irrevocably and unconditionally paid and discharged in full, the Security Agent may:
- 15.1.1 refrain from applying or enforcing any other monies, security or rights held or received by the Security Agent 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 Debtor shall not be entitled to the benefit of the same; and

15.1.2 hold in a suspense account bearing interest any moneys received from the Debtor or on account of the liability of the Debtor under this Agreement (provided that the Security Agent shall apply the monies standing to the credit of any such suspense account towards the discharge of the obligations owed by the Debtor to the Security Agent under the Earl Finance Documents on the first day on which such monies would be sufficient to discharge all such obligations in full).

16. RELEASE

The Security Agent shall, at the request and cost of the Debtor, take whatever action is necessary to release the Security Assets from the security constituted by this Agreement upon the expiry of the Security Period.

17. NOTICES

17.1 Any notice or other document required or authorised hereby or by the Law may be served on the parties hereto at the following addresses and facsimile numbers and upon the persons specified:

for the Security Agent:

Bank of Scotland plc
New Uberior House
11 Earl Grey Street
Edinburgh
EH3 9BN

Attention: Roger Mayor / Peter Menzies

Email: roger.mayor@lloydsbanking.com; peter.menzies@lloydsbanking.com

for the Debtor:

D.U.K.E Real Estate Limited
1st Floor
Exchange Place 3
3 Semple Street
Edinburgh
EH3 8BL

Attention: Company Secretary – Valad Secretarial Services Limited

Fax: +44 (0) 131 659 1680

17.2 Any such notice or other document shall be deemed to be duly served:

17.2.1 if delivered by hand, at the time of delivery;

17.2.2 if sent by post, at noon on the next Business Day following the day of posting;

17.2.3 if transmitted by facsimile, at the time of transmission;

provided that, where delivery or transmission occurs after 6.00 p.m. on a Business Day or occurs at any time on a day which is not a Business Day, service shall be deemed to occur at 9.00 am. on the next Business Day.

- 17.3 A communication to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of any department or officer specified in this Clause 17 (or any substitute department or officer as the Security Agent shall have specified in writing for this purpose).

18. COUNTERPARTS

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.

19. GOVERNING LAW

- 19.1 This Agreement shall be governed by and construed in accordance with the law of the Island of Jersey and the Debtor hereby submits for the benefit of the Security Agent to the non-exclusive jurisdiction of the Jersey courts in connection herewith.
- 19.2 Nothing in this Clause 19 limits the right of the Security Agent to bring proceedings against the Debtor in any other court of competent jurisdiction; nor shall the bringing or continuing of proceedings in one or more jurisdictions preclude the bringing or continuing of proceedings in any other jurisdiction, whether concurrently or otherwise.
- 19.3 The Debtor irrevocably waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to the venue of any proceedings in any such court as is referred to in this Clause 19 and any claim that any such proceedings have been instituted in an inconvenient forum and further irrevocably agrees that a judgement in any proceedings brought in any such court as is referred to in this Clause 19 shall be conclusive and binding upon the Debtor and may be enforced in the court of any other jurisdiction.

SCHEDULE 1

UNITS

Name of Unit Trust

Number of issued units

VPT European Investments Trust

Two hundred and fifty thousand (250,000) fully
paid Units

SCHEDULE 2

CONFIRMATION

To: BANK OF SCOTLAND PLC
The Mound
Edinburgh
EH1 1YZ

For the attention of: Roger Mayor / Peter Menzies

Dear Sirs

In this Confirmation:

"Grantor" means D.U.K.E REAL ESTATE LIMITED;

"Related Rights" means all rights of the Debtor derived from or connected to the units specified below including, without limitation, any rights to receive additional units or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, distribution, income or otherwise) in respect of such units;

"Securities" means the securities specified below;

"Security Agreement" means the security interest agreement between the Grantor and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Related Rights; and

"Trust" means the VPT European Investments Trust.

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 Related Rights;
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 Grantor 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 Related Rights or any proceeds (that are not Related Rights) of the Securities and Related Rights; 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 Trust, in accordance with and subject to the Security Agreement, 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

BEDELL CORPORATE

TRUSTEES LIMITED

in its capacity as joint

trustee of the VPT European Investments

Unit Trust

Date:..... January 2015

.....

duly authorised

ATRIUM TRUSTEES LIMITED

in its capacity as joint

trustee of the VPT European Investments

Unit Trust

Date:..... January 2015

THE SECURITIES

Means the two hundred and fifty thousand (250,000) fully paid units in the Trust and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Debtor.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

By the Debtor:

For D.U.K.E. REAL ESTATE LIMITED

signature of

director/secretary/authorised
signatory/attorney/witness

full name of above (print)

Witnessed by

Name:

Occupation:

Address:

signature of

director/secretary/authorised signatory/attorney

full name of above (print)

date of signing

January 2015

place of signing:

By the Security Agent:

For BANK OF SCOTLAND PLC

signature of

director/secretary/authorised
signatory/attorney/witness

full name of above (print)

Witnessed by

Name:

Occupation:

Address:

signature of

director/secretary/authorised signatory/attorney

full name of above (print)

date of signing

January 2015

place of signing:

[REDACTED]

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

DATED: 17 FEBRUARY 2015

D.U.K.E. REAL ESTATE LIMITED

and

BANK OF SCOTLAND PLC

acting as the Security Agent (as defined herein)

SECURITY AGREEMENT

(relating to units in VPT European Investments Trust)

This Security Agreement is entered into with the benefits of and subject to the terms of the Intercreditor Agreement (as defined herein)



WWW.CAREYOLSEN.COM

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THIS SECURITY AGREEMENT is made the 17th day of February 2015.

BETWEEN:

- (1) **D.U.K.E. REAL ESTATE LIMITED**, a company incorporated in Scotland with registered number SC257226 having its registered office at 1st Floor Exchange Place 3, 3 Semple Street, Edinburgh, EH3 8BL (the "**Debtor**", which expression shall include its successors and assigns);

AND

- (2) **BANK OF SCOTLAND PLC**, a Scottish company with registration number SC327000 and having its registered office at The Mound, Edinburgh, EH1 1YZ, acting as the Security Agent (as defined below).

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

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 Security Assets;
"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.
"bankruptcy"	shall have the meaning contained in the Interpretation (Jersey) Law 1954, as amended and shall also include any proceedings of a similar nature in any place outside Jersey and "bankrupt" shall be construed accordingly.
"Beneficiaries"	means: (a) each Earl Finance Party; and (b) any Receiver or Delegate (each term as defined in the Global Financing Agreement).
the "Confirmation"	means the confirmation to be given to the Security Agent by the Trustees substantially in the form set out in Schedule 2.
"Control"	means "control" as that word is defined in Article 3(5) of the Law.

"Declared Default"	means that an Event of Default (as defined in the Global Financing Agreement) has occurred and as a result the Global Financing Agent has taken steps to exercise any of its respective rights under clause 20.20 (<i>Acceleration</i>) of the Global Financing Agreement.
"Earl Facility Agreements"	means the Duke Facilities Agreement, the VCP Facilities Agreements, the V€uro Facility Agreements and the VPT EIT Facilities Agreement (each term as defined in the Global Financing Agreement).
"Earl Finance Documents"	<p>means:</p> <ul style="list-style-type: none"> (a) the Global Financing Agreement; (b) any Accession Deed, any Compliance Certificate, any Fee Letter, the Hedging Strategy Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Utilisation Request, any Transaction Security Document, the 2012 Earl Facilities Amendment Agreement and the 2014 GFA Amendment Agreement (each term as defined in the Global Financing Agreement); (c) the Earl Facility Agreements; (d) the 2012 Earl Local Intercreditor Amendment Agreements and the Earl Local Intercreditor Agreement; (e) any Finance Document, Master Document or BoS Document (each term as defined in each of the Earl Facility Agreements); (f) the Earl Duty of Care Deed; and (g) any other document designated as an "Earl Finance Document" by the Global Financing Agent and the Earl Obligors' Agent (as defined in the Global Financing Agreement) or D.U.K.E. Real Estate Limited.
"Earl Finance Party"	means the Global Financing Agent, the Arranger, the Security Agent, an Earl Lender, a VCP Master Party, a V€uro Master Party, an Earl Facility Agent or a Hedging Counterparty (each term as defined in the Global Financing Agreement) any other party which (i) is designated as an "Earl Finance Party" in or pursuant to the Global Financing Agreement or (ii) accedes to the Global Financing Agreement or any other Earl Finance

Document as an "Earl Finance Party".

"Encumbrance"	means a security interest, mortgage, charge, pledge, lien or other encumbrance which shall take effect in accordance with the law of the jurisdiction in which the relevant asset is situate and without limit to the foregoing shall include an interest in property created pursuant to the provisions of the Law.
"Further Advance"	means "further advance" as that expression is defined in Article 33(4) of the Law.
"Global Financing Agent"	has the meaning given to that term in the Global Financing Agreement.
"Global Financing Agreement"	means the global financing agreement originally dated 22 March 2012 and made between, among others, D.U.K.E. Real Estate Limited (as the Parent), Valad Property Holdings (UK) Limited (as Earl Obligors' Agent), the parties listed therein as Earl Obligors and Bank of Scotland plc (in various capacities) as amended and restated on 19 December 2014.
"Intercreditor Agreement"	has the meaning given to that term in the Global Financing Agreement.
"Law"	means the Security Interests (Jersey) Law 2012 (as amended).
"Other Units"	means the units in the Trust and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Other Unitholder.
"Other Unitholder"	means D.U.K.E. Property Holdings (UK) Limited.
"proceeds"	has in relation to the (other) Collateral the meaning given to that word in the Law.
"Related Rights"	means all rights of the Debtor derived from or connected to the Units including, without limitation, any rights to receive additional units or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, distribution, income or otherwise) in respect of the Units.
"Secured Sums"	<p>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 the Debtor to all or any of the Beneficiaries under each or any of the Earl Finance Documents, in each case together with:</p> <p>(a) all costs, charges and expenses incurred by any Beneficiary in connection with the protection, preservation or enforcement of its rights under any</p>

Earl Finance Document; and

- (b) all moneys, obligations and liabilities due, owing or incurred in respect of any variations or increases in the amount or composition of the facilities provided under any Earl Finance Document or the obligations and liabilities imposed under such documents.

"Securities"	include without limitation any property within the definition of "investment security" under Article 1 (<i>Definitions</i>) of the Law.
"Security Agent"	means Bank of Scotland plc acting as security agent and trustee for the Beneficiaries including any successor appointed by the Beneficiaries pursuant to the Earl Finance Documents.
"Security Assets"	means the Units, the Related Rights and (where the context allows) any proceeds (that are not Related Rights) of all such Securities, including any after-acquired property falling within this definition.
"Security Interests"	means the security interest(s) created by or for which provision is made in this Agreement.
"Security Period"	means the period beginning on the date of this Agreement and ending on the date on which the Security Agent is satisfied that all the Secured Sums have been unconditionally paid, performed and discharged in full.
"Transfer Forms"	means instruments of transfer in relation to the Units executed by the Debtor but with the identity of the transferee and the date not completed and in forms which comply with the provisions of the Trust Instrument.
"Trust"	means the unit trust scheme constituted by the Trust Instrument and known as the VPT European Investments Trust.
"Trustees"	means Bedell Corporate Trustees Limited and Atrium Trustees Limited acting in their capacity as joint trustees of the Trust (and any additional or replacement trustee or trustees thereof from time to time).
"Trust Instrument"	means the declaration of trust dated 24 June 2008 constituting the Trust (as amended, restated, varied or supplemented from time to time).
"Units"	means the units in the Trust specified in Schedule 1 and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Debtor.

1.2 Construction

In this Agreement, unless the context otherwise requires:

- 1.2.1 all terms and expressions defined in the Global Financing Agreement (including those incorporated therein by reference) have, unless expressly defined in this Agreement, the same meaning in this Agreement;
- 1.2.2 words in the singular shall include the plural and words in the plural shall include the singular;
- 1.2.3 words denoting any gender shall include all genders;
- 1.2.4 headings are used for convenience only and shall not affect the interpretation of this Agreement;
- 1.2.5 references to Clauses are to be construed as references to clauses of this Agreement;
- 1.2.6 references to any agreement or document (including, without limitation, references to this Agreement) shall be deemed to include references to such agreement or document as from time to time varied, amended, restated, novated, supplemented or replaced;
- 1.2.7 references to any enactment shall be deemed to include references to such enactment as from time to time amended, extended, re-enacted or consolidated;
- 1.2.8 reference to any person shall include any body of persons corporate or unincorporated;
- 1.2.9 words and expressions defined in the Law, the Interpretation (Jersey) Law 1954, or the Powers of Attorney (Jersey) Law 1995 shall have the same meanings and bear the same interpretations when used in this Agreement; and
- 1.2.10 reference to any assets shall include present and future assets.

2. COVENANT AND CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

- 2.1 The Debtor and the Security Agent hereby agree that the Security Agent shall have continuing first priority security interests in the Security Assets as security for the Secured Sums 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 Security Assets, the Debtor 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 following the occurrence of a Declared Default) 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 Security Assets that are 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 Security Assets 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 Debtor has 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 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 Debtor,as the registered holder 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; and
 - 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 Debtor hereby agree that the Security Interests shall attach:
- 2.4.1 to the extent that the Security Assets do not constitute after-acquired property, to such Security Assets immediately upon execution of this Agreement; and

- 2.4.2 to the extent that the Security Assets constitute after-acquired property, to such Security Assets immediately on the acquisition of rights in such Security Assets by the Debtor without the need for any specific appropriation of the property by the Debtor.
- 2.5 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and the Debtor hereby agree that:
- 2.5.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Security Assets 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;
- 2.5.2 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;
- 2.5.3 the Security Interests in Related Rights that are 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
- 2.5.4 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 the Debtor to become the registered holder of any part of the Security Assets 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 Debtor shall immediately procure entry of the transferee named in such instrument of transfer in the register of unitholders of the Unit Trust.
- 2.8 The Debtor hereby agrees that the Security Agent may at any time and from time to time without the consent of the Debtor 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 Security Assets under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.9 The Debtor covenants to pay or discharge the Secured Sums when due for payment or discharge.

- 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 a Declared Default has occurred.

3. **PRESERVATION OF SECURITY**

- 3.1 The security constituted by this Agreement:

3.1.1 shall be a continuing security and shall not be satisfied by any intermediate payment or satisfaction of any part of the Secured Sums but shall secure the ultimate balance of the Secured Sums; and

3.1.2 shall be in addition to and shall not be affected by any other Encumbrance now or subsequently held by the Security Agent (acting in any capacity) for all or any of the Secured Sums.

- 3.2 The obligations of the Debtor under this Agreement shall not be affected by any act, omission or circumstance which but for this provision might operate to release or otherwise exonerate the Debtor from its obligations under this Agreement or affect such obligations including (but without limitation) and whether or not known to the Debtor or the Security Agent:

3.2.1 any time or indulgence granted to or composition with the Debtor or any other person;

3.2.2 the variation, extension, compromise, renewal or release of, or refusal or neglect to perfect or enforce, any terms of the Earl Finance Documents or any rights or remedies against, or any security granted by, the Debtor or any other person;

3.2.3 any irregularity, invalidity or unenforceability of any obligations of the Debtor or any other person under the Earl Finance Documents or any present or future law or order of any government or authority (whether of right or in fact) purporting to reduce or otherwise affect any of such obligations to the intent that the Debtor's obligations under this Agreement and the security constituted by this Agreement shall remain in full force and this Agreement shall be construed accordingly as if there were no such irregularity, unenforceability, invalidity, law or order; or

3.2.4 any legal limitation, disability, incapacity or other circumstances relating to the Debtor or any other person or any amendment to or variation of the terms of the Earl Finance Documents or any other document or security.

- 3.3 The Debtor waives any right it may have of first requiring the Security Agent to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted in this Agreement.

- 3.4 A certificate of the Security Agent as to the amount due under the Earl Finance Documents shall, as against the Debtor, be prima facie evidence of such amount in the absence of manifest error.

- 3.5 Where any discharge (whether in respect of this Agreement, any other security or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be repaid on bankruptcy, liquidation or otherwise without limitation, the security constituted pursuant to this Agreement and the liability of the Debtor under this Agreement shall continue as if there had been no such discharge or arrangement.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties

The Debtor makes the representations and warranties set out in this Clause 4 to the Security Agent.

4.2 Legal validity

This Agreement shall, upon the delivery of the unit certificates in respect of the Units to the Security Agent or its nominee, constitute valid and perfected Security Interests in respect of the Units under the Law.

4.3 Units

4.3.1 The Units represent the entire unitholding of the Debtor in the Trust, and there are no other units in issue in the Trust (other than the Other Units).

4.3.2 There are no conditions attaching to any consents, licences, approvals or authorisations of any governmental or other authority or agency in Jersey, nor any resolutions, agreements or arrangements in place, which could restrict a transfer of Units for the purposes of creating or enforcing the security created under this Agreement, other than a condition in the consent issued under the Control of Borrowing (Jersey) Order 1958 in respect of the Trust that there be no more than fifteen unit holders.

4.4 Security

4.4.1 This Agreement creates those Security Interests it purports to create and is not liable to be avoided or otherwise set aside on the liquidation or administration of the Debtor or otherwise.

4.4.2 For the purposes of Article 18(1)(a) of the Law, value has been given.

4.4.3 For the purposes of Article 18(1)(b) of the Law, the Debtor has rights in all of the Collateral and the power to grant rights in the Collateral to the Security Agent.

4.4.4 that the Debtor:

- (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.

4.5 Times for making representations and warranties

The representations and warranties set out in this Clause 4 are made by the Debtor on the date of this Agreement and on the 2014 Effective Date, and are deemed to be repeated by the Debtor on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period with reference to the facts and circumstances then existing.

5. UNDERTAKINGS

5.1 Duration

The undertakings in this Clause 5 shall remain in force throughout the Security Period.

5.2 Restrictions on dealing

The Debtor shall not unless otherwise permitted under the Global Financing Agreement:

- 5.2.1 create or permit to subsist any Encumbrance on any Security Asset other than any Security Interest created by this Agreement or any other Encumbrance created to the benefit of Bank of Scotland plc;
- 5.2.2 sell, transfer or otherwise dispose of any Security Asset or permit the same to occur without the prior written consent of the Security Agent;
- 5.2.3 take or permit the taking of any action whereby the rights attaching to any of the Security Assets are amended or further units or other securities in the Trust are issued; or
- 5.2.4 take or permit the taking of any action whereby the Trust may be terminated, wound-up or otherwise dissolved.

5.3 Transfer of Units

- 5.3.1 The Debtor shall on receipt of any certificate or other document evidencing any entitlement to any further or other Security Assets, deposit it with the Security Agent together with such Transfer Forms or other documents as the Security Agent may require for the purposes of facilitating the Security Agent's rights pursuant to this Agreement and the Existing Security Agreement.
- 5.3.2 Following the occurrence of a Declared Default, the Debtor authorises the Security Agent (i) to arrange for any of the Security Assets which are in registered form to be registered in the name of the Security Agent or a nominee of the Security Agent (if

required by the Security Agent); and (ii) (under its power of sale or other powers of realisation) to transfer or cause any of the Security Assets to be transferred to and registered in the name of any purchaser or transferee for the purposes of facilitating the Security Agent's rights pursuant to this Agreement.

- 5.3.3 Following the occurrence of a Declared Default, the Debtor shall from time to time on the request of the Security Agent execute and sign all transfers, powers of attorney and other documents and give such instructions and directions as the Security Agent may require for perfecting its title to any of the Security Assets or for vesting the same in itself or its nominee or in any purchaser or transferee.

5.4 Calls and other obligations

- 5.4.1 The Debtor will pay all calls or other payments which may become due in respect of any of the Security Assets and if the Debtor fails to do so the Security Agent may elect to make such payments on behalf of the Debtor. Any sums so paid by the Security Agent shall be repayable by the Debtor to the Security Agent on demand together with interest at the rate and in accordance with the terms contained in the relevant Earl Finance Document in relation to overdue sums or at such other rate as may be agreed between the Debtor and the Security Agent from time to time from the date of such payment by the Security Agent to the date of reimbursement by the Debtor pursuant to this Clause 5.4.1, and pending such repayment shall form part of the Secured Sums.
- 5.4.2 The Debtor shall remain liable to observe and perform all of the other conditions and obligations assumed by it in respect of any of the Security Assets.
- 5.4.3 The Security Agent shall not be required to perform or fulfil any obligation of the Debtor in respect of the Security Assets or to make any payment, or to make any enquiry as to the nature or sufficiency of any payment received by it or the Debtor, or to present or file any claim or take any other action to collect or enforce the payment of any amount to which it may have been or to which it may be entitled under this Agreement at any time or times.

5.5 Registration

- 5.5.1 The Debtor shall promptly 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 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.

- 5.5.2 The Debtor shall not 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.
- 5.5.3 Unless the Security Agent otherwise agrees in writing, the Debtor shall forthwith procure the discharge of the registration of any security interest that is registered against it in relation to any Security Assets.
- 5.5.4 Prior to the expiry of the Security Period, the Debtor shall not 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.

6. POWERS

- 6.1 Subject to Clause 6.2, until the occurrence of a Declared Default, the Debtor shall be entitled:
 - 6.1.1 to receive all distributions, interest and income from the Security Assets; and
 - 6.1.2 to exercise, or (at the cost and expense of the Debtor) to direct the Security Agent to exercise (to the extent that the Security Agent is able to so exercise), any voting rights attached to any of the Security Assets.
- 6.2 Notwithstanding its rights under Clause 6.1, the Debtor shall not take or permit to be taken any action:
 - 6.2.1 that does not comply with the Debtor's memorandum and articles of association, the Trust Instrument or the Earl Finance Documents; or
 - 6.2.2 that jeopardises, impairs or prejudices the rights of the Security Agent or any security created under this Agreement.
- 6.3 At any time following the occurrence of a Declared Default:
 - 6.3.1 the Debtor shall not be authorised to, and shall not, give instructions or exercise any rights in respect of the Security Assets; and
 - 6.3.2 the Security Agent may exercise at its discretion (in the name of the Debtor or otherwise) in respect of any of the Security Assets any voting rights and any powers or rights which may be exercised by the person or persons in whose name or names the Security Assets are registered or who is the holder or bearer of them.

7. ENFORCEMENT OF SECURITY

- 7.1 The Security Agent's power of enforcement over the Security Assets shall become exercisable immediately upon the occurrence of a Declared Default, provided that the Security Agent has served on the Debtor written notice specifying the Declared Default.
- 7.2 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:
- 7.2.1 appropriating all or some of the Security Assets (whether in one or a number of transactions and whether simultaneously or in series);
 - 7.2.2 selling all or some of the Security Assets (whether in one or a number of transactions and whether simultaneously or in series);
 - 7.2.3 by taking any one or more of the following ancillary actions:
 - (a) taking control or possession of all or any of the Security Assets;
 - (b) exercising any rights of the Debtor in relation to all or any of the Security Assets;
 - (c) instructing any person who has an obligation in relation to all or any of the Security Assets to carry out that obligation for the benefit of the Security Agent (or to its order); and
 - 7.2.4 exercising or applying any remedy set out in this Clause 7.2.4 (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 the Debtor as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any Affected Securities;
 - (b) directing the Debtor as to the disposal of all or any of the Security Assets, including, where appropriate specifying the person(s) who are to acquire such Security Assets, 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.

- 7.3 (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 Security Assets against the Secured Sums.
- 7.4 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 Security Agent or any of the Beneficiaries by reason of non-performance of such obligation, including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Debtor by the Security Agent.
- 7.5 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 7.2, in whatever order and combination as the Security Agent thinks fit.
- 7.6 In accordance with Article 44(4) of the Law, the Security Agent and the Debtor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of Security Assets*) of the Law to the Debtor.
- 7.7 Subject only to the Law, the Security Agent may at its discretion:
- 7.7.1 exercise its power of enforcement in respect of the Security Interests over any part of the Security Assets 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 Security Assets; and
 - 7.7.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Security Assets notwithstanding that it shall have exercised such power over any other part of the Security Assets.
- 7.8 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 Sums 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 Security Assets). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.
- 7.9 To the fullest extent permitted by law, the Security Agent shall be under no liability to the Debtor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Security Assets 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.

- 7.10 In accordance with Article 54(5)(a) of the Law, the Security Agent and the Debtor hereby agree that the Debtor shall not have any right of reinstatement pursuant to Article 54(4) of the Law.
- 7.11 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.
- 7.12 The Security Agent will be accountable (and the Debtor is 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 Security Assets by the Security Agent.
- 7.13 If the value or proceeds of the appropriation, sale or other realisation of any Security Assets is insufficient to discharge the Secured Sums in full, the Debtor will remain liable to the Security Agent for any shortfall.

8. APPLICATION OF PROCEEDS

- 8.1 The Security Agent shall be under no liability to the Debtor for any failure to realise the Security Assets and apply and distribute the proceeds of sale of the Security Assets or any part thereof in accordance with the Law so long as the Security Agent realises the Security Assets and applies and distributes such proceeds in good faith having regard to the provisions of the Law and the Earl Finance Documents and having made reasonable enquiries.
- 8.2 In the event that at the time the Security Agent exercises the power of appropriation or sale, the Secured Sums, or any part thereof, are for any reason contingent, the Security Agent may hold the proceeds thereof as a continuing security for the Secured Sums and the Debtor hereby expressly consents thereto.

9. POWER OF ATTORNEY

- 9.1 In accordance with Article 5(2)(a) of the Powers of Attorney (Jersey) Law 1995 for the purpose of facilitating the exercise of the powers of the Security Agent under the Law and the powers given by the Debtor to the Security Agent pursuant to this Agreement, the Debtor by way of security irrevocably appoints the Security Agent the attorney of the Debtor (with full power of substitution in accordance with Article 8 of the Powers of Attorney (Jersey) Law 1995) on its behalf and in the name of the Debtor or the Security Agent (as the attorney may decide) to execute, seal and deliver and otherwise perfect and do all such deeds, assurances, agreements, instruments, acts and things in relation to any matters dealt with in this Agreement which the Debtor is obliged to do but has not done, including (but without limitation):
- 9.1.1 to complete, execute and deliver all Transfer Forms delivered in connection with the Security Assets;
- 9.1.2 to execute any transfer, bill of sale or other assurance in respect of the Security Assets;

- 9.1.3 to exercise all the rights and powers of the Debtor in respect of the Security Assets;
- 9.1.4 to ask, require, demand, receive, compound and give a good discharge for any and all moneys and claims for moneys due and to become due under or arising out of any of the Security Assets;
- 9.1.5 to endorse any cheques or other instruments or orders in connection with any of the Security Assets;
- 9.1.6 to make any claims or to take any action or to institute any proceedings which the Security Agent considers to be necessary or advisable to protect the security created by this Agreement; and
- 9.1.7 any action which the Debtor is obliged to take pursuant to Clause 12 (*further assurances*).

10. PROTECTION OF PURCHASER

- 10.1 No purchaser or other person dealing with the Security Agent or with its attorney or agent shall be concerned to enquire:
 - 10.1.1 whether any Declared Default has happened;
 - 10.1.2 whether any power exercised or purported to be exercised by it or him has become exercisable;
 - 10.1.3 whether any money remains due under this Agreement;
 - 10.1.4 as to the propriety or regularity of any of its or his actions; or
 - 10.1.5 as to the application of any money paid to it or him.
- 10.2 In the absence of bad faith on the part of such purchaser or other person, such dealings shall be deemed, so far as regards the safety and protection of such purchaser or other person, to be within the powers conferred by this Agreement and to be valid accordingly. The remedy of the Debtor in respect of any impropriety or irregularity whatever in the exercise of such powers shall be in damages only.

11. EXPENSES AND INDEMNITY

- 11.1 The Debtor shall forthwith on demand pay all fees, costs and expenses (including legal fees) reasonably incurred by the Security Agent, or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement in connection with or relating to the negotiation, preparation and/or execution of this Agreement, the creation, preservation and/or enforcement of any rights under this Agreement or the exercise or purported exercise of any of

the powers arising pursuant to this Agreement and shall keep the Security Agent and each such person indemnified against any failure or delay in paying the same.

11.2 All such fees, costs and expenses shall be reimbursed by the Debtor on a full indemnity basis and shall carry interest at the rate and in accordance with the terms contained in the relevant Ear Finance Document in relation to overdue sums or at such other rate as may be agreed between the Debtor and the Security Agent from time to time. In each case, such interest shall be payable from the date that the Security Agent or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement incurred such fees, costs and expenses to the date of reimbursement by the Debtor pursuant to this Clause 11.

11.3 The Debtor shall indemnify and keep indemnified the Security Agent and any attorney, manager, agent or other person appointed by the Security Agent under this Agreement on demand against each and every loss, action, claim, expense, cost and/or liability which may be incurred by the Security Agent or any attorney, manager, agent or other person appointed by the Security Agent under this Agreement in connection with or relating to the creation, preservation and/or enforcement of any of the Security Agent's rights under this Agreement, the exercise or purported exercise of any of the Security Agent's powers pursuant to this Agreement or any breach by the Debtor of any of its obligations hereunder, in each case save where such loss, action, claim, expense, cost or liability arises as the result of the gross negligence or wilful misconduct of the Security Agent (and provided that, in the case of expenses and costs incurred in connection with or relating to the creation and/or preservation of any of the Security Agent's rights under this Agreement or the exercise or purported exercise of any of the Security Agent's powers pursuant to this Agreement prior to a Declared Default only, such expenses and costs are reasonable).

12. FURTHER ASSURANCES

12.1 The Debtor shall, at its own expense, take whatever action the Security Agent or its agent, trustee or any person on its behalf may require for:

12.1.1 perfecting or protecting the security intended to be created by this Agreement over any Security Asset;

12.1.2 facilitating the realisation of any Security Asset or the exercise of any right, power or discretion exercisable, by the Security Agent or its agent, trustee or any person on its behalf or any of its or their delegates or sub-delegates in respect of any Security Asset;

including the execution of any document, transfer, instrument, conveyance, assignment or assurance of any property whether to the Security Agent or to its nominees following the occurrence of a Declared Default, and the giving of any notice, order or direction and the making of any registration, which in any such case, the Security Agent may think expedient.

13. NEW ACCOUNT

- 13.1 On receiving notice that the Debtor has acted in breach of Clause 5.2 or upon the commencement of any form of bankruptcy or insolvency proceeding affecting the Debtor or any part of this Agreement ceasing to be binding on the Debtor, the Security Agent may rule off the Debtor's then subsisting account or accounts with the Security Agent (if any) and open a new account or accounts with the Debtor (and, unless the Security Agent gives express notice to the contrary to the Debtor, the Security Agent shall be deemed to have done so whether or not it actually does so) and accordingly (without prejudice to any right of the Security Agent to combine accounts) no money paid in or carried to the Debtor's credit in any such new account shall be appropriated towards or have the effect of discharging any part of the amount due to the Security Agent hereunder or in respect of the Secured Sums on any such closed account before such notice was received or such circumstances arose.

14. GENERAL

- 14.1 The giving by the Security Agent of any consent to the doing of any act which by the terms of this Agreement requires the consent of the Security Agent shall not prejudice the right of the Security Agent to give or withhold as it reasonably thinks fit its consent to the doing of any other such similar act.
- 14.2 The Security Agent may delegate by power of attorney or in any other manner to any person any right, power or discretion exercisable by the Security Agent under this Agreement. Any such delegation may be made upon the terms (including power to sub-delegate) and subject to any regulations which the Security Agent may think fit. The Security Agent will not be in any way liable or responsible to the Debtor for any loss or liability arising from any act, default, omission or misconduct on the part of any such delegate or sub-delegate.
- 14.3 Every power and remedy given to the Security Agent under this Agreement shall be in addition to and not a limitation of any and every other power and remedy vested in the Security Agent hereunder and all the powers so vested in the Security Agent may be exercised from time to time and as often as the Security Agent may deem expedient and 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 constituted by this Agreement.
- 14.4 The rights and benefits of the Security Agent under this Agreement shall remain valid and binding for all purposes notwithstanding any change, amalgamation, consolidation or otherwise which may be made in the constitution of the company by which the business of the Security Agent may from time to time be carried on and shall be available to the entity carrying on that business for the time being.
- 14.5 For the purpose of the discharge of the Secured Sums the Security Agent may convert any monies received, recovered or realised by the Security Agent in connection herewith from their

existing currency of denomination into such other currency of denomination as the Security Agent may think fit and any such conversion shall be effected at the Security Agent's then prevailing spot selling rate of exchange for such other currency against the existing currency.

- 14.6 If at any time one or more 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.
- 14.7 Time shall be of the essence for the purposes of this Agreement, both as regards the dates and periods specifically mentioned in the Earl Finance Documents and as to any dates and periods which may by agreement in writing between or on behalf of the Security Agent and the Debtor be substituted for them.
- 14.8 No variation of this Agreement shall be valid unless it is in writing and signed by or on behalf of each of the parties hereto.
- 14.9 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 or benefits under this Agreement. For the purpose of any such participation, assignment, transfer or disposal, the Security Agent may disclose information about the Debtor and the financial condition of the Debtor as may have been made available to the Security Agent by the Debtor or which is otherwise publicly available.
- 14.10 The Debtor may not assign or transfer any of its rights or obligations under this Agreement.
- 14.11 Where the Debtor comprises two or more persons, all agreements, warranties, undertakings and covenants on the part of the Debtor are given jointly and severally and shall be construed accordingly.
- 14.12 Without prejudice to any other mode of service allowed under any relevant law or this Agreement, the Debtor:
- 14.12.1 irrevocably appoints Bedell Corporate Trustees Limited and Atrium Trustees Limited acting in their respective capacities as joint trustees of the Trust and each having its registered office at 26 New Street, St Helier, Jersey JE2 3RA, as its agent for service of process in relation to any proceedings before the courts of the Island of Jersey in connection with or in relation to this Agreement; and
- 14.12.2 acknowledges and agrees that failure by a process agent to notify the Debtor of the process will not invalidate the proceedings concerned.
- 14.13 This Agreement is a Transaction Security Document (as defined in the Global Financing Agreement).

- 14.14 The Security Agent shall hold the benefit of this Agreement inclusive of, inter alia, the Security Interests, confirmations, undertakings and covenants given by the Debtor in and pursuant to this Agreement upon trust for the Beneficiaries on the terms and conditions of the Intercreditor Agreement.
- 14.15 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 16 (*The Security Agent*) of the Intercreditor 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.
- 14.16 Subject to 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.
- 14.17 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, the Debtor 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.
- 14.18 In accordance with Article 78 (*No fee for compliance with demand*) of the Law and without any other obligation under this Agreement or the Credit Agreement, the Debtor 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.
- 14.19 The Debtor hereby irrevocably consents and agrees to the processing by the Security Agent or any person on its behalf of any personal data (as defined in the Data Protection (Jersey) Law 2005) and inclusion of such information in any financing statement or financing change statement registered pursuant to the Law in connection with the Security Interests and/or this Agreement.

15. APPROPRIATIONS

- 15.1 Until all of the Secured Sums have been irrevocably and unconditionally paid and discharged in full, the Security Agent may:
- 15.1.1 refrain from applying or enforcing any other monies, security or rights held or received by the Security Agent 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 Debtor shall not be entitled to the benefit of the same; and

15.1.2 hold in a suspense account bearing interest any moneys received from the Debtor or on account of the liability of the Debtor under this Agreement (provided that the Security Agent shall apply the monies standing to the credit of any such suspense account towards the discharge of the obligations owed by the Debtor to the Security Agent under the Earl Finance Documents on the first day on which such monies would be sufficient to discharge all such obligations in full).

16. RELEASE

The Security Agent shall, at the request and cost of the Debtor, take whatever action is necessary to release the Security Assets from the security constituted by this Agreement upon the expiry of the Security Period.

17. NOTICES

17.1 Any notice or other document required or authorised hereby or by the Law may be served on the parties hereto at the following addresses and facsimile numbers and upon the persons specified:

for the Security Agent:

Bank of Scotland plc
New Uberior House
11 Earl Grey Street
Edinburgh
EH3 9BN

Attention: Roger Mayor / Peter Menzies

Email: roger.mayor@lloydsbanking.com; peter.menzies@lloydsbanking.com

for the Debtor:

D.U.K.E Real Estate Limited
1st Floor
Exchange Place 3
3 Semple Street
Edinburgh
EH3 8BL

Attention: Company Secretary – Valad Secretarial Services Limited

Fax: +44 (0) 131 659 1680

17.2 Any such notice or other document shall be deemed to be duly served:

17.2.1 if delivered by hand, at the time of delivery;

17.2.2 if sent by post, at noon on the next Business Day following the day of posting;

17.2.3 if transmitted by facsimile, at the time of transmission;

provided that, where delivery or transmission occurs after 6.00 p.m. on a Business Day or occurs at any time on a day which is not a Business Day, service shall be deemed to occur at 9.00 am. on the next Business Day.

- 17.3 A communication to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of any department or officer specified in this Clause 17 (or any substitute department or officer as the Security Agent shall have specified in writing for this purpose).

18. COUNTERPARTS

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.

19. GOVERNING LAW

- 19.1 This Agreement shall be governed by and construed in accordance with the law of the Island of Jersey and the Debtor hereby submits for the benefit of the Security Agent to the non-exclusive jurisdiction of the Jersey courts in connection herewith.
- 19.2 Nothing in this Clause 19 limits the right of the Security Agent to bring proceedings against the Debtor in any other court of competent jurisdiction; nor shall the bringing or continuing of proceedings in one or more jurisdictions preclude the bringing or continuing of proceedings in any other jurisdiction, whether concurrently or otherwise.
- 19.3 The Debtor irrevocably waives (and irrevocably agrees not to raise) any objection which it may have now or hereafter to the venue of any proceedings in any such court as is referred to in this Clause 19 and any claim that any such proceedings have been instituted in an inconvenient forum and further irrevocably agrees that a judgement in any proceedings brought in any such court as is referred to in this Clause 19 shall be conclusive and binding upon the Debtor and may be enforced in the court of any other jurisdiction.

SCHEDULE 1

UNITS

Name of Unit Trust	Number of issued units
VPT European Investments Trust	Two hundred and fifty thousand (250,000) fully paid Units

SCHEDULE 2

CONFIRMATION

To: BANK OF SCOTLAND PLC
The Mound
Edinburgh
EH1 1YZ

For the attention of: Roger Mayor / Peter Menzies

Dear Sirs

In this Confirmation:

"Grantor" means D.U.K.E REAL ESTATE LIMITED;

"Related Rights" means all rights of the Debtor derived from or connected to the units specified below including, without limitation, any rights to receive additional units or other securities, assets or rights or any offers in respect thereof (whether by way of bonus issue, option rights, exchange, substitution, conversion or otherwise) or to receive monies (whether by way of redemption, return of capital, distribution, income or otherwise) in respect of such units;

"Securities" means the securities specified below;

"Security Agreement" means the security interest agreement between the Grantor and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Related Rights; and

"Trust" means the VPT European Investments Trust.

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 Related Rights;
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 Grantor 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 Related Rights or any proceeds (that are not Related Rights) of the Securities and Related Rights; 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 Trust, in accordance with and subject to the Security Agreement, 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

BEDELL CORPORATE

TRUSTEES LIMITED

in its capacity as joint

trustee of the VPT European Investments

Unit Trust

Date:..... January 2015

.....

duly authorised

ATRIUM TRUSTEES LIMITED

in its capacity as joint

trustee of the VPT European Investments

Unit Trust

Date:..... January 2015

THE SECURITIES

Means the two hundred and fifty thousand (250,000) fully paid units in the Trust and any legal or beneficial interest in any other units in the Trust now or hereafter owned by the Debtor.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

By the Debtor:

For D.U.K.E. REAL ESTATE LIMITED

signature of

director/secretary/authorised
signatory/attorney/witness

FRASER KENNEDY

full name of above (print)

Witnessed by

Name: JAMES SULLIVAN

Occupation: SOLICITOR

Address:

signature of

director/secretary/authorised signatory/attorney

full name of above (print)

date of signing

17 February 2015

place of signing:

By the Security Agent:

For BANK OF SCOTLAND PLC

signature of

director/secretary/authorised
signatory/attorney/witness

full name of above (print)

Witnessed by

Name:

Occupation:

Address:

signature of

director/secretary/authorised signatory/attorney

full name of above (print)

date of signing

January 2015

place of signing:

