

200934/B
MR01

Particulars of a charge



Companies House

A fee is payable with this form
Please see 'How to pay' on the
last page

You can use the WebFiling service to file this form online
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 no
instrument Use form MR08

For further information, please
refer to our guidance at
www.companieshouse.gov.uk

This form must be delivered to the Registrar for registration within
21 days beginning with the day after the date of creation of the charge.
If delivered outside of the 21 days it will be rejected unless it is accompanied by a
court order extending the time for delivery



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

MONDAY



A43SIO7U

A12

23/03/2015

#196

COMPANIES HOUSE

1 Company details

Company number 06869764 ✓

Company name in full Adriatic Land 3 (GR1) Limited ✓

→ Filing 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 20 03 2015 ✓

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 Boardwalk Finance Limited ✓

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	
Brief description	<p>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</p>	<p>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"</p> <p>Please limit the description to the available space</p>
5	Other charge or fixed security	
	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
6	Floating charge	
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> Yes Continue</p> <p><input type="checkbox"/> No Go to Section 7</p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input checked="" type="checkbox"/> Yes</p>	
7	Negative Pledge	
	<p>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</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>	
8	Trustee statement ^①	
	<p>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</p> <p><input type="checkbox"/></p>	<p>^① This statement may be filed after the registration of the charge (use form MR06)</p>
9	Signature	
Signature	<p>Please sign the form here</p> <p>Signature</p> <p>X  X</p> <p>This form must be signed by a person with an interest in the charge</p>	

MR01

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 Robert Flint

Company name Winckworth Sherwood LLP

Address Minverva House

5 Montague Close

Post town London

County/Region

Postcode S E 1 9 B B

Country

DX

Telephone



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: 6869764

Charge code: 0686 9764 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th March 2015 and created by ADRIATIC LAND 3 (GR1) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd March 2015

Given at Companies House, Cardiff on 30th March 2015



Companies House



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

DATED

20 March.

2015

DEBENTURE

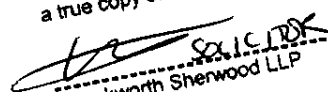
between

ADRIATIC LAND 3 (GR1) LIMITED

and

BOARDWALK FINANCE LIMITED

We hereby certify this to be
a true copy of the original

 20/3/15
Winckworth Sherwood LLP
Minerva House
5 Montague Close
London SE1 9BB

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DX 156610 London Bridge 6

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35328/00001/051214155954.DOCX

**Winckworth
Sherwood**
Solicitors and
Parliamentary Agents

Contents

Clause

1	Definitions and interpretation	1
2	Covenant to pay	6
3	Grant of security	6
4	Liability of the Borrower	8
5	Representations and warranties	9
6	General covenants	10
7	Investments covenants	14
8	Powers of Boardwalk	17
9	When security becomes enforceable	19
10	Enforcement of security	20
11	Receiver	22
12	Powers of Receiver	23
13	Delegation	27
14	Application of Proceeds	28
15	Costs and indemnity	28
16	Further assurance	29
17	Power of attorney	30
18	Release	30
19	Assignment and transfer	30
20	Further provisions	31
21	Notices	33
22	Governing law and jurisdiction	34

Schedule

Schedule 1	Property	36
Part 1	Registered Property	36
Part 2	Unregistered Property	36

THIS DEED is dated 20 March. 2015

Parties

- (1) **Adriatic Land 3 (GR1) Limited** a company registered and incorporated in England and Wales with company number 06869764 whose registered office is at Pollen House, 10, Cork Street, London W1S 3NP (**Borrower**),
- (2) **Boardwalk Finance Limited** a company incorporated in the Republic of Ireland with number 517417 and having its registered address as 22 Clanwilliam Square, Grand Canal Quay, Dublin 2 (**Boardwalk**), and

Background

- (A) Boardwalk has agreed, pursuant to the Facility Agreements, to provide certain loans to the Borrower subject to the provision of the security set out in this Debenture
- (B) These loans include facilities under the Senior Target Loan (the "**Facilities**") in a Facility Amount set out in the Senior Target Loan (or such other amount of principal as may be made available to the Borrower by Boardwalk from time to time) for the purposes of partially funding the repayment of existing debt at completion of the acquisition
- (C) Boardwalk may make further Facilities available to the Borrower in accordance with the terms of the Senior Target Loan. In the event that Boardwalk makes any further Facilities available, such further Facilities will be deemed to be incorporated in this deed as if the same were set out in this deed and the Borrower hereby consents to an application being made to the Land Registry to enter a note of the further advances made to it by Boardwalk on the Charges Register of any registered land forming part of the Property
- (D) The remainder of the loans are in the form of drawdowns from the Junior Target Loan for the purposes of funding the repayment of intercompany loans not otherwise funded under the terms of the Senior Target Loan and payment of any Associated Expenses

Agreed terms

1 Definitions and interpretation

1.1 Definitions

The following definitions apply in this deed

Administrator an administrator appointed to manage the affairs, business and property of the Borrower pursuant to clause 8.9

Associate has the meaning given to it in the Framework Agreement

Book Debts all present and future book and other debts, and monetary claims due or owing to the Borrower, and the benefit of all security, guarantees and other rights of any nature enjoyed or held by the Borrower in relation to any of them

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in each of London, Guernsey and the Republic of Ireland

Delegate any person appointed by Boardwalk or any Receiver pursuant to clause 13 and any person appointed as attorney of Boardwalk, Receiver or Delegate

Environment the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media

Environmental Law all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment

Events of Default has the meaning given to that expression in the Facility Agreements

Facility Agreements the Junior Target Loan and the Senior Target Loan

Financial Collateral shall have the meaning given to that expression in the Financial Collateral Regulations

Financial Collateral Regulations the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226)

Framework Agreement the Framework Agreement dated 14 December 2012 as between (1) Boardwalk Finance Limited, (2) Long Harbour Residential Freeholds Limited, (3) M&G Investment Management Limited and (4) Long Harbour Limited, supplemented or replaced from time to time

Insurance Policy each contract and policy of insurance effected or maintained by the Borrower from time to time in respect of its assets or business (including, without limitation, any insurances relating to the Properties)

Investments all present and future certificated stocks, shares, loan capital, securities, bonds and investments (whether or not marketable) for the time being owned (at law or in equity) by the Borrower, including any

- (a) dividend, interest or other distribution paid or payable in relation to any of the Investments, and
- (b) right, money, shares or property accruing, offered or issued at any time in relation to any of the Investments by way of redemption, substitution, exchange, conversion, bonus, preference or otherwise, under option rights or otherwise

Junior Target Loan the junior ground rent loan agreement entered into between (1) Boardwalk Finance Limited and (2) the Borrower dated on or about the date of this deed

LPA 1925 Law of Property Act 1925

Properties all freehold and leasehold properties (whether registered or unregistered) and all commonhold properties, now or in the future (and from time to time) owned by the Borrower, or in which the Borrower holds an interest (including, but not limited to, the properties specified in Schedule 1 which from time to time may be amended by Boardwalk), and **Property** means any of them

Receiver a receiver, receiver and manager or administrative receiver of any or all of the Secured Assets appointed by Boardwalk under clause 11

Rent Account the rent account maintained by the Borrower in accordance with clause 2.5 of the Operative Commercial Terms in the Senior Target Loan and any account of the Borrower nominated by Boardwalk as a designated account for the purposes of this deed

Secured Assets all the assets, property and undertaking for the time being subject to the Security Interests created by, or pursuant to, this deed

Secured Liabilities all present and future monies, obligations and liabilities owed by the Borrower to Boardwalk or its Associates as may arise or be provided from time to time, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, including, but not limited to under or in connection with the Facility Agreements or this deed (including, without limitation, those arising under clause 20.3(b)), together with all interest (including, without limitation, default interest) accruing in respect of those monies or liabilities except if any obligation which if it were included here would constitute unlawful financial assistance or its equivalent in any other jurisdiction

Security Financial Collateral Arrangement shall have the meaning given to that expression in the Financial Collateral Regulations

Security Interest any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

Security Period the period starting on the date of this deed and ending on the date on which Boardwalk is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

Senior Target Loan the senior ground rent loan agreement entered into between (1) Boardwalk Finance Limited and (2) the Borrower dated on or about the date of this deed

1.2 Interpretation

In this deed

- (a) reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts,
- (b) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders,
- (c) unless the context otherwise requires, words in the singular include the plural and in the plural include the singular,
- (d) a reference to a clause or Schedule is to a clause of, or Schedule to, this deed, unless the context otherwise requires,
- (e) a reference to **continuing** in relation to an Event of Default means an Event of Default which has not been waived,
- (f) a reference to **this deed** (or any provision of it) or any other document shall be construed as a reference to this deed, that provision or that document as it is in force for the time being and as amended, restated, extended, varied, novated, substituted, replaced or supplemented in any manner from time to time, however fundamentally and which may include, without limitation, an increase in facilities provided under a Facility Agreement, an increase in any interest rate applicable to facilities provided under a Facility Agreement, an increase in the Secured Liabilities and/or any rescheduling of indebtedness in accordance with its terms or with the agreement of the relevant parties,
- (g) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, or any state or any agency of any person,
- (h) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly),
- (i) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description,
- (j) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution,
- (k) a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,

- (l) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it,
- (m) a reference to the **Borrower** or **Boardwalk** shall include its successors, permitted transferees and permitted assigns,
- (n) clause and schedule headings shall not affect the interpretation of this deed,
- (o) where any statement is qualified by the expression **so far as any party is aware or to any party's knowledge** or any similar expression, that statement shall be deemed to include an additional statement that it has been made after due and careful enquiry, and
- (p) any defined term not otherwise defined herein shall have the meaning given to it in the Facility Agreements, or as the case may be, in the Framework Agreement

1.3 Clawback

If Boardwalk considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed

1.4 Nature of security over real property

A reference in this deed to a charge or mortgage of or over any Property includes

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) that are situated on or form part of that Property at any time,
- (b) the proceeds of the sale of any part of that Property and any other monies paid or payable in respect of or in connection with that Property,
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of that Property, and any monies paid or payable in respect of those covenants, and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of that Property

1 5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreements and of any side letters between any parties in relation to the Facility Agreements are incorporated into this deed

1 6 Third party rights

A third party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this deed

1 7 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009)

1 8 Schedules

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules

2 Covenant to pay

The Borrower shall, on demand, pay to Boardwalk and discharge the Secured Liabilities when they become due

3 Grant of security

3 1 Fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to Boardwalk by way of first fixed charge

- (a) all Properties owned now by the Borrower or acquired by the Borrower in the future,
- (b) all present and future interests of the Borrower not effectively mortgaged or charged under the preceding provisions of this clause 3 in, or over, freehold or leasehold Property,
- (c) all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to each Property,

- (d) all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Borrower's business or the use of any Secured Asset, and all rights in connection with them,
- (e) all its present and future goodwill,
- (f) all its uncalled capital,
- (g) all the Book Debts,
- (h) all the Investments, and
- (i) all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person (including the Rent Account)

3 2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to Boardwalk absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premium in connection with each Insurance Policy

3 3 Floating charge

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to Boardwalk, by way of first floating charge, all the undertaking, property, assets and rights of the Borrower at any time not effectively mortgaged, charged or assigned pursuant to clause 3 1 to clause 3 2 inclusive

3 4 Qualifying floating charge

Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by clause 3 3

3 5 Automatic crystallisation of floating charge

The floating charge created by clause 3 3 shall automatically and immediately (without notice) be converted into a fixed charge over the assets subject to that floating charge if

- (a) the Borrower
 - (i) creates, or attempts to create, without the prior written consent of Boardwalk, a Security Interest or a trust in favour of another person over all or any part of the Secured Assets (except as

expressly permitted by the terms of this deed or the Facility Agreements), or

- (ii) disposes, or attempts to dispose of, all or any part of the Secured Assets (other than Secured Assets that are only subject to the floating charge while it remains uncrystallised),
- (b) any person levies (or attempts to levy) any distress, attachment, execution or other process against all or any part of the Secured Assets, or
- (c) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Borrower

3 6 Crystallisation of floating charge by notice

Boardwalk may, in its sole discretion, at any time and by written notice to the Borrower, convert the floating charge created under this deed into a fixed charge as regards any part of the Secured Assets specified by Boardwalk in that notice

3 7 Assets acquired after any floating charge has crystallised

Any asset acquired by the Borrower after any crystallisation of the floating charge created under this deed that, but for that crystallisation, would be subject to a floating charge under this deed, shall (unless Boardwalk confirms otherwise to the Borrower in writing) be charged to Boardwalk by way of first fixed charge

4 Liability of the Borrower

4 1 Liability not discharged

The Borrower's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, Boardwalk that is, or becomes, wholly or partially illegal, void or unenforceable on any ground,
- (b) Boardwalk renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person, or
- (c) any other act or omission that, but for this clause 4 1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower

4 2 Immediate recourse

The Borrower waives any right it may have to require Boardwalk to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Borrower

5 Representations and warranties

5.1 Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to Boardwalk

5.2 Ownership of Secured Assets

The Borrower is the legal and beneficial owner of the Secured Assets

5.3 No Security Interests

The Secured Assets are free from any Security Interest other than the Security Interests created by this deed

5.4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them

5.5 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets

5.6 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets

5.7 No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use

5.8 No overriding interests

Nothing has arisen, has been created or is subsisting, that would be an overriding interest in any Property

5 9 Avoidance of security

No Security Interest expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise

5 10 No prohibitions or breaches

There is no prohibition on assignment in any Insurance Policy and the entry into this deed by the Borrower does not, and will not, constitute a breach of any Insurance Policy or any other agreement or instrument binding on the Borrower or its assets

5 11 Environmental compliance

The Borrower has, at all times, complied in all material respects with all applicable Environmental Law

5 12 Enforceable security

This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower, and is and will continue to be effective security over all and every part of the Secured Assets in accordance with its terms

5 13 Times for making representations and warranties

The representations and warranties set out in clause 5 2 to clause 5 12 are made by the Borrower on the date of this deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition

6 General covenants

6 1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of Boardwalk

- (a) create, purport to create or permit to subsist any Security Interest on, or in relation to, any Secured Asset other than any Security Interest created by this deed or permitted pursuant to the Facility Agreements,
- (b) sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets (except, in the ordinary course of business, Secured Assets that are only subject to an uncrystallised floating charge), or
- (c) create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party (other than as permitted pursuant to the Facility Agreements)

6 2 Preservation of Secured Assets

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by Boardwalk, or materially diminish the value of any of the Secured Assets or the effectiveness of the security created by this deed

6 3 Compliance with laws and regulations

- (a) The Borrower shall not, without Boardwalk's prior written consent, use or permit the Secured Assets to be used in any way contrary to law
- (b) The Borrower shall
 - (i) comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them,
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve, maintain or renew any Secured Asset, and
 - (iii) promptly effect any maintenance, modifications, alterations or repairs that are required by any law or regulation to be effected on or in connection with the Secured Assets

6 4 Enforcement of rights

The Borrower shall use its reasonable endeavours to

- (a) procure the prompt observance and performance of the covenants and other obligations imposed on the Borrower's counterparties (including each insurer in respect of an Insurance Policy), and

- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets which Boardwalk may require from time to time

6 5 Notice of misrepresentation and breaches

The Borrower shall, promptly on becoming aware of any of the same, give Boardwalk notice in writing of

- (a) any representation or warranty set out in this deed that is incorrect or misleading in any material respect when made or deemed to be repeated, and
- (b) any breach of any covenant set out in this deed

6 6 Title documents

The Borrower shall, on the execution of this deed (or, if later, the date of acquisition of the relevant Secured Asset) or as so required by Boardwalk, deposit with Boardwalk and Boardwalk shall, for the duration of this deed be entitled to hold

- (a) all deeds and documents of title relating to the Secured Assets that are in the possession or control of the Borrower (and if these are not within the possession or control of the Borrower, the Borrower undertakes to obtain possession of all these deeds and documents of title),
- (b) all Insurance Policies and any other insurance policies relating to any of the Secured Assets that the Borrower is entitled to possess, and
- (c) all deeds and documents of title (if any) relating to the Book Debts as Boardwalk may specify from time to time

6 7 Insurance

The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Secured Assets in accordance with the terms of the Framework Agreement and, as the case may be, the Facility Agreement

6 8 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any insurance policy

maintained by it in accordance with the terms of the Framework Agreement and/or the Facility Agreements

6 9 Proceeds of insurance policies

All monies received or receivable by the Borrower under any insurance policy maintained by it (including all monies received or receivable by it under any Insurance Policy) at any time (whether or not the security constituted by this deed has become enforceable) shall at the option of Boardwalk, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities

The Borrower shall obtain Boardwalk's prior approval of the form of any notice or acknowledgement to be used under this clause 6 9

6 10 Information

The Borrower shall

- (a) give Boardwalk such information concerning the location, condition, use and operation of the Secured Assets as Boardwalk may require,
- (b) permit any persons designated by Boardwalk and any Receiver to enter on its premises and inspect and examine any Secured Asset, and the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice, and
- (c) promptly notify Boardwalk in writing of any action, claim or demand made by or against it in connection with any Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim or demand and shall, subject to Boardwalk's prior approval, implement those proposals at its own expense

6 11 Payment of outgoings

The Borrower shall promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to Boardwalk

6 12 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this deed)

7 Investments covenants

7.1 Deposit of title documents

- (a) The Borrower shall
 - (i) on the execution of this deed, deposit with Boardwalk all stock or share certificates and other documents of title or evidence of ownership relating to any Investments owned by the Borrower at that time, and
 - (ii) on the purchase or acquisition by it of Investments after the date of this deed, deposit with Boardwalk all stock or share certificates and other documents of title or evidence of ownership relating to those Investments
- (b) At the same time as depositing documents with Boardwalk in accordance with clause 7.1(a)(i) or clause 7.1(a)(ii), the Borrower shall also deposit with Boardwalk
 - (i) all stock transfer forms relating to the relevant Investments duly completed and executed by or on behalf of the Borrower, but with the name of the transferee, the consideration and the date left blank, and
 - (ii) any other documents (in each case duly completed and executed by or on behalf of the Borrower) that Boardwalk may request in order to enable it or any of its nominees, or any purchaser or transferee, to be registered as the owner of, or otherwise obtain a legal title to, or to perfect its security interest in any of the relevant Investments,

so that Boardwalk may, at any time and without notice to the Borrower, complete and present those stock transfer forms and other documents to the issuer of the Investments for registration

7.2 Nominations

- (a) The Borrower shall terminate with immediate effect all nominations it may have made (including, without limitation, any nomination made under section 145 or section 146 of the Companies Act 2006) in respect of any Investments and, pending that termination, procure that any person so nominated
 - (i) does not exercise any rights in respect of any Investments without the prior written approval of Boardwalk, and

- (ii) immediately on receipt by it, forward to Boardwalk all communications or other information received by it in respect of any Investments for which it has been so nominated
- (b) The Borrower shall not, during the Security Period, exercise any rights (including, without limitation, any rights under sections 145 and 146 of the Companies Act 2006) to nominate any person in respect of any of the Investments

7.3 Additional registration obligations

The Borrower shall

- (a) obtain all consents, waivers, approvals and permissions that are necessary, under the articles of association of any issuer that is not a public company or otherwise, for the transfer of the Investments to Boardwalk or its nominee, or to a purchaser on enforcement of this deed, and
- (b) procure the amendment of the share transfer provisions (including, but not limited to, deletion of any pre-emption provisions) of the articles of association of each issuer that is not a public company in any manner that Boardwalk may require in order to permit such a transfer

7.4 Dividends and voting rights before enforcement

- (a) Before the security constituted by this deed becomes enforceable, the Borrower may retain and apply for its own use all dividends interest and other monies paid or payable in respect of the Investments and, if any are paid or payable to Boardwalk or any of its nominees, Boardwalk will hold all those dividends, interest and other monies received by it for the Borrower and will pay them to the Borrower promptly on request, and
- (b) Before the security constituted by this deed becomes enforceable, the Borrower may exercise all voting and other rights and powers in respect of the Investments or, if any of the same are exercisable by Boardwalk or any of its nominees, to direct in writing the exercise of those voting and other rights and powers provided that
 - (i) it shall not do so in any way that would breach any provision of the Facility Agreements or this deed or for any purpose inconsistent with the Facility Agreements or this deed, and
 - (ii) the exercise of, or the failure to exercise, those voting rights or other rights and powers would not, in Boardwalk's opinion, have an adverse effect on the value of the Investments or otherwise prejudice Boardwalk's security under this deed
- (c) The Borrower shall indemnify Boardwalk against any loss or liability incurred by Boardwalk (or its nominee) as a consequence of Boardwalk

(or its nominee) acting in respect of the Investments at the direction of the Borrower

- (d) Boardwalk shall not, by exercising or not exercising any voting rights or otherwise, be construed as permitting or agreeing to any variation or other change in the rights attaching to or conferred by any of the Investments that Boardwalk considers prejudicial to, or impairing the value of, the security created by this deed

7 5 Dividends and voting rights after enforcement

After the security constituted by this deed has become enforceable

- (a) all dividends and other distributions paid in respect of the Investments and received by the Borrower shall be held by the Borrower on trust for Boardwalk and immediately paid into the Rent Account or, if received by Boardwalk, shall be retained by Boardwalk, and
- (b) all voting and other rights and powers attaching to the Investments shall be exercised by, or at the direction of, Boardwalk and the Borrower shall, and shall procure that its nominees shall, comply with any directions Boardwalk may give, in its absolute discretion, concerning the exercise of those rights and powers

7 6 Calls on Investments

The Borrower shall promptly pay all calls, instalments and other payments that may be or become due and payable in respect of all or any of the Investments. The Borrower acknowledges that Boardwalk shall not be under any liability in respect of any such calls, instalments or other payments

7 7 No alteration of constitutional documents or rights attaching to Investments

The Borrower shall not, without the prior written consent of Boardwalk, amend, or agree to the amendment of

- (a) the memorandum or articles of association, or any other constitutional documents, of any issuer that is not a public company, or
- (b) the rights or liabilities attaching to any of the Investments

7 8 Preservation of Investments

The Borrower shall ensure (as far as it is able to by the exercise of all voting rights, powers of control and other means available to it) that any issuer that is not a public company shall not

- (a) consolidate or subdivide any of its Investments, or reduce or re-organise its share capital in any way,
- (b) issue any new shares or stock, or
- (c) refuse to register any transfer of any of its Investments that may be lodged for registration by, or on behalf of, Boardwalk or the Borrower in accordance with this deed

7.9 Investments information

The Borrower shall, promptly following receipt, send to Boardwalk copies of any notice, circular, report, accounts and any other document received by it that relates to the Investments

8 Powers of Boardwalk

8.1 Power to remedy

- (a) Boardwalk shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed
- (b) The Borrower irrevocably authorises Boardwalk and its agents to do all things that are necessary or desirable for that purpose
- (c) Any monies expended by Boardwalk in remedying a breach by the Borrower of its obligations contained in this deed shall be reimbursed by the Borrower to Boardwalk on a full indemnity basis and shall carry interest in accordance with clause 15.1

8.2 Exercise of rights

The rights of Boardwalk under clause 8.1 are without prejudice to any other rights of Boardwalk under this deed. The exercise of any rights of Boardwalk under this deed shall not make Boardwalk liable to account as a mortgagee in possession.

8.3 Power to dispose of chattels

- (a) At any time after the security constituted by this deed has become enforceable, Boardwalk or any Receiver may, as agent for the Borrower, dispose of any chattels or produce found on any Property
- (b) Without prejudice to any obligation to account for the proceeds of any disposal made under clause 8.3(a), the Borrower shall indemnify Boardwalk and any Receiver against any liability arising from any disposal made under clause 8.3(a)

8 4 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by Boardwalk in relation to any of the Secured Assets whether or not it has taken possession of any Secured Assets and without first appointing a Receiver or notwithstanding the appointment of a Receiver

8 5 Conversion of currency

- (a) For the purpose of, or pending the discharge of, any of the Secured Liabilities, Boardwalk may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 8 5) from their existing currencies of denomination into any other currencies of denomination that Boardwalk may think fit
- (b) Any such conversion shall be effected at Barclays Bank PLC's then prevailing spot selling rate of exchange for such other currency against the existing currency
- (c) Each reference in this clause 8 5 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency

8 6 New accounts

- (a) If Boardwalk receives, or is deemed to have received, notice of any subsequent Security Interest, or other interest, affecting all or part of the Secured Assets, Boardwalk may open a new account for the Borrower in Boardwalk's books. Without prejudice to Boardwalk's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities
- (b) If Boardwalk does not open a new account immediately on receipt of the notice, or deemed notice, under clause 8 6(a), then, unless Boardwalk gives express written notice to the contrary to the Borrower, all payments made by the Borrower to Boardwalk shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by Boardwalk

8 7 Lender's set-off rights

If Boardwalk has more than one account for the Borrower in its books, Boardwalk may at any time after

- (a) the security constituted by this deed has become enforceable, or
- (b) Boardwalk has received, or is deemed to have received, notice of any subsequent Security Interest or other interest affecting all or any part of the Secured Assets,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, Boardwalk shall notify the Borrower of that transfer.

8.8 Indulgence

Boardwalk may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

8.9 Appointment of an Administrator

- (a) Boardwalk may, without notice to the Borrower, appoint any one or more persons to be an Administrator of the Borrower pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986 if the security constituted by this deed becomes enforceable.
- (b) Any appointment under this clause 8.9 shall
 - (i) be in writing signed by a duly authorised signatory of Boardwalk, and
 - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986.
- (c) Boardwalk may apply to the court for an order removing an Administrator from office and may by notice in writing in accordance with this clause 8.9 appoint a replacement for any Administrator who has died, resigned, been removed or who has vacated office upon ceasing to be qualified.

9 When security becomes enforceable

9.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs.

9.2 Discretion

After the security constituted by this deed has become enforceable, Boardwalk may, in its absolute discretion, enforce all or any part of that security at the times in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets

10 Enforcement of security

10.1 Enforcement powers

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between Boardwalk and a purchaser from Boardwalk, arise on and be exercisable at any time after the execution of this deed, but Boardwalk shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 9.1
- (b) Section 103 of the LPA 1925 does not apply to the security constituted by this deed

10.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise Boardwalk and any Receiver at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Borrower, to

- (a) grant a lease or agreement to lease,
- (b) accept surrenders of leases, or
- (c) grant any option of the whole or any part of the Secured Assets with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower, and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as Boardwalk or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925

10.3 Access on enforcement

- (a) At any time after Boardwalk has demanded payment of the Secured Liabilities or if the Borrower defaults in the performance of its obligations under this deed or the Facility Agreements, the Borrower will allow Boardwalk or its Receiver, without further notice or demand, immediately to exercise all its rights, powers and remedies in particular (and without limitation) to take possession of any Secured Asset and for that purpose

to enter on any premises where a Secured Asset is situated (or where Boardwalk or a Receiver reasonably believes a Secured Asset to be situated) without incurring any liability to the Borrower for, or by any reason of, that entry

- (b) At all times, the Borrower must use its reasonable endeavours to allow Boardwalk or its Receiver access to any premises for the purpose of clause 10.3(a) (including obtaining any necessary consents or permits of other persons) and ensure that its employees and officers do the same

10.4 Prior Security Interests

At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security Interest having priority to this deed shall have become exercisable, Boardwalk may

- (a) redeem that or any other prior Security Interest,
- (b) procure the transfer of that Security Interest to it, and
- (c) settle and pass any account of the holder of any prior Security Interest

Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by Boardwalk to an encumbrancer in settlement of any of those accounts shall, as from its payment by Boardwalk, be due from the Borrower to Boardwalk on current account and shall bear interest at the default rate of interest specified in the Facility Agreements and be secured as part of the Secured Liabilities.

10.5 Protection of third parties

No purchaser, mortgagee or other person dealing with Boardwalk, any Receiver or Delegate shall be concerned to enquire

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged,
- (b) whether any power Boardwalk, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable, or
- (c) how any money paid to Boardwalk, any Receiver or any Delegate is to be applied

10.6 Privileges

Each Receiver and Boardwalk is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers

10 7 No liability as mortgagee in possession

Neither Boardwalk, any Receiver, any Delegate nor any Administrator shall be liable to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such

10 8 Conclusive discharge to purchasers

The receipt of Boardwalk or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, Boardwalk, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit

10 9 Right of appropriation

- (a) To the extent that
 - (i) the Secured Assets constitute Financial Collateral, and
 - (ii) this deed and the obligations of the Borrower under it constitute a Security Financial Collateral Arrangement,

Boardwalk shall have the right, at any time after the security constituted by this deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that Boardwalk may, in its absolute discretion, determine

- (b) The value of any Secured Assets appropriated in accordance with this clause shall be the price of those Secured Assets at the time the right of appropriation is exercised as listed on any recognised market index, or determined by any other method that Boardwalk may select (including independent valuation)
- (c) The Borrower agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations

11 Receiver

11 1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Borrower, Boardwalk may, without further notice, appoint

by way of deed, or otherwise in writing, any one or more persons to be a Receiver of all or any part of the Secured Assets

11 2 Removal

Boardwalk may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated

11 3 Remuneration

Boardwalk may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925, and the remuneration of the Receiver shall be a debt secured by this deed, which shall be due and payable immediately on its being paid by Boardwalk

11 4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of Boardwalk under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise

11 5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by Boardwalk despite any prior appointment in respect of all or any part of the Secured Assets

11 6 Agent of the Borrower

Any Receiver appointed by Boardwalk under this deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of Boardwalk

12 Powers of Receiver

12 1 General

- (a) Any Receiver appointed by Boardwalk under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 12 2 to clause 12 22
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver
- (c) Any exercise by a Receiver of any of the powers given by this clause 12 may be on behalf of the Borrower, the directors of the Borrower (in the case of the power contained in clause 12 15) or himself

12 2 Repair and develop Properties

A Receiver may undertake or complete any works of repair, building or development on the Properties and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same

12 3 Surrender leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting any Property and may grant any other interest or right over any Property on any terms and subject to any conditions, that he thinks fit

12 4 Employ personnel and advisors

A Receiver may provide services and employ, or engage any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit A Receiver may discharge any such person or any such person appointed by the Borrower

12 5 Make VAT elections

A Receiver may make, exercise or revoke any value added tax option to tax as he thinks fit

12 6 Remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that Boardwalk may prescribe or agree with him

12 7 Realise Secured Assets

A Receiver may collect and get in the Secured Assets or any part of them in respect of which he is appointed and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Secured Assets with like rights

12 8 Manage or reconstruct the Borrower's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower

12 9 Dispose of Secured Assets

A Receiver may sell, exchange, convert into money and realise all or any of the Secured Assets in respect of which he is appointed in any manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions as he thinks fit Any sale may be for any consideration that the Receiver thinks fit and a Receiver may promote, or concur in promoting, a company to purchase the Secured Assets to be sold

12 10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from any Property without the consent of the Borrower

12 11 Sell Book Debts

A Receiver may sell and assign all or any of the Book Debts in respect of which he is appointed in any manner, and generally on any terms and conditions, that he thinks fit

12 12 Valid receipts

A Receiver may give valid receipt for all monies and execute all assurances and things that may be proper or desirable for realising any of the Secured Assets

12 13 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that he may think expedient

12 14 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Secured Assets as he thinks fit

12 15 Make calls on Borrower members

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital with (for that purpose and for the purpose of enforcing payments of any calls so made) the same powers as are conferred by the articles of association of the Borrower on its directors in respect of calls authorised to be made by them

12 16 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 14, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this deed

12 17 Powers under the LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925, and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986

12 18 Borrow

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from Boardwalk (or from any other person) either unsecured or on the security of all or any of the Secured Assets in respect of which he is appointed on any terms that he thinks fit (including, if Boardwalk consents, terms under which that security ranks in priority to this deed)

12 19 Redeem prior Security Interests

A Receiver may redeem any prior Security Interest and settle and pass the accounts to which the Security Interest relates. Any accounts so settled and passed shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver

12 20 Delegation

A Receiver may delegate his powers in accordance with this deed

12 21 Absolute beneficial owner

A Receiver may, in relation to any of the Secured Assets, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things as an absolute beneficial owner could exercise or do in the ownership and management of the Secured Assets or any part of the Secured Assets

12 22 Incidental powers

A Receiver may do any other acts and things

- (a) that he may consider desirable or necessary for realising any of the Secured Assets,
- (b) that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law, and
- (c) that he lawfully may or can do as agent for the Borrower

13 Delegation

13 1 Delegation

Boardwalk or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 17 1)

13 2 Terms

Boardwalk and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit

13 3 Liability

Neither Boardwalk nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate

14 Application of Proceeds

14 1 Order of application of proceeds

All monies received by Boardwalk, any Receiver or a Delegate under this deed after the security constituted by this deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order or priority

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of Boardwalk (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed and of all remunerations due to any Receiver under or in connection with this deed
- (b) in or towards payment *pro rata* of any accrued interest, fees or commission due but unpaid under the Facility Agreements,
- (c) in or towards payment *pro rata* of any outstanding principal amount under the Facility Agreements,
- (d) in or towards payment *pro rata* of any other sum due but unpaid under the Facility Agreements, and
- (e) in payment of the surplus (if any) to the Borrower or other person entitled to it

14 2 Appropriation

Clause 14 1 shall override any appropriation made by the Borrower

15 Costs and indemnity

15 1 Costs

The Borrower shall pay to, or reimburse, Boardwalk and any Receiver on demand, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by Boardwalk any Receiver or any Delegate in connection with

- (a) this deed or the Secured Assets,
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of Boardwalk's, a Receiver's or a Delegate's rights under this deed,
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreements

15.2 Indemnity

The Borrower shall indemnify Boardwalk, each Receiver and each Delegate, and their respective employees and agents, on a full indemnity basis against any cost, charge, expense, tax, loss, liability or damage incurred by any of them as a result of

- (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Secured Assets,
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed, or
- (c) any default or delay by the Borrower in performing any of its obligations under this deed

Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

16 Further assurance

16.1 Further assurance

The Borrower shall, at its own expense, take whatever action Boardwalk or any Receiver may reasonably require for

- (a) creating, perfecting or protecting the security intended to be created by this deed,
- (b) facilitating the realisation of any Secured Asset, or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by Boardwalk or any Receiver in respect of any Secured Asset,

including, without limitation (if Boardwalk or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to Boardwalk or to its nominee) and the giving of any notice, order or direction and the making of any registration

17 Power of attorney

17 1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints Boardwalk, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that

- (a) the Borrower is required to execute and do under this deed, or
- (b) any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on Boardwalk, any Receiver or any Delegate

17 2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17 1

18 Release

Subject to clause 20 3, on the expiry of the Security Period (but not otherwise), Boardwalk shall, at the request and cost of the Borrower, take whatever action is necessary to

- (a) release the Secured Assets from the security constituted by this deed, and
- (b) reassign the Secured Assets to the Borrower

19 Assignment and transfer

19 1 Assignment by Lender

- (a) At any time, without the consent of the Borrower, Boardwalk may assign or transfer the whole or any part of Boardwalk's rights and/or obligations under this deed to any person
- (b) Boardwalk may disclose to any actual or proposed assignee or transferee any information about the Borrower, the Secured Assets and this deed that Boardwalk considers appropriate

19.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its obligations, under this deed, or enter into any transaction that would result in any of those rights or obligations passing to another person

20 Further provisions

20.1 Independent security

This deed shall be in addition to, and independent of, any other security or guarantee that Boardwalk may hold for any of the Secured Liabilities at any time. No prior security held by Boardwalk over the whole or any part of the Secured Assets shall merge in the security created by this deed.

20.2 Continuing security

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until Boardwalk discharges this deed in writing.

20.3 Discharge conditional

Any release, discharge or settlement between the Borrower and Boardwalk shall be deemed conditional on no payment or security received by Boardwalk in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) Boardwalk or its nominee may retain this deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that Boardwalk deems necessary to provide Boardwalk with security against any such avoidance, reduction or order for refund, and
- (b) Boardwalk may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

20.4 Certificates

A certificate or determination by Boardwalk as to any amount for the time being due to it from the Borrower under this deed and the Facility Agreements shall be, in the absence of any manifest error, conclusive evidence of the amount due

20.5 Rights cumulative

The rights and remedies of Boardwalk conferred by this deed are cumulative, may be exercised as often as Boardwalk considers appropriate, and are in addition to its rights and remedies under the general law

20.6 Variations and waivers

Any waiver or variation of any right or remedy by Boardwalk (whether arising under this deed or under the general law), or any consent given under this deed, is only be effective if it is in writing and signed by the waiving, varying or consenting party, and applies only in the circumstances for which it was given, and shall not prevent the party giving it from subsequently relying on the relevant provision

20.7 Further exercise of rights

No act or course of conduct or negotiation by, or on behalf of, Boardwalk shall, in any way, preclude Boardwalk from exercising any right or remedy under this deed or constitute a suspension or variation of any such right or remedy

20.8 Delay

No delay or failure to exercise any right or remedy under this deed shall operate as a waiver of that right or remedy

20.9 Single or partial exercise

No single or partial exercise of any right or remedy under this deed shall prevent any further or other exercise of that right or remedy, or the exercise of any other right or remedy under this deed

20.10 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed

20.11 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modification necessary to give effect to the commercial intention of the parties.

20 12 Counterparts

This deed may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

21 Notices

21 1 Service

Each notice or other communication required to be given under, or in connection with, this deed shall be

(a) in writing, delivered personally or sent by pre-paid first-class letter or fax, and

(b) sent

(i) to the Borrower at
Pollen House,
10 Cork Street,
London,
W1S 3NP
Fax +44 (0) 20 7439 8930
Attention James Saout

(ii) to Boardwalk at
22 Clanwilliam Square
Grand Canal Quay
Dublin 2
Fax +44(0)1534 769770
Attention Rory Williams

or to any other address or fax number as is notified in writing by one party to the other from time to time.

21 2 Receipt by Borrower

Any notice or other communication that Boardwalk gives shall be deemed to have been received

- (a) if sent by fax, when received in legible form,
- (b) if given by hand, at the time of actual delivery, and
- (c) if posted, on the second Business Day after the day it was sent by pre-paid first-class post

A notice or other communication given as described in clause 21 2(a) or clause 21 2(b) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day

21 3 Receipt by Lender

Any notice or other communication given to Boardwalk shall be deemed to have been received only on actual receipt

22 Governing law and jurisdiction

22 1 Governing law

This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales

22 2 Jurisdiction

The parties to this deed irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of, or in connection with, this deed or its subject matter or formation (including non-contractual disputes or claims) Nothing in this clause shall limit the right of Boardwalk to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of that other jurisdiction

22.3 Other service

The Borrower irrevocably consents to any process in any proceedings under clause 22.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 Property

Part 1 Registered Property

None specified

Part 2 Unregistered Property

None specified

SIGNATURE PAGE

BORROWER

Executed as a deed by)

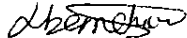
ADRIATIC LAND 3 (GR1) LIMITED)

acting by a director in the presence)

of


Director

Name of witness LOUISA DEMETRIOU

Signature of witness 

Address POLLEN HOUSE, 10 CORK STREET, LONDON, W1S 3NP

Occupation FUND ADMINISTRATOR

BOARDWALK

Signed And delivered as a deed

for and on behalf of

BOARDWALK FINANCE LIMITED

by its lawfully appointed attorney

Signature of Attorney

in the presence of

Signature of Witness

SIGNATURE PAGE

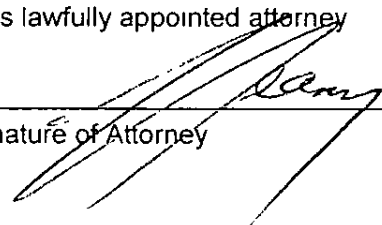
BORROWER

Executed as a deed by)
ADRIATIC LAND 3 (GR1) LIMITED)
acting by a director in the presence) Director
of

Name of witness
Signature of witness
Address
Occupation

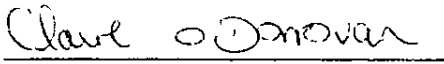
BOARDWALK

Signed And delivered as a deed
for and on behalf of
BOARDWALK FINANCE LIMITED
by its lawfully appointed attorney



Signature of Attorney

in the presence of



Signature of Witness