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In accordance with Sections 859A and 859J of the Companies Act 2006

# MR01



## Particulars of a charge

**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](http://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

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 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 scanned and placed on the public record **Do not send the original.**

THURSDAY



A05 #104  
01/10/2015  
COMPANIES HOUSE

### 1 Company details

Company number 0 2 8 7 9 6 8 8 ✓

Company name in full CLSH MANAGEMENT LIMITED ✓

02504 For official use  
→ 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 d 2 d 9 m 0 m 9 y 2 y 0 y 1 y 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 METROPOLITAN LIFE INSURANCE COMPANY ✓

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

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

Brief description

**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

Yes

No

**6** **Floating charge**

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

Yes Continue

No Go to Section 7

Is the floating charge expressed to cover all the property and undertaking of the company?


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

Yes

No

**8** **Trustee statement** 

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

 This statement may be filed after the registration of the charge (use form MR06)

**9** **Signature**

Please sign the form here

Signature

Signature

X Taylor WERNING LLP X

This form must be signed by a person with an interest in the charge

# 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 Igor Shershunovych

Company name Taylor Wessing LLP

Address 5 New Street Square

Post town London

Country/Region

Postcode E C 4 A 3 T W

Country

DX 41 London - Chancery Lane

Telephone +44 (0)207 300 7000

### 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](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.companieshouse.gov.uk)



**FILE COPY**

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

Company number: 2879688

Charge code: 0287 9688 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 29th September 2015 and created by CLSH MANAGEMENT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 1st October 2015

DP

Given at Companies House, Cardiff on 7th October 2015



**Companies House**



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

5  
DATED

29 September

2015

THE ENTITIES LISTED IN SCHEDULE 1  
as Assignors

and

THE ENTITIES LISTED IN SCHEDULE 2  
as Obligors

and

METROPOLITAN LIFE INSURANCE COMPANY  
as Security Trustee

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**SUBORDINATED DEBT ASSIGNMENT**

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*Execution version*

5 New Street Square | London EC4A 3TW  
Tel +44 (0)20 7300 7000  
Fax +44 (0)20 7300 7100  
DX 41 London  
www.taylorwessing.com

**TaylorWessing**

Certified to be a true copy  
of the original  
*Taylor Wessing LLP*  
Taylor Wessing LLP

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THIS ASSIGNMENT is made on

29 September

2015

**BETWEEN**

- (1) **THE ENTITIES LISTED IN SCHEDULE 1** (each an "Assignor" and together the "Assignors"),
- (2) **THE ENTITIES LISTED IN SCHEDULE 2** (each a "Obligor" and together the "Obligors"), and
- (3) **METROPOLITAN LIFE INSURANCE COMPANY** in its capacity as security trustee for the Secured Parties (the "Security Trustee")

**AGREED TERMS**

**1 Definitions and Interpretation**

**1.1 Definitions**

To the extent not defined herein, capitalised terms and expressions used in this deed shall have the same meanings as ascribed to them in the Facility Agreement, and in this deed

"Assigned Property" means the assets assigned by the Assignors under this deed,

"Default Rate" means the interest rate calculated in accordance with the default interest provisions contained in clause 8.3 (*Default interest*) of the Facility Agreement in relation to Unpaid Sums,

"Facility Agreement" means a facility agreement dated 22 September 2015 made between Spring Mews Limited as borrower (1), Spring Mews (Hotel) Limited and Spring Mews (Student) Limited as guarantors (2), Laxfield Capital Limited as arranger (3), the person listed in schedule 1 thereto as original lender (4), Metropolitan Life Insurance Company as agent (5) and the Security Trustee (6) as amended, varied, supplemented and/or restated from time to time,

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

"Insolvency Act" means the Insolvency Act 1986,

"LPA" means the Law of Property Act 1925,

"Management Agreements" means each of

- (a) the services agreement dated 25 June 2015 made between Spring Mews Limited and CLSH Management Limited ("CLSHML"),
- (b) the services agreement dated 25 June 2015 made between Spring Mews (Student) Limited and CLSHML, and
- (c) the services agreement dated 25 June 2015 made between Spring Mews (Hotel) Limited and CLSHML,

as each may be amended, supplemented, varied, restated and/or replaced from time to time in accordance with the terms of the Facility Agreement,

**"Permitted Payment"** means any payment made out of funds standing to the credit of any General Account where no Event of Default is continuing or would occur as a result of such payment,

**"Subordinated Debt"** means all indebtedness owed or expressed to be owed by any Obligor to any Assignor whether pursuant to the Subordinated Debt Documents or otherwise,

**"Subordinated Debt Documents"** means

- (a) the loan agreements listed in schedule 3 (Subordinated Loan Agreements),
- (b) the Management Agreements, and
- (c) any agreement or other document evidencing the terms of any Subordinated Debt,

**"Secured Obligations"** means

- (a) all obligations of each Obligor and each Assignor owed or expressed to be owed to the Secured Parties (or any of them) under or in connection with the Finance Documents whether owed jointly or severally, as principal or surety or in any other capacity, and
- (b) in the case of any Obligor any obligation referred to in (a) above which is or becomes Unenforceable and any cost, loss or liability which any Secured Party incurs as a result of any such Obligor not paying any amount expressed to be payable by it under any Finance Document on the date when it is expressed to be due, and

**"Unenforceable"** means void, voidable, invalid, unenforceable or otherwise irrecoverable (whether or not known to any Secured Party or any Assignor) and **"Unenforceability"** will be construed accordingly

1 2 *Interpretation*

- (a) This deed is a Finance Document
- (b) The provisions of clause 1 2 (Construction) of the Facility Agreement shall be deemed to be incorporated into this deed
- (c) In this deed, unless a contrary indication appears
  - (i) **"obligations"** means obligations and liabilities,
  - (ii) references to **"indebtedness"** include
    - (A) any obligation (whether incurred jointly or severally or as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent,
    - (B) any obligation (such as post insolvency interest) which would be included in (i) above but for the fact that it is invalid or unenforceable,



- (C) any liability for damages or in respect of a restitutionary claim, and
- (D) any liability flowing from any recovery of a payment or discharge in respect of any obligation referred to in (I) above on grounds of preference or otherwise,
- (iii) references to obligations and liabilities include the whole or any part of them, present and future, actual and contingent,
- (iv) any reference to "**powers**" includes rights, powers, discretions and authorities, and
- (v) any reference to any asset includes any proceeds of sale of any such asset

### 1.3 *Construction of charging clause*

Each of the security interests created by clause 2 (Security) shall be construed as separate and distinct interests over the relevant assets so that the re-characterisation for any reason of any security interest over any one asset shall not affect the nature of the security interest created over any other asset

## 2 **Security**

As continuing security for the payment of the Secured Obligations each Assignor with full title guarantee assigns to the Security Trustee by way of security (with a proviso for re-assignment on redemption) all its present and future rights and interest in

- (a) the Subordinated Debt Documents including all rights and remedies for enforcing the Subordinated Debt Documents,
- (b) the Subordinated Debt, and
- (c) all Security, guarantees, indemnities, promissory notes, bills of exchange and other security of any nature now or in the future held by each Assignor in respect of the Subordinated Debt Documents and Subordinated Debt and all money now or at any time in the future due or owing to any Assignor under or in connection with any of them and all rights and remedies for enforcing any of them in the name of such Assignor or otherwise

### 2.2 *Notice of assignment*

Each Obligor enters into this deed to

- (a) acknowledge to the Security Trustee that it has notice of the assignment of all the Assignors' benefits, rights, titles, claims and interests in and to the Assigned Property,
- (b) confirm to the Security Trustee that it has not claimed or exercised, has no outstanding right to claim or exercise and will not exercise, any right of set-off, counterclaim or other right relating to any payments to be made by such Obligor in respect of the Subordinated Debt, and
- (c) acknowledge that the Security Trustee shall not be under any obligation in relation to any Subordinated Debt or Subordinated Debt Document as a consequence of this deed and each Assignor shall at all times remain liable to

perform all obligations expressed to be assumed by it in respect of the Assigned Property

### **3. Representations**

#### *3.1 Duration and Scope*

Each Assignor separately makes the representations and warranties set out in this clause to the Security Trustee on the date of this deed

#### *3.2 Security*

There is no Security over any of its Assigned Property save as created pursuant to this deed

#### *3.3 Ranking of Security*

This deed creates valid first priority Security of the type described over its Assigned Property

#### *3.4 Repetition*

The representations and warranties in this clause are deemed to be made by each Assignor by reference to the facts and circumstances then existing on each day on which any Repeating Representations are deemed to be made under the Facility Agreement

### **4. Negative Undertakings**

#### *4.1 Negative pledge*

No Assignor shall create or permit to subsist any Security over any of the Assigned Property other than any Security created pursuant to the Security Documents

#### *4.2 Disposals*

No Assignor shall sell, transfer or otherwise dispose or purport or agree to dispose of any Assigned Property without the prior written consent of the Security Trustee

### **5. General Undertakings**

#### *5.1 Accuracy*

Each Assignor shall ensure that all information supplied to the Security Trustee by it is at the time of supply complete and accurate in all material respects

#### *5.2 Authorisations*

Each Assignor shall promptly

- (a) obtain, comply with and do all that is necessary to maintain in full force and effect, and
- (b) supply certified copies to the Security Trustee of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to enable it to perform its obligations under the Finance Documents to which it is a party and to ensure the legality, validity, enforceability or admissibility of such Finance Documents in evidence in its jurisdiction of incorporation

5.3 *Compliance with laws*

Each Assignor shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Finance Documents to which it is a party

5.4 *Consents*

Each Assignor shall ensure that all consents and all documents, registrations, licences and other matters and things required by the Security Trustee to perfect this deed are produced, executed, obtained or made as required by the Security Trustee in accordance with this deed

**6. Undertakings relating to the Assigned Property**

6.1 *The Subordinated Debt Documents*

Each Assignor shall

- (a) comply with the provisions of the Subordination Agreement and not do or omit to do anything which might result in any impairment of any of the rights and benefits assigned by this deed,
- (b) not, without first obtaining the consent in writing of the Security Trustee, commence arbitration or other legal proceedings under or in connection with the Subordinated Debt Documents (or any of them),
- (c) not, without first obtaining the consent in writing of the Security Trustee, amend or vary or purport to amend or vary the terms of the Subordinated Debt Documents, nor waive or release any obligation of any Obligor under any Subordinated Debt Document,
- (d) deposit with the Security Trustee an original of each Subordinated Debt Document and all documents relating to them including all amendments, variations or extensions from time to time made to it and any Security, guarantees, indemnities, promissory notes, bills of exchange and other security of any nature now or in the future held by such Assignor in respect of the Subordinated Debt Documents,
- (e) pay to the Security Trustee promptly upon receipt and to such account as the Security Trustee notifies to such Assignor, all money from time to time received under or in connection with the Assigned Property (other than Permitted Payments) and hold all such moneys on trust for the Security Trustee until such payment,
- (f) on request by the Security Trustee, promptly produce to the Security Trustee such information relating to the Assigned Property as the Security Trustee may (acting reasonably) from time to time require, and
- (g) promptly upon receipt, give to the Security Trustee a copy of any notice, certificate or other communication received by it in relation to the Assigned Property

6 2 *Failure to comply*

If any Assignor fails to comply with any of its obligations under this deed the Security Trustee may take such steps as it considers appropriate to procure compliance with such obligations at the cost of the Assignors

6 3 *No assumption of obligations*

The Security Trustee will not be liable to comply with the obligations assumed by the Assignors under the Subordinated Debt Documents or in respect of any of the Assigned Property and the Security Trustee will not be under any obligation or liability by reason of, or arising out of, this deed nor will the Security Trustee be required to make any enquiry as to the nature or sufficiency of any payment received by the Security Trustee or to present or file any claim or take any other action to collect or enforce the payment of any amount or to enforce any other right to which the Security Trustee may be entitled by virtue of this deed at any time

**7. Enforcement of Security**

7 1 *Security Trustee's powers*

On the occurrence of an Event of Default which is continuing or if an Assignor requests that the Security Trustee exercises any of its powers under this clause 7 1, this deed shall become enforceable and the Security Trustee may immediately or at any time thereafter

- (a) exercise the power of sale and all other powers conferred by s 101 of the LPA as varied or extended by this deed,
- (b) subject to s 72A of the Insolvency Act, appoint one or more persons as a Receiver of any Assigned Property,
- (c) exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act,
- (d) secure and perfect its title to all or any part of the Assigned Property and/or transfer any asset into the name of its nominee,
- (e) exercise all the powers conferred on a Receiver by this deed, the LPA and the Insolvency Act,
- (f) to the extent that this deed constitutes a "security financial collateral arrangement" as defined in the Financial Collateral Regulations, appropriate any Assigned Property which constitutes "financial collateral" as defined in the Financial Collateral Regulations in or towards satisfaction of the Secured Obligations and the Security Trustee shall value such Assigned Property by reference to an independent valuation or other procedure selected by the Security Trustee acting reasonably

7 2 *Powers under the LPA*

- (a) S 103 of the LPA will not apply to this deed
- (b) The power of sale and all other powers conferred by s 101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Assignors

### 7.3 *Receivers*

- (a) The Security Trustee may appoint any Receiver upon such terms as to remuneration and otherwise as the Security Trustee thinks fit and the maximum rate specified in s 109(6) of the LPA shall not apply
- (b) Any Receiver will be the agent of the relevant Assignor for all purposes and the Assignors will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Security Trustee
- (c) Where two or more persons are appointed as Receiver any act authorised to be done by the Receiver may be done by all of them acting jointly or by any one or more of them acting severally
- (d) The Security Trustee may at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Security Trustee appoints any other person as Receiver in his place

## 8. **Powers of Receiver and Security Trustee**

### 8.1 *Statutory powers*

A Receiver shall have and be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, all the powers conferred upon an administrative receiver by Schedule 1 to the Insolvency Act which powers are incorporated into this deed provided that references in that Schedule to "the property of the Company" will be deemed to be references to the Assigned Property for the purposes of this deed

### 8.2 *Additional powers*

By way of addition to and without limiting any other powers referred to in this clause a Receiver shall have power (both before and after the commencement of any liquidation of any Assignor) to do every act and thing and exercise every power

- (a) which the relevant Assignor would have been entitled to do or exercise if no Receiver had been appointed or which the Receiver would have been entitled to do or exercise if the Receiver were the absolute legal and beneficial owner of the Assigned Property,
- (b) which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Assigned Property or for or in connection with the enforcement of the Security created by this deed or the realisation of any Assigned Property,

and may use the name of the relevant Assignor in connection with any exercise of such powers

### 8.3 *Consideration*

The receipt of the Security Trustee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or disposal of any of the Assigned Property the Security Trustee or any Receiver may do so for such consideration, in such manner and on such terms as it thinks fit

8 4 *Prior encumbrances*

At any time after the security given by this deed has become enforceable, the Security Trustee may redeem any prior Security against the Assigned Property or procure a transfer of such Security to itself and may agree the accounts of the person entitled to that Security and any accounts so agreed will be binding on the Assignors (save in the case of manifest error) Any money paid by the Security Trustee in connection with a redemption or transfer of any prior Security will form part of the Secured Obligations

8 5 *Possession*

If the Security Trustee, any Receiver or any Delegate takes possession of any Assigned Property it may go out of possession at any time

**9 Exclusion of Liability**

9 1 *No obligation to recover*

None of the Security Trustee, any Receiver or any Delegate is under any obligation to take action to collect any money or enforce any rights comprised in the Assigned Property whether or not it is in possession of the relevant Assigned Property

9 2 *Liability as mortgagee in possession*

If the Security Trustee, any Receiver or any Delegate takes possession of any Assigned Property, it will not be liable to account to any Assignor for anything except actual receipts or be liable to any Assignor for any loss arising from any realisation of any Assigned Property or for any default or omission for which a receiver or mortgagee in possession would be liable (other than where such loss, default or omission is a consequence of the gross negligence or wilful default of the Security Trustee, Receiver or Delegate)

9 3 *Losses on enforcement*

No Secured Party will be liable to any Assignor for any loss or damage arising from

- (a) any sale of any Assigned Property,
- (b) any act, default or omission of any Secured Party in relation to any Assigned Property, or
- (c) any exercise or non-exercise by any Secured Party of any power conferred upon it in relation to any Assigned Property by or pursuant to this deed or by the LPA,

unless such loss or damage is caused by the fraud, gross negligence or wilful misconduct of such Secured Party

**10. Application of Proceeds**

10 1 *Order of application*

Subject to clause 10 2 (Prospective liabilities) and to claims having priority to the Security created by this deed and by way of variation to the provisions of the LPA, all amounts from time to time received or recovered by the Security Trustee in connection with the realisation or enforcement of all or any part of the Security constituted by this

deed (for the purposes of this clause the "**Recoveries**") shall be held by the Security Trustee on trust to apply them at any time as the Security Trustee (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this clause), in the following order

- (a) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of this deed and of all outgoings properly payable by any Secured Party,
- (b) in payment of remuneration to any Receiver,
- (c) in or towards satisfaction of the Secured Obligations in accordance with the Facility Agreement, and
- (d) the balance (if any) will be applied as required by law

#### 10.2 *Prospective liabilities*

Until all Secured Obligations have been irrevocably paid in full, the Security Trustee may, in its discretion, hold any amount of the Recoveries in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee (or at its option the name of any other Finance Party any of whose Secured Obligations are at that time still contingent) with such financial institution (including itself) and for so long as the Security Trustee shall think fit (the interest being credited to the relevant account) for later application under clause 10.1 (Order of Application) in respect of

- (a) any sum owing to the Security Trustee, any Receiver or any Delegate, and
- (b) any part of the Secured Obligations,

that the Security Trustee reasonably considers, in each case, might become due or owing at any time in the future

#### 10.3 *Investment of proceeds*

Prior to the application of the proceeds of the Recoveries in accordance with clause 10.1 (Order of Application) the Security Trustee may, in its discretion, hold all or part of those proceeds in an interest bearing suspense or impersonal account(s) in the name of the Security Trustee with such financial institution (including itself) and for so long as the Security Trustee shall (acting reasonably) think fit (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Security Trustee's discretion in accordance with clause 10.1 (Order of Application)

#### 10.4 *Currency Conversion*

- (a) For the purpose of, or pending the discharge of, any of the Secured Obligations the Security Trustee may convert any moneys received or recovered by the Security Trustee from one currency to the currency in which the Secured Obligations are denominated, at a market rate of exchange
- (b) The Secured Obligations shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion

#### 10.5 *Permitted Deductions*

The Security Trustee shall be entitled, in its discretion

- (a) to set aside by way of reserve amounts required to meet, and to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this deed, and
- (b) to pay all Taxes which may be assessed against it in respect of any of the Assigned Property, or as a consequence of performing its duties, or by virtue of its capacity as Security Trustee under any of the Finance Documents or otherwise (other than in connection with its remuneration for performing its duties under the Facility Agreement)

**11. Protection of Persons Dealing with Security Trustee, Receiver or Delegate**

No person dealing with the Security Trustee or any Receiver or Delegate will be concerned to enquire

- (a) whether any event has happened upon which any of the powers conferred by this deed may have arisen or be exercisable,
- (b) otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers, or
- (c) whether any Secured Obligations remain owing

**12. Notice of Subsequent Charge**

If any Finance Party receives notice of any Security or other interest affecting any Assigned Property

- (a) it may open a new account for any Assignor in its books and may transfer any outstanding balance of the Secured Obligations to such new account,
- (b) if it does not open a new account then, unless it gives express written notice to the contrary to the relevant Assignor, all payments of the Secured Obligations will as from the time of receipt of such notice be treated as having been credited to a new account of such Assignor and not as having been applied in reduction of the Secured Obligations

**13. Further Assurance**

When required by the Security Trustee or any Receiver each Assignor shall, at its own cost

- (a) execute an assignment of any Assigned Property and such assignment shall secure the Secured Obligations and contain a power of sale which arises immediately upon execution, provisions excluding s 93 of the LPA and the restrictions contained in s 103 of the LPA and such other provisions including any similar to those in this deed as the Security Trustee may reasonably require,
- (b) execute any documents or do any other thing which the Security Trustee or any Receiver may (acting reasonably) require for perfecting or protecting any Security created by this deed or in connection with the exercise of any powers given to the Security Trustee or any Receiver under this deed, and



- (c) convey, transfer, assign or otherwise deal with any Assigned Property in such manner as the Security Trustee or any Receiver may require in connection with any enforcement of any Security created by this deed

#### **14. Power of Attorney by Assignors**

Each Assignor irrevocably and by way of security appoints each of the Security Trustee, any person selected by the Security Trustee and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which

- (a) such Assignor is entitled to execute or do in relation to the Assigned Property including giving a receipt for any money and exercising any rights or remedies forming part of the Assigned Property, or
- (b) such Assignor is obliged to execute or do under this deed

where either

- (i) the Security created by this deed has become enforceable, or
- (ii) such Assignor has failed to do anything which the Assignor is obliged to do under this deed and that Assignor has been notified in writing by the Security Trustee of such failure

#### **15. Protective Provisions**

##### **15.1 Waiver of defences**

The obligations of any Assignor under this deed and the security constituted by this deed will not be affected by an act, omission, matter or thing which, but for this clause, would reduce, release or prejudice any of such obligations or security including (whether or not known to it or any Secured Party)

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person,
- (b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over property of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person,
- (e) any amalgamation, merger or reconstruction of any Secured Party with any other person or any sale or transfer of the whole or any part of the assets of any Secured Party to any other person,
- (f) the existence of any claim, set-off or other rights which any Obligor may have at any time against any Secured Party, whether in connection with the Finance Documents or otherwise,

- (g) any novation, amendment (however fundamental) or replacement of a Finance Document or any other document or security,
- (h) any obligation of any person under any Finance Document or any other document or security being Unenforceable, or
- (i) any insolvency or similar proceedings

15.2 *Assignor Intent*

Without prejudice to the generality of clause 15.1 (Waiver of defences), each Assignor expressly confirms that it intends that the security created by this deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making available acceptance credit facilities, note purchase facilities, guarantee, stand-by or documentary credit issuance facilities, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

15.3 *Immediate recourse*

Each Assignor waives any right it may have of first requiring any Secured Party to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

15.4 *Appropriations*

Until the Secured Obligations have been irrevocably paid in full, the Security Trustee may

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Security Trustee in respect of the Secured Obligations, or apply and enforce the same in such manner and order as it sees fit (whether against the Secured Obligations or otherwise) and no Assignor shall be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any money received under this deed

15.5 *Deferral of Assignors' rights*

Until the Secured Obligations have been irrevocably paid in full and unless the Security Trustee otherwise directs, no Assignor will exercise any rights which it may have by reason of the enforcement of this deed

- (a) to be indemnified by any Obligor,
- (b) to claim any contribution from any Obligor or any other person in respect of any obligations of that person under the Finance Documents,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of any Secured Party under the Finance Documents or

of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party,

- (d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which that Assignor has given security under this deed,
- (e) to exercise any right of set-off against any Obligor, and/or
- (f) to claim or prove as a creditor of any Obligor in competition with any Secured Party

#### 15.6 *Turnover*

If any Assignor receives any benefit, payment or distribution in relation to the rights referred to in clause 15.5 (Deferral of Assignors' rights) it shall hold that benefit, payment or distribution to the extent necessary to enable the Secured Obligations to be repaid in full on trust for the Security Trustee and shall promptly pay or transfer the same to the Security Trustee or as the Security Trustee may direct for application as provided in clause 10 (Application of Sums Realised)

#### 16. **Discharge of Security**

Any discharge of any Assignor by the Security Trustee in reliance on a payment or security received by the Security Trustee will cease to be effective if that payment or security is avoided, reduced or invalidated for any reason and the Security Trustee will be entitled to recover from the Assignors on demand the amount of the Secured Obligations discharged by such payment or security

#### 17. **Re-assignment**

If the Security Trustee determines in accordance with the Facility Agreement that all of the Secured Obligations have been fully and finally discharged and none of the Secured Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Obligor pursuant to the Finance Documents the Security Trustee shall

- (a) re-assign to the Assignors, without recourse or warranty all of the Security constituted by this deed, and
- (b) release the rights of the Security Trustee under this deed

and shall procure the reassignment, retransfer or reconveyance to the relevant Assignor of the property and assets assigned to the Security Trustee pursuant to this deed (including, at the cost of the relevant Assignor, executing such notices and directions to any persons as the relevant Assignor may reasonably require in order to give effect to such release and reassignment)

#### 18. **Default Interest**

Any sum payable by any Assignor under this deed will bear interest from the date on which it is due or if payable on demand from the date of demand until payment (both before and after judgment) at the Default Rate as calculated and compounded from time to time in accordance with the Facility Agreement

**19. Notices**

**19 1** *Communications in writing*

Any communication to be made under or in connection with this deed shall be made in writing and, unless otherwise stated, may be made by fax or letter

**19 2** *Addresses for service*

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with this deed is that identified with its name in the execution pages to this deed or any substitute address, fax number or department or officer as the party may notify to the other by not less than five Business Days' notice. In the case of each Obligor and each Assignor, the address of its registered office or of any place where it carries on business or of any agent for the service of process under this deed shall also be addresses of that Assignor or Obligor for the purpose of this clause

**19 3** *Delivery*

(a) Any communication or document made or delivered by the Security Trustee on any other party under or in connection with this deed will be effective

(i) if by way of fax, when received in legible form, or

(ii) if by way of letter, when it has been left at the relevant address or two Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under clause 19 2 (*Addresses for service*), if addressed to that department or officer

(b) Any communication or document to be made or delivered to the Security Trustee will be effective only when actually received by the Security Trustee and then only if it is expressly marked for the attention of the department or officer specified above (or any substitute department or officer as the Security Trustee shall specify for this purpose)

**19 4** *English language*

Any notice given under or in connection with this deed must be in English. All other documents provided under or in connection with this deed must be

(a) in English, or

(b) if not in English, and if so required by the Security Trustee, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document

## **20. Changes to the parties**

### **20.1 Security Trustee**

The Security Trustee may assign or transfer the rights and interests of the Security Trustee under or in connection with this deed to any successor to the Security Trustee as permitted under the Facility Agreement

### **20.2 Assignor**

No Assignor may assign any of its rights or transfer any of its rights or obligations under this deed

### **20.3 Obligors**

No Obligor may assign any of its rights or transfer any of its rights or obligations under this deed

### **20.4 Disclosure**

Any Finance Party may disclose any information about any Assignor to any person it is permitted to disclose information to pursuant to clause 38 (Confidentiality) of the Facility Agreement

## **21. Set-off**

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

## **22. Miscellaneous**

### **22.1 Trust**

The Security Trustee holds the benefit of this deed as trustee for the Secured Parties on the terms set out in the Facility Agreement

### **22.2 Incorporation**

Clauses 2.3 (Finance Parties Rights and Obligations), 8.3 (Default Interest), 12 (Tax Gross Up and Indemnities), 14 (Other Indemnities), 16 (Costs and Expenses), 25 (Events of Default), 26 (Changes to the Finance Parties), 27 (Changes to the Obligors), 28 (Role of the Agent, Security Trustee, Arranger and Servicer), 30 (Sharing among the Finance Parties), 31 (Payment Mechanics), 34 (Calculations and Certificates), 35 (Partial Invalidity), 36 (Remedies and Waivers), 37 (Amendments and Waivers) and 40 (Counterparts) of the Facility Agreement shall be deemed to be incorporated into this deed and references in clauses 12.1 and 12.2 of the Facility Agreement to "the Obligors" shall be construed as references to each of the Assignors

### 22.3 *Third Party Rights*

- (a) Unless expressly provided to the contrary, a person who is not a party to this deed has no right under the Third Parties Act to enforce or to enjoy the benefit of any term of this deed
- (b) Notwithstanding any term of this deed, the consent of any person other than the Assignors and the Security Trustee is not required to rescind or vary, this deed at any time
- (c) A Secured Party may, subject to this clause 22.3 and the Third Parties Act, rely on any provision of this deed which expressly confers rights on it

### 22.4 *Continuing Security*

This deed is a continuing security and extends to the balance from time to time of the Secured Obligations irrespective of any intermediate payment of the Secured Obligations

### 22.5 *Other Security*

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Security Trustee or any other person of any other security at any time held by the Security Trustee

### 22.6 *Consolidation*

The restrictions on the right of consolidating mortgage securities contained in section 93 of the LPA will not apply to this deed

## 23. **Recourse**

Notwithstanding any other provisions of the Deed, the Security Trustee's recourse under this Deed in respect of the Secured Obligations is limited to the Assigned Property and to its rights of enforcement and recovery against the Assigned Property and, accordingly, the Security Trustee agrees that the total amount recoverable from or against the Assignors under this Deed shall be limited to the Assigned Property and the aggregate proceeds received by the Security Trustee as a result of realising the Assigned Property in accordance with the terms of this Deed

## 24. **Law**

This deed and any non-contractual obligations arising out of or in connection with this deed shall be governed by English law

## 25. **Jurisdiction**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute regarding the existence, validity or termination of this deed and a dispute regarding a non-contractual obligation referred to in clause 24 (Law)) (a "Dispute")
- (b) The Security Trustee and the Assignor agree that the courts of England are the most appropriate and convenient courts to settle Disputes. No Assignor will argue to the contrary

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

This deed has been executed and delivered as a deed by each Assignor and signed on behalf of the Security Trustee on the date shown at the beginning of this deed.

## **SCHEDULE 1**

### **The Assignors**

- 1 NYK Investments Limited, a company incorporated in England and Wales with company number 02767722, and
- 2 CLSH Management Limited, a company incorporated in England and Wales with company number 02879688



## **SCHEDULE 2**

### **The Obligors**

- 1 Spring Mews Limited, a company incorporated in England and Wales with company number 02219526,
- 2 Spring Mews (Hotel) Limited, a company incorporated in England and Wales with company number 08666547, and
- 3 Spring Mews (Student) Limited, a company incorporated in England and Wales with company number 08484258

### **SCHEDULE 3**

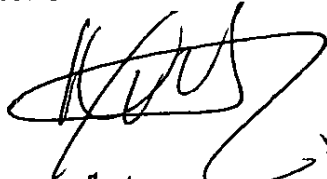
#### **Subordinated Loan Agreements**

- 1 A facility agreement dated on or about the date of this deed in respect of a £3,000,000 facility made between NYK Investments Limited (1) and Spring Mews Limited (2)
- 2 An facility agreement dated on or about the date of this deed in respect of a £4,500,000 facility made between NYK Investments Limited (1) and Spring Mews (Hotel) Limited (2)
- 3 An facility agreement dated on or about the date of this deed in respect of a £11,000,000 facility made between NYK Investments Limited (1) and Spring Mews (Student) Limited (2)

EXECUTION PAGES

**THE ASSIGNORS**

EXECUTED by  
NYK INVESTMENTS LIMITED  
acting by a director  
in the presence of

)  
)  
)   
) Alain MILLET<sup>x</sup>  
Director

Witness signature

  
R WALLEY

Witness name

Address

CLSH Management Ltd  
86 Bondway  
London  
SW8 1SF

Address for notices

Address

86 Bondway, London, SW8 1SF

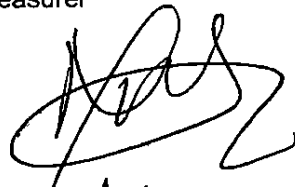
Fax

+44 (0)20 7735 4249


Att

Alain Millet, Group Treasurer

EXECUTED by  
CLSH MANAGEMENT LIMITED  
acting by a director  
in the presence of

)  
)  
)   
) Alain MILLET<sup>x</sup>  
Director

Witness signature

  
R WALLEY

Witness name

Address

CLSH Management Ltd  
86 Bondway  
London  
SW8 1SF

Address for notices

Address

86 Bondway, London, SW8 1SF

Fax

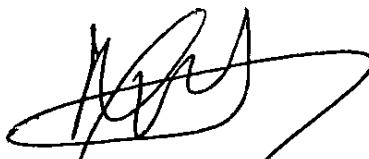
+44 (0)20 7735 4249

Att


Alain Millet, Group Treasurer

**THE OBLIGORS**

**EXECUTED by  
SPRING MEWS LIMITED**  
acting by a director  
in the presence of

)  
)  
)   
) Alain MILLET  
Director

Witness signature

  
R WAKLEY

Witness name

Address

**CLSH Management Ltd  
86 Bondway  
London  
SW8 1SF**

Address for notices

Address

86 Bondway, London, SW8 1SF


Fax

+44 (0)20 7735 4249


Att

Alain Millet, Group Treasurer

**EXECUTED by  
SPRING MEWS (HOTEL) LIMITED**  
acting by a director  
in the presence of

)  
)  
)   
) Alain MILLET  
Director

Witness signature

  
R WAKLEY

Witness name

Address

**CLSH Management Ltd  
86 Bondway  
London  
SW8 1SF**

Address for notices

Address

86 Bondway, London, SW8 1SF

Fax

+44 (0)20 7735 4249

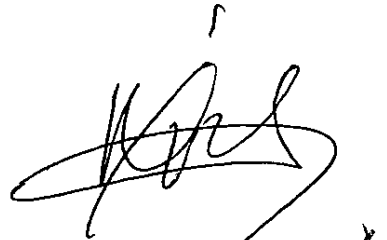
Att

Alain Millet, Group Treasurer

**EXECUTED** by  
**SPRING MEWS (STUDENT)**  
**LIMITED** acting by a director  
in the presence of

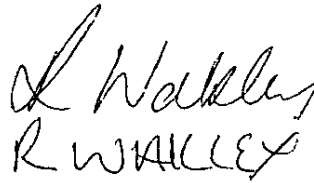
)  
)  
)  
)

Director



Alain MILLET

Witness signature



Witness name

R WALLLEY

Address

**CLSH Management Ltd**  
**86 Bondway**  
**London**  
**SW8 1SF**

Address for notices

Address 86 Bondway, London, SW8 1SF  
Fax +44 (0)20 7735 4249  
Att Alain Millet, Group Treasurer

**THE SECURITY TRUSTEE**

**SIGNED** for and on behalf of )  
**METROPOLITAN LIFE INSURANCE COMPANY** )  
in its capacity as Security Trustee

Address for notices

Metropolitan Life Insurance Company  
10 Park Avenue  
1st Floor  
Morristown  
New Jersey 07962

Fax +1 973 355 4460

Att Senior Managing Director  
Real Estate Investments

With copy to

MetLife Investments Limited  
Level 34  
One Canada Square  
Canary Wharf  
London  
E14 5AA

Fax +44 (0)207 632 8101

Att Paul Wilson  
Regional Managing Director