# DATED 14th March 2018

**And re-executed pursuant to an amending resolution of**

**Bondholders passed on 28th September 2018**

1. **CITY PARTNERSHIP TRUSTEE LIMITED**

(as Security Trustee)

1. **AMBERSIDE ALP PLC (**as the Parent)

# SECURITY TRUST DEED

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# THIS DEED is made on 14th March 2018 and re-executed pursuant to an amending resolution of

Bondholders passed on 28th September 2018

# BETWEEN:

1. **CITY PARTNERSHIP TRUSTEE LIMITED** a private limited company incorporated in England and Wales with company number: 08909187 whose registered office is at 27-28Eastcastle Street, London, W1W 8DH (as security trustee for itself and the Bondholders from time to time on the terms set out in this Deed (as defined below)) (the **Security Trustee**); and
2. **AMBERSIDE ALP PLC** a public limited company incorporated in England and Wales with company number: 11041038 whose registered office is at Amberside House, Wood Lane, Hemel Hempstead, Hertfordshire, HP2 4TP (the **Parent**).

# WITNESSES AS FOLLOWS: WHEREAS

1. The Parent has issued and will issue Bonds.
2. The Bonds in issue and to be issued are to be secured by a fixed and floating charge issued by the Parent to the Security Trustee as security trustee for itself and the Bondholders from time to time.
3. This Deed sets out the terms of the security trust arrangement.

# DEFINITIONS AND INTERPRETATION

* + 1. **Definitions**

In this Deed:

**Additional Security Trustee:** has the meaning given to it in clause 11.7;

**Amberside Capital** means Amberside Capital Limited (a private limited company, incorporated in England with the registered number 09479851);

**Amberside Finance Network** means Amberside Capital; CH1 and their respective Associates;

**Associate** means any person or persons who, in the opinion of the Independent Chair, acting in his absolute discretion: (i) is acting with Amberside Capital or CH1; or (ii) over whose affairs Amberside Capital or CH1, enjoys a power of direction, alone or with others with whom Amberside Capital or CH1 is acting; or (iii) who alone or with others with whom that person is acting, enjoys a power of direction over the affairs of Amberside Capital or CH1 and, in all cases, whether any action or power of direction is exercisable directly or indirectly and including their respective successors and assigns.

**Bond Documents:** means collectively, the Bond Instruments, all Final Terms of Issue, each Bond, the Security Documents, each Deed of Accession and any other document so designated by the Security Trustee and the Parent;

**Bond Instruments:** means the instruments constituting the Bonds;

**Bond:** means the Series A Bonds, the Series B Bonds and the Series C Bonds and such other bonds as may be issued by the Parent from time to time on terms which incorporate by reference the benefit of this Deed, with the prior written consent of the Security Trustee, as it may be amended from time to time, together with any Final Terms of Issue issued in respect of such bonds;

**Bondholders:** means each of the persons named for the time being in the register of Bondholders as a Bondholder to be kept by the Parent;

**Business Day:** has the meaning given to it in the Bond Instrument;

**Charged Assets:** means the Fixed Charge Assets and the Floating Charge Assets;

**CH1** means CH1 Investment Partners LLP (a limited liability partnership with the registered number OC412678);

**this Deed**: means this security trust deed;

**Deed of Accession:** means a deed of accession substantially in the form of SCHEDULE 1;

**Delegate:** means any delegate, agent, lawyer, attorney or co-trustee appointed by the Security Trustee;

**Discharge:** has the meaning given to it in clause 4.4(b);

**“Diversified Bonds”** means all Bonds other than S Bonds

**Final Terms of Issue:** any supplemental document issued by the Parent in respect of a series of Bonds specifying the commercial details of such series, including (but not limited to) the interest rate, the maximum nominal amount, the minimum nominal amount, the commencement date, the closing date, the repayment date, and interest payment dates;

**Fixed Charge Assets:** means those assets which are from time to time the subject of clauses 3.2 and 3.3 of the Parent Security;

**Floating Charge Assets:** means those assets which are from time to time the subject of clause 3.4 of the Parent Security;

**Group:** means the Parent and any subsidiary from time to time of the Parent and **Group Company** means any of them;

**Group Security:** means a guarantee and debenture containing fixed and floating charges in the form agreed between the Company and its subsidiary for the time being, Amberside ALP Trading Limited, and to be executed by Amberside ALP Trading Limited in favour of the Company and to which future Group Companies are required to accede;

**Land:** has the meaning given in the Parent Security;

**“ Linked Loan(s)”** a loan or loans made by ALP which is or are to be funded by the capital raised by a Series of S Bonds as described by the Final Terms of Issue published in connection with that Series of S bonds, and so that, in this deed, references to a Linked Loan being attributed to a Series of S bonds or to a Series of S Bonds being attributed to a particular Linked Loan is a reference respectively to the loan or loans described in the Final Terms of Issue for that Series or, as the case may be, to the Series of S Bonds in whose Final Terms of Issue that Linked Loan is so described;

**Independent Chair** means those directors of the Parent who are not directors or shareholders of, are not connected persons to the directors or shareholders of, and are not otherwise interested in, the entities within the Amberside Finance Network;

**Insolvency Representative:** means any liquidator, administrator, receiver, receiver and manager, administrative receiver, custodian, trustee or similar officer in any jurisdiction;

**Intercreditor Deeds:** means any deed, agreement or document governing the ranking of priority of security interests in assets which is made between inter alios the Group (or any member of the Group) and any creditors of the Group, save where it has not been entered into in accordance with this Security Trust Deed;

**Parent:** means: Amberside ALP PLC company number 11041038;

**Parent Security:** means a fixed and floating charge in the form agreed between the Parent and the Security Trustee and to be executed by the Parent and the Security Trustee in favour of the Security Trustee;

**Party:** means a party to this Deed;

**Proceedings:** means as defined in clause 5.6;

**Recoveries:** means all amounts received or recovered by the Security Trustee under the Security constituted by the Security Documents in payment or on account of any amount secured under the Security Documents, but after deducting

any sums required by law or court order to be paid to third parties on account of claims preferred by law or over the claims of the Security Trustee and any sums required to be paid to third parties pursuant to the Intercreditor Deeds;

**“S Bonds”** means those Bonds which are issued from time to time pursuant to the terms of the Bond Instrument the capital raised by which is to be wholly deployed in funding the Linked Loans described in their Final Terms of Issue.

**Security:** means a mortgage, charge, pledge, lien, hypothecation, assignment or deposit 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 Documents:** means the Parent Security together with any other document entered into by the Parent creating or expressed to create any Security over all or any part of its assets in respect of the obligations of the Parent under any of the Bond Documents, with the prior written consent of the Security Trustee;

**Security Trustee:** means City Partnership Trustee Limited a private limited company incorporated in England and Wales with company number: 08909187 whose registered office is at 27-28Eastcastle Street, London, W1W 8DH in its capacity as security trustee for itself and the Bondholders under this Deed and the Security Documents and any Additional Security Trustee or Delegate appointed by it in accordance with the terms of this Deed;

**Series A Bonds:** means the fixed rate secured Bonds of the Parent entitled Series A Bonds and constituted by an instrument executed by the Parent on or about the date of this document or as the case may be the principal amount of the Series A Bonds for the time being issued and outstanding and a reference to a Series A Bond is a reference to any one of such Bonds;

**Series B Bonds:** means the fixed rate secured Bonds of the Parent entitled Series B Bonds and constituted by an instrument executed by the Parent on or about the date of this document or as the case may be the principal amount of the Series B Bonds for the time being issued and outstanding and a reference to a Series B Bond is a reference to any one of such Bonds;

**Series C Bonds:** means the fixed rate secured Bonds of the Parent entitled Series C Bonds and constituted by an instrument executed by the Parent on or about the date of this document or as the case may be the principal amount of the Series C Bonds for the time being issued and outstanding and a reference to a Series C Bond is a reference to any one of such Bonds;

**Special Resolution:** a resolution passed at a meeting of the Bondholders duly convened and held in accordance with the provisions contained in the Bond Instruments by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands or if a poll is demanded then by a majority consisting of not less than three-fourths of the votes given on such poll or passed by written resolution provided however, that where the matter only concerns a Series of Bonds or more than one but not all Series of Bonds, then it means such a resolution passed at a meeting of the Bondholders of each Series of Bonds then outstanding who are concerned by that matter and provided further however that where the Bond Instruments contain different provisions for the passing of a special resolution, then a Special Resolution shall mean collectively all of the special resolutions passed at separate meetings of Bondholders held in accordance with those different provisions;

**Specified Majority:** means Bondholders holding for the time being more than half in nominal value of all Bonds then outstanding, or, where the matter only concerns a Series of Bonds or more than one but not all Series of Bonds, then it means the Bondholders holding for the time being more than half in nominal value of each relevant Series of Bonds then outstanding; and

# Trust Property means:

 the security, powers, rights, titles, benefits and interests (both present and future) constituted by and conferred on the Security Trustee under or pursuant to the Security Documents;

 all moneys, property and other assets paid or transferred to or vested in the Security Trustee (or any agent of the Security Trustee) or received or recovered by or on behalf of the Security Trustee pursuant to, or in connection with, the Security Documents; and

 all rights, benefits, interests, money, investments, property and other assets at any time representing or deriving from any of the foregoing and any rights benefits or proceeds of any nature whatsoever arising from any insurance policy or capital guarantee scheme entered into in respect of the Security Documents or otherwise.

# Interpretation

* + - 1. Unless a contrary indication appears, a reference in this Deed to:
         1. a provision of law is a reference to that provision as amended or re-enacted and any subordinate legislation made under it;
         2. any of the **Bondholders** or the **Parent** or the **Security Trustee** in whatever capacity shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
         3. a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, joint venture, trust or partnership (whether or not having a separate legal personality) or two or more of the foregoing and a reference to any gender includes all other genders;
         4. **this Deed** or to any other document, is (unless a contrary intention is indicated), a reference to this Deed or to such other document as amended or novated (however fundamentally);
         5. **including** and **in particular** shall not be construed restrictively but shall mean "including, without prejudice to the generality of the foregoing" and "in particular, but without limitation"; and
         6. Clauses, paragraphs and the Schedules shall be construed as references to clauses and paragraphs of, and schedules to, this Deed.
      2. The index and any headings or sub-headings in this Deed are for ease of reference and shall be ignored in construing this Deed.

# APPOINTMENT

* 1. Each Bondholder irrevocably until Discharge appoints the Security Trustee to act as its agent and trustee under and in connection with the Bond Documents.
  2. The Security Trustee hereby accepts its appointment on the terms and conditions set forth herein.
  3. Each Bondholder unconditionally and irrevocably until Discharge:
     1. authorises the Security Trustee to exercise the rights, powers, authorities and discretions specifically given to the Security Trustee under or in connection with the Bond Documents together with any other incidental rights, powers, authorities and discretions;
     2. confirms its approval of each Security Document;
     3. authorises and directs the Security Trustee (by itself or by any Delegate) to execute and enforce the Security Documents as trustee or in any other role (and whether or not expressly in that Bondholder's name) on its behalf, subject always to the terms of the Bond Documents;
     4. authorises the Security Trustee (by itself or by any Delegate) to exercise such rights, remedies, powers and discretions as are specifically delegated to or conferred upon the Security Trustee by this Deed together with such powers and discretions as are reasonably incidental thereto;
     5. authorises the Security Trustee to enter into additional debentures or other security documents or instruments in respect of the property secured by the Security Documents and to enter into Intercreditor Deeds with other providers of funding to the Parent on a pari passu basis with the Security Documents or ranking behind the Security Documents; and
     6. authorises the Security Trustee (by itself or by any Delegate) to take such action on its behalf as may from time to time be authorised under or in accordance with this Deed.
  4. The Security Trustee shall have no duties, obligations or liabilities to any of the Bondholders beyond those expressly stated in this Deed and/or the Security Documents.
  5. Subject to clause 2.7 the Security Trustee may agree in writing with the Parent to:
     1. amend, notify or otherwise vary any provision of the Security Documents; or
     2. waive breaches of, or defaults under, or otherwise excuse performance of, any provisions of the Security Documents.
  6. Any such action so authorised and effected by the Security Trustee shall be promptly notified to the relevant Bondholders by the Security Trustee (or such other person as it may nominate from time to time) and shall be binding on the Bondholders.
  7. Except with the prior written consent of the Bondholders (communicated in writing by each Bondholder to the Security Trustee) the Security Trustee shall not have authority on behalf of any of the Bondholders to agree with the Parent any amendment to, or other action in relation to, the Security Documents which would have the effect of:
     1. extending the due date or reducing the amount of any payment under the Security Documents; or
     2. releasing the Parent from the Security created by the Security Documents; or
     3. releasing any of the Charged Assets from the Security constituted by the Security Documents save pursuant to the Intercreditor Deeds;
  8. The Security Trustee shall have the power to enter into additional debentures or other security documents or instruments in respect of the assets secured by the Security Documents and to enter into Intercreditor Deeds with other creditors of the Parent or with other providers of funding to the Parent which ranks security granted by the Parent to such other creditors or providers of funding on a pari passu basis with the Security Documents or ranking behind the Security Documents.
  9. The Security Trustee shall not have the power to enter into Intercreditor Deeds with other creditors of or with other providers of funding to the Parent which ranks security granted by the Parent to such other creditors or providers of funding in priority to the Security Documents without the sanction of a Special Resolution.
  10. The Parent undertakes to the Security Trustee that it shall not enter into any Intercreditor Deeds with other creditors of the Group (excluding the Parent) or with other providers of funding to the Group (excluding the Parent) which ranks security granted to any such third party in priority to or pari passu with the Group Security without the approval of the Independent Chair.
  11. The Parent shall pay to the Security Trustee:
      1. an initial document review fee of £2,800 plus VAT on or about the date of this Deed; and
      2. an annual retainer fee for its services as Security Trustee hereunder of £2,400 plus VAT, payable quarterly in arrears.

# GENERAL DUTIES OF THE SECURITY TRUSTEE

* 1. The Security Trustee may refrain from acting in accordance with any instructions of Bondholders or group of Bondholders until it has received any indemnification and/or security that it may in its discretion require for any and all liabilities, damages, costs and claims (together with applicable VAT) which it may incur in so acting (or, as the case may be, refraining from acting).
  2. The Security Trustee shall be entitled to request instructions or directions, or clarification of any instruction or direction, from Bondholders (whether by Specified Majority or on passing of any Special Resolution where required) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Security Trustee may refrain from acting unless and until it receives those instructions or that clarification.
  3. Whenever, under the terms of this Deed or the Security Documents, the Security Trustee is vested with a discretion to exercise or, as the case may be, refrain from exercising any of its rights and/or powers in its capacity as trustee in relation to the Security Documents or any other part of the Trust Property, the Security Trustee may exercise such rights and/or powers as the Security Trustee shall in its absolute discretion think fit in order to protect the Trust Property (or any part thereof) and/or its value and/or its benefits and/or the rights of Bondholders but so that the Security Trustee shall, in any event, notify the Bondholders after having so exercised any such right and/or power and may, without prejudice to the foregoing, before exercising any such right and/or power, consult with all or some of the Bondholders as to whether and, if so, how such discretion is to be exercised.
  4. The Security Trustee shall notify promptly the Bondholders of the contents of each notice or other document received by the Security Trustee from the Parent under or pursuant to the Security Documents.
  5. The Bondholders shall keep the Security Trustee informed of their relevant contact details, and the Bondholders agree that the Security Trustee shall have no liability in respect of any loss arising out of a Bondholder having failed to provide correct contact details.
  6. The Security Trustee may at its sole discretion and without reference to any other Party take such action as it deems necessary or advisable to release any assets from the Security or any guarantees and indemnities constituted by the Security Documents to the extent that:
     1. their disposal or release is permitted or required by the terms of this Deed including pursuant to any instructions given to it in accordance with Clause 3.2; or
     2. required by the terms of the Intercreditor Deeds; or
     3. their disposal or release is in the ordinary course of the Group’s business as a real estate acquirer, developer, reseller, or secured lender on the security of Land.
  7. Any release of any Security constituted by the Security Documents or any release of any claim arising by virtue of any guarantee or indemnity given under the Bond Documents, shall (other than as provided in Clause 3.6) require a Special Resolution.
  8. The Security Trustee is authorised by each Bondholder to execute (on behalf of itself and each such Bondholder) the Intercreditor Deeds and all releases of any Security or any guarantee or indemnity resulting from any disposal contemplated in Clause 3.6 without the need for any further referral to, or authority from, any other Party, including any formal release of any asset which the Security Trustee in its absolute discretion considers necessary or desirable in connection with that disposal.
  9. If the Security Trustee considers in good faith on the basis of legal and accounting advice that any amount received in payment or proposed payment of the indebtedness under the Bond Documents or this Deed is capable of being, is required to be, or has been avoided, reduced, discharged, rescinded, returned or restored by virtue of any insolvency, bankruptcy, liquidation or other similar laws, the liability of the Parent and the Security shall continue and such amount shall not be considered to have been irrevocably paid.
  10. Except where a Bond Document specifically provides otherwise, the Security Trustee is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
  11. The Security Trustee has only those duties which are expressly specified in the Bond Documents or this Deed.
  12. The Security Trustee's duties under the Bond Documents are solely mechanical and administrative in nature.
  13. Any requirement under any Bond Document that the Security Trustee is to "act reasonably" is to be construed as an obligation on the Bondholders which are approached by it for instructions in accordance with this Deed in relation to the relevant matter and not as an individual obligation on the Security Trustee in that capacity.
  14. The Security Trustee may rely on:
      1. any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and
      2. any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.
  15. The Security Trustee may assume (unless it has received notice to the contrary in its capacity as Security Trustee) that:
      1. no breach or default has occurred under the Bond Documents;
      2. any Special Resolution has been validly passed;
      3. any directions from the Specified Majority have been properly given in accordance with the Bond Documents and are valid and have not been revoked (unless it has otherwise received notice in writing);
      4. on receipt of any instructions or directions received to take any action in relation to the Trust Property, that all applicable conditions for taking that action have been satisfied; and
      5. any right, power, authority or discretion vested in the Bondholders or any other person has not been exercised.
  16. Subject to clause 3.19 below, the Security Trustee shall act in accordance with:
      1. the terms of this Deed;
      2. the written directions of the Specified Majority; or
      3. a Special Resolution.
  17. Any instructions given to the Security Trustee in accordance with the terms of this Deed will be binding on all other Parties who shall not be entitled to object to anything done or omitted to be done as a result of such instructions.
  18. In the absence of instructions, the Security Trustee may act (or refrain from taking action) in such manner as it considers to be in the best interests of the Bondholders but is not authorised to act on behalf of any Bondholder (without first obtaining its consent) in any legal or arbitration proceedings relating to any Bond Document.
  19. The Security Trustee may refrain from acting in accordance with any instructions until it has received such Security as it may require for any cost, loss or liability (together with any associated tax) which it may incur in complying with the instructions.
  20. Notwithstanding any other provision of any Bond Document to the contrary, the Security Trustee is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.
  21. The Parent authorises each Bondholder and the Security Trustee for so long as such party remains a Party to disclose to each other Party any information concerning the Group that comes into their possession in connection with the Bond Documents or this Deed as such Bondholder or Security Trustee may see fit.
  22. Each Bondholder authorises the Security Trustee acting as the attorney on behalf of each Bondholder and in its name to enter into the Intercreditor Deeds and to do such acts and transactions as the Security Trustee may in its absolute discretion deem necessary or desirable in order to give effect to the intention of the Intercreditor Deeds.
  23. The Security Trustee may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts and, in doing so, shall not be liable for damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result
  24. The Security Trustee may act in relation to the Bond Documents or this Deed through its personnel and Delegates.
  25. Notwithstanding any other provision of any Bond Document to the contrary, the Security Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty or duty of confidentiality.
  26. The Security Trustee is not responsible for:

1. the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by any person given in or in connection with any Bond Document;
2. the legality, validity, effectiveness, adequacy or enforceability of any Bond Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Bond Document; any failure to obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Bond Document or the Trust Property;
3. any failure to require any further assurance in relation to any Security Document;
4. for any failure of any person in perfecting or protecting the Security created by any Security Document including any failure by any person to:
   1. take any necessary registration or recordings or filings of or otherwise protect the relevant Security under any laws in any jurisdiction;
   2. require the deposit with it of any deed or document certifying, representing or constituting the title of any Bondholder to any of the Charged Assets;
   3. take any step to perfect its title to any of the Charged Assets or to render the Trust Property effective or to secure the creation of any ancillary Security under any law or regulation;
   4. give notice to any person of the execution of any Security Document;
   5. to obtain any authorisation for the creation of any Security; or

unless directly caused by its gross negligence or wilful misconduct

* 1. For the avoidance of doubt, the Security Trustee does not have and shall not be deemed to have any relationship of trust or agency with the Parent.

# DECLARATION OF TRUST

The Security Trustee hereby accepts its appointment under clause 2 as trustee of the Trust Property with effect from the date of this Deed to hold the same on trust for the Bondholders and to apply the same in accordance with the provisions of clause 6 provided however that the Security Trustee shall hold and administer (i) the Trust Property attributable to money and assets received in respect of any Linked Loan solely for the benefit of the holders of the Series of S Bonds to which that Linked Loan is attributed; (ii) where a Linked Loan has also been funded by the capital raised from Diversified Bonds or any other S Bonds attributed to the same Linked Loan, the holders of Diversified Bonds and of all Series of S Bonds attributed to that Linked Loan shall rank on a pari passu basis alongside each other in proportion to the capital raised and invested in that Linked Loan from Diversified Bonds and those Series of S Bonds; subject thereto (iii) the Trust Property attributable to all other assets of the Company shall be held in trust solely for the benefit of the holders of Diversified Bonds; and (iv) clauses 4.2, 4.3 and 6 of this deed shall be construed subject to the provisions of this clause.

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* 1. The Security Trustee shall hold the Recoveries on trust for itself and the Bondholders.
  2. The Recoveries shall be distributed in accordance with clause 6. Once so applied, the Security Trustee shall be under no obligation to monitor how the relevant person receiving any such amount has applied such amounts.
  3. The trusts constituted or evidenced in or by this Deed shall remain in full force and effect until whichever is the earlier of:
     1. the expiration of a period of 125 years from the date of this Deed; and
     2. receipt by the Security Trustee of confirmation in writing from a Specified Majority (or on their behalf) that there is no longer outstanding any sum of money or any liability (actual or contingent) which is secured by the Security Documents (“Discharge”);

and the parties to this Deed declare that the perpetuity period applicable to this Deed shall for the purposes of the Perpetuities and Accumulations Act 2009 be the period of 125 years from the date of this Deed.

* 1. In its capacity as trustee in relation to the Security Documents and in relation to the Trust Property, the Security Trustee shall have all the same powers and discretions as a natural person acting as the beneficial owner of such property and/or as are conferred upon the Security Trustee by this Deed and/or the Security Documents.
  2. The Security Trustee shall not be liable to any Party for any breach by any other Party of any Bond Document.
  3. The Security Trustee shall not be bound to account to any Party or any other person for any sum or the profit element of any sum received by it for its own account.
  4. Nothing in the Bond Documents or this Deed makes the Security Trustee a fiduciary for any other Party or any other person.
  5. Only amounts actually received by the Security Trustee shall be capable of being applied by the Security Trustee in accordance with clause 6.
  6. If the Security Trustee receives any distribution under this Deed or any other document otherwise than in cash from any person, the Security Trustee may realise such distribution as it sees fit and then shall apply the proceeds of such realisation in accordance with the provisions of clause 6.
  7. If the Security Trustee receives any amount under this Deed or any Bond Document in a currency other than the currency of the secured obligations of the Parent under the Bond Documents or this Deed, the Security Trustee may convert such amount into the currency of those secured obligations at the Security Trustee's spot rate of exchange for the purchase of the relevant currency with the currency of the amount received in the London foreign exchange market.
  8. If Discharge has occurred, and all and any amounts owing or outstanding under this Deed have been paid in full, the trusts created by this Deed shall be wound up and the Security Trustee is authorised to release the Charged Assets (without recourse or warranty) from the Security constituted by the Security Documents.
  9. The rights, powers, authorities and discretions given to the Security Trustee under or in connection with the Bond Documents and/or this Deed shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in the Security Trustee by law or regulation or otherwise.
  10. Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Trustee in relation to the trusts constituted by this Deed. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Deed, the provisions of this Deed shall, to the extent permitted by law and regulation, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Deed shall constitute a restriction or exclusion for the purposes of that Act.
  11. The Parent shall at all reasonable times allow the Security Trustee or its duly authorised representatives to inspect and take copies of, and/or shall provide to the Security Trustee such copies as it may request of : all such information regarding the books and records (including bank statements of all relevant bank accounts) that the Parent is obliged to maintain in accordance with clause 3.4 of the Bond Instrument which separately identify the assets attributable to the holders of each Series of S Bonds and Diversified Bonds.

# ENFORCEMENT

* 1. None of the Bondholders shall have any independent power to enforce the Security Documents or to exercise any rights, discretions or powers or to grant any consents or releases under or pursuant to the Security Documents or otherwise have direct recourse to the Security constituted by the Security Documents except through the Security Trustee.
  2. The Security Trustee may refrain from enforcing any or all of the Security Documents unless specifically and reasonably instructed otherwise by a Specified Majority in accordance with this Deed.
  3. The Security Trustee shall (but subject to the Intercreditor Deeds) take such action or, as the case may be, refrain from taking such action under or pursuant to the Security Documents as a Specified Majority shall specifically and reasonably direct the Security Trustee in writing from time to time. The Security Trustee is entitled to rely on and comply with any such directions.
  4. On the enforcement of any Security Document, the Security Trustee shall enforce the Security Document in such manner (including, without limitation, the selection of any administrator of the Parent to be appointed by the Security Trustee) as a Specified Majority shall specifically and reasonably direct, or in the absence of such direction, as the Security Trustee sees fit.
  5. The Security Trustee shall have no responsibility or liability to the Parent for any enforcement or failure to enforce or maximise the proceeds of enforcement of any Security Document, save as may be required under the terms of any such Security Document or applicable law.
  6. For the benefit of each Party, each other Party irrevocably agrees that (subject to clause 5.8) the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that accordingly any proceedings (referred to in this clause 5 as the **Proceedings**) arising out of or in connection with this Deed may be brought in such courts.
  7. The Parent irrevocably waives any objection which it may have now or after the date of this Deed to the laying of the venue of any Proceedings in the courts of

England and any claim that any such Proceedings have been brought in an inconvenient forum and further irrevocably agrees that a judgment in any such Proceedings brought in such courts shall be conclusive and binding upon them and may be enforced in any other jurisdiction.

* 1. Nothing contained in this clause 5 shall limit the right of the Security Trustee or the Bondholders to take action against the Parent in any court of competent jurisdiction nor shall the taking of Proceedings by the Security Trustee or any Bondholder against the Parent in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction whether concurrently or not.

# APPLICATION OF PROCEEDS

* 1. Subject to clause 6.4, the Recoveries shall be paid to the Security Trustee and shall be applied insofar as is possible under any applicable law and any Intercreditor Deeds in the following order:
     1. **First**, in satisfaction of all costs, charges, expenses (including legal expenses and any costs of currency conversion in accordance with clause 4.11) and liabilities properly incurred by the Security Trustee, any Delegate or any Insolvency Representative appointed under the Security Documents or their attorneys or agents and of the remuneration of such Insolvency Representative (and all interest on such sums as provided in the Bond Documents and/or this Deed);
     2. **Second**, in payment of all reasonable costs and expenses (including legal expenses) properly incurred by or on behalf of any Bondholder in connection with such enforcement;
     3. **Third**, in payment in or towards the discharge of the remaining indebtedness under the Bond Documents and/or this Deed on a pro rata pari passu basis without priority amongst themselves to the Bondholders; and
     4. **Fourth**, any surplus to such persons who may be entitled to them.
  2. No such proceeds or amounts shall be applied in payment of any amounts specified in clause 6.1 until all amounts specified in any earlier paragraph have been paid in full.
  3. An acknowledgement of receipt signed by the relevant person to whom payments are to be made under clause 6.1 shall be a good and valid discharge of the Security Trustee’s obligations thereunder.
  4. The Security Trustee shall be entitled, in its discretion, to hold or set aside by way of reserve any amount of the Recoveries:
     1. for later application in respect of any sum falling within clause 6.1(a) that the Security Trustee reasonably considers may become due or owing at any time in the future; or
     2. to make and pay any deductions and withholdings (on account of taxes or otherwise) which may be required by any applicable law;
     3. to pay all taxes which may be assessed against it in respect of any of the Charged Assets or as a consequence of performing its duties or otherwise by virtue of its capacity as Security Trustee under any of the Bond Documents, this Deed or otherwise.

# EXPENSES AND INDEMNITIES

* 1. The Security Trustee and every agent or other person appointed by it or in connection with its appointment under this Deed shall be entitled to be indemnified out of the Trust Property in respect of all liabilities, damages, costs, claims, charges or expenses whatsoever properly incurred or suffered by it:
     1. in the execution or exercise or bona fide purported execution or exercise of the trusts, rights, powers, authorities, discretions and duties created or conferred by or pursuant to this Deed; and/or
     2. n respect of any matter or thing done or omitted or in any way relating to the Trust Property or the provisions of the Parent Security.
  2. The rights conferred by clause 7.1 are without prejudice to any right to indemnity by law given to trustees generally and to any provision of the Security Documents entitling the Security Trustee or any other person to indemnity in respect of, and/or reimbursement of, any liabilities, damages, costs, claims, charges or expenses incurred or suffered by it in connection with the Security Documents or the performance of any duties under clause 7.1 shall entitle the Security Trustee or any other person to be indemnified in respect of any liabilities, damages, costs, claims, charges or expenses unless to the extent that the same arise from such person’s own gross negligence or wilful misconduct.
  3. Without prejudice to clause 7.1 each Bondholder shall reimburse the Security Trustee (to the extent the Security Trustee is not reimbursed by the Parent) for the costs, charges and expenses incurred by the Security Trustee in connection with the negotiation, preparation and execution of this Deed and the Bond Documents and/or in contemplation of, or otherwise in connection with, the enforcement or attempted enforcement of, or the preservation or attempted preservation of any rights under, this Deed or the Bond Documents, any proceedings instituted by or against the Security Trustee as a consequence of taking or holding the Trust Property or enforcing these rights or fees in respect of the Security Trustee’s time in carrying out its duties under this Deed and/or the Bond Documents (to the extent that such time is reasonably and proportionately incurred). The liability shall be divided between such Bondholders pro rata to the respective amounts of the indebtedness under the Bond Documents outstanding under the relevant Bond Document from time to time.
  4. Each Bondholder shall indemnify the Security Trustee rateably on the same basis set out in clause 7.3 against all liabilities, damages, costs, claims, charges and expenses whatsoever incurred by the Security Trustee in connection with this Deed or the Bond Documents or the performance of its duties under this Deed and/or the Bond Documents or any action taken or omitted by the Security Trustee under the Bond Documents or this Deed, unless such liabilities, damages, costs, claims, charges or expenses arise from the Security Trustee’s own gross negligence or wilful misconduct.
  5. Any amounts under clauses 7.1 to 7.4 above shall include the cost of utilising the Security Trustee’s management time or other resources and will be calculated on the basis of such reasonably daily or hourly rates as the Security Trustee may notify to the Parent and the Bondholders and is in addition to any other fee paid or payable to the Security Trustee.
  6. Without prejudice to any other provision in this clause 7, in the event of (i) any default under any of the Bond Documents or this Deed, (ii) the Security Trustee being instructed or directed by a Specified Majority or, where required, by Special Resolution to undertake duties which the Security Trustee in its reasonable opinion considers to be of an exceptional nature or outside the scope of the normal duties of the Security Trustee under the Bond Documents or this Deed or (iii) as the Security Trustee and the Parent agree is otherwise appropriate in the circumstances, and to the extent not recoverable by the Security Trustee under clause 7.1 the Parent agrees to pay to the Security Trustee any additional remuneration (together with any applicable VAT) that may be agreed between them, or in the absence of such agreement, as determined by an investment bank (acting as expert and not as arbitrator) selected by the Security Trustee and approved by the Parent, or failing approval, as nominated (on the application of the Security Trustee but at the cost of the Parent) by the President for the time being of the Law Society of England and Wales. The determination of any investment bank pursuant to this clause shall be final and binding on the Parties.
  7. The Parent shall pay all stamp, documentary, registration or other like duties or taxes (including any taxes payable by the Security Trustee) imposed on or in connection with this Deed or the Bond Documents and shall indemnify the Security Trustee against any liability arising by reason of any delay or omission by the Parent to pay such duties or taxes.
  8. The Parent as principal obligor, and as a separate and independent primary obligation and liability from any obligation or liability of any or all of the Bondholders under this Deed, agrees to indemnify and keep indemnified the Security Trustee in full and on demand from and against all and any losses, costs, claims, liabilities, damages, demands and expenses suffered or incurred by the Security Trustee arising out of, or in connection with (i) any amounts becoming due and payable but not being recoverable for any reason from any Bondholder under this Deed or (ii) any failure of any Bondholder to perform or discharge any of its obligations or liabilities under this Deed.

# RESTRICTIONS AND LIMITATIONS

* 1. The Security Trustee shall not:
     1. be obliged to make any enquiry as to any default by the Parent in the performance or observance of any provision of the Security Documents;
     2. be liable to any of the Bondholders for any action taken, not taken or omitted under or in connection with this Deed and/or the Bond Documents, the Trust Property or otherwise, whether in accordance with any instruction or direction from a Secured Majority, or a Special Resolution or otherwise unless caused by its gross negligence or wilful misconduct;
     3. be liable for the exercise of, or failure to exercise, any judgment, discretion or power given to it by or in connection with any of the Bond Documents, this Deed, the Trust Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, the Bond Documents, this Deed or the Trust Property; or
     4. be liable for any shortfall which arises on the enforcement or realisation of the Trust Property.
  2. The Security Trustee shall not have any duty or responsibility to provide any of the Bondholders with any information with respect to the Parent.
  3. The Security Trustee may refrain from doing anything which would, or might in its opinion, be contrary to any law of any jurisdiction or any directive, regulation or regulatory requirement of any state (or any agency thereof) or which would or might render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive, regulation or regulatory requirement.

# NO LIABILITY TO ACCOUNT FOR OTHER TRANSACTIONS

With respect to its own holding of Bonds (if any), the Security Trustee shall have the same rights and powers under the Security Documents as any other Bondholder and may exercise the same as though it were not performing the duties and functions delegated to it under this Deed.

# SUBSTITUTION

* 1. Any transferees, assignees, replacements, substitutes or other successors of any Party shall be bound by this Deed in all respects as if they had been an original party to it.
  2. The Parent may not assign or transfer all or any of its rights (if any) or obligations under this Deed.
  3. No Bondholder will:
     1. assign, transfer, novate or dispose of any of the debt under the Bond Documents owing to it or its proceeds or any interest in that debt or its proceeds to or in favour of any person; or
     2. assign, transfer, novate or dispose of any of its rights or obligations under any of the Bond Documents to any person,

(any such person under sub-clauses (a) or (b) above being a “**Transferee**”) unless, in each case, (i) an instrument of transfer or transfer document is executed and delivered as a deed by the Bondholder and the Transferee, (ii) such instrument of transfer or transfer document contains a provision by which the Transferee agrees to be bound by this Deed as a Bondholder (as defined herein), with effect on and from the date of such instrument of transfer or transfer document, as if the Transferee had been party originally to this Deed in that capacity and agrees to perform all of the undertakings and agreements set out in this Deed and given by a Bondholder and sets out therein the Transferee’s address for notices and (iii) provided always that any such assignment, transfer, novation or disposal would not increase or extend the liability or obligations of the Security Trustee under this Deed or any other Bond Document.

* 1. The Security Trustee may not resign or be removed except as specified in this Deed and only if a replacement Security Trustee agrees with all other parties to this Deed to become the replacement Security Trustee under this Deed by execution of a duly completed Deed of Accession.
  2. The Security Trustee and the Parent may agree changes to the Deed of Accession.

# CHANGES OF SECURITY TRUSTEE

* 1. The Security Trustee may resign by giving notice to the Bondholders and the Parent, in which case the Bondholders (after consultation with the Parent) may by Special Resolution appoint a successor Security Trustee.
  2. If the Bondholders have not appointed a successor Security Trustee in accordance with clause 11.1 above within 30 days after notice of resignation was given, the Security Trustee (after consultation with the Parent) may appoint a successor Security Trustee.
  3. The retiring Security Trustee shall, at its own cost, make available to the successor Security Trustee such documents and records and provide such assistance as the successor Security Trustee may reasonably request for the purposes of performing its functions as Security Trustee under the Bond Documents and this Deed.
  4. The Security Trustee's resignation notice shall only take effect upon the appointment of a successor.
  5. Upon the appointment of a successor, the retiring Security Trustee shall be discharged from any further obligation in respect of the Bond Documents and this Deed but shall remain entitled to the benefit of this Schedule. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.
  6. After consultation with the Parent, the Bondholders may by Special Resolution, by notice to the Security Trustee, require it to resign in accordance with clause 11.1 above. In this event, the Security Trustee shall resign in accordance with clause 11.1 above.
  7. The Security Trustee may at any time appoint (and subsequently remove) any person to act as a separate Security Trustee or trustee or as a co-agent or co-trustee jointly with it (any such person, an **Additional Security Trustee**):
     1. if it is necessary in performing its duties and if the Security Trustee considers that appointment to be in the interest of the Bondholders; or
     2. for the purposes of complying with or conforming to any legal requirements restrictions or conditions which the Security Trustee deems to be relevant; or
     3. for the purposes of obtaining or enforcing any judgement or decree in any jurisdiction,

and the Security Trustee will give notice to the other Parties of any such appointment.

* 1. Any Additional Security Trustee appointed in accordance with clause 11.7 above shall (subject to the terms of this Deed) have the rights, powers and discretions (not exceeding those conferred on the Security Trustee by this Deed) and the duties and obligations as are conferred or imposed on the Additional Security Trustee by the instrument of its appointment.
  2. The reasonable remuneration that the Security Trustee may pay to any Additional Security Trustee and any reasonable costs and expenses properly incurred by any Additional Security Trustee in performing its functions pursuant to its appointment will, for the purposes of this Deed, be treated as costs and expenses incurred by the Security Trustee.

# EFFECT OF THIS DEED AS REGARDS THE PARENT

Nothing contained in this Deed shall as between the Parent and the Security Trustee and/or the Bondholders or any of them affect or prejudice any rights or remedies of any such person against the Parent in respect of the Bonds.

# MISCELLANEOUS

This Deed shall not and shall not be construed so as to constitute a partnership between the parties or any of them.

# DEDUCTION FROM AMOUNTS PAYABLE BY THE SECURITY TRUSTEE

If any Party owes an amount to the Security Trustee under the Bond Documents or this Deed the Security Trustee may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Security Trustee would otherwise be obliged to make under the Bond Documents or this Deed and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Bond Documents or this Deed that Party shall be regarded as having received any amount so deducted.

# TITLE

The Security Trustee may accept without enquiry the title (if any) which the Parent may have to any asset over which Security is intended to be created by any Security Document.

# HOLDING

The Security Trustee is not obliged to hold any share certificates or title deed, any Security Document or other document in connection with any asset over which Security is intended to be created by any Security Documents in its own possession. The Security Trustee may permit the Parent or any professional adviser of the Security Trustee to retain all such title deeds and other documents in its possession.

# INVESTMENTS

Except as otherwise provided in any Security Document, all moneys which are received by the Security Trustee under that Security Document may be invested in the name of or under the control of the Security Trustee in any investments which may be selected by the Security Trustee. Additionally, those moneys may be placed on deposit in the name of or under the control of the Security Trustee at such bank or institution (including itself) and upon such terms as it may think fit.

# PAYMENT OF TAXES

The Security Trustee shall be entitled to make such deductions and withholdings (on account of taxes or otherwise) from payments to any Bondholder as it is required by any applicable law to make and to pay out of amounts due to any Bondholder all taxes assessed against it in respect of any property charged or assigned pursuant to the Security Documents or by virtue of its role as trustee under any of the Bond Documents or this Deed.

# CONFLICT WITH SECURITY DOCUMENTS

If there is any conflict between the provisions of this Deed and any Bond Document with regard to instructions to or other matters affecting the Security Trustee, this Deed will prevail.

# DISCHARGE DATE

Forthwith upon the date that all amounts owing under the Bond Documents and this Deed have been fully discharged, the trusts set out in this Deed shall be wound up and all the rights, duties and obligations of the Security Trustee to the Bondholders shall cease to have effect.

# SERVICE OF NOTICES

* 1. All communications to be made under this Deed shall be made in writing and, unless otherwise stated, may be made by email or letter.
  2. The address and email address (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 Schedule 2 to this Deed or any substitute address or email address or department or officer as such Party may notify to the Security Trustee (or the Security Trustee may notify to the other Parties, if a change is made by the Security Trustee) by not less than five Business Days' notice.

21.3

* + 1. Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
       1. if by way of email, the next Business Day following the day on which the email was sent to the relevant email address; or
       2. if by way of letter, when it has been left at the relevant address or five Business Days (in the case of inland post) or 10 Business Days (in the case of overseas post) after being deposited in the post first class (and, if overseas post, by airmail) 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 21.2, if addressed to that department or officer.

* 1. Promptly upon receipt of notification of an address and email address or change of address or email address pursuant to clause 21.2 or changing its own address or email address the Security Trustee shall notify the other Parties.
  2. Any notice or other document given under or in connection with this Deed must be in English.

# BOILERPLATE

* 1. This Deed contains the entire agreement and understanding of the parties and supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Deed.
  2. This Deed may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all of which when taken together shall constitute a single instrument.
  3. This Deed shall be treated as having been executed and delivered as a deed only upon being dated.
  4. If any provision of this Deed is held to be illegal, invalid or unenforceable in whole or in part in any jurisdiction this Deed shall, as to such jurisdiction, continue to be valid as to its other provisions and the remainder of the affected provision and the legality, validity and enforceability of such provision in any other jurisdiction shall be unaffected.
  5. Any waiver of a breach of any of the terms of this Deed or of any default under this Deed:
     1. shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of this Deed; and
     2. may be waived only in writing and specifically.
  6. No failure to exercise and no delay on the part of any Party in exercising any right, remedy, power or privilege of that Party under this Deed and no course of dealing between the parties shall be construed or operate as a waiver, nor shall any single or partial exercise of any right, remedy, power or privilege preclude any other or further exercise of such rights, remedies, powers or privileges or the exercise of any other right, remedy, power or privilege. The rights and remedies provided by this Deed are cumulative and are not exclusive of any rights or remedies provided by law.

22.7

* + 1. Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any terms of this Deed.
    2. Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed.
  1. If there is any inconsistency between this Deed and any term in any other Bond Document the terms of this Deed prevail.

# GOVERNING LAW

This Deed is governed by and shall be construed in accordance with English law.

**IN WITNESS** whereof the parties have executed this Deed on the day and year first above written.

# SCHEDULE 1: DEED OF ACCESSION

**THIS DEED** dated [● ] is supplemental to a security trust deed (the **Security Trust Deed**) dated [● ] made between [● ].

Words and expressions defined in the Security Trust Deed have the same meaning when used in this Deed.

[●INSERT RELEVANT NAME OF NEW SECURITY

TRUSTEE●] of [●ADDRESS●] hereby agrees with each other person who is or who becomes a party to the Security Trust Deed that with effect on and from the date of this Deed it will be bound by the Security Trust Deed as a [●INSERT RELEVANT CAPACITY●] as if it had been party originally to the Security Trust Deed in that capacity and that it will perform all of the undertakings and agreements set out in the Security Trust Deed and given by a [●INSERT RELEVANT CAPACITY●].

The address for notices to [●NEW PARTY●] for the purposes of Clause 21 of the Security Trust Deed is:

[● ].

This Deed is a Bond Document.

This Deed is governed by English law. [●INSERT LONGER FORM IF PARTY INCORPORATED OUTSIDE ENGLAND AND WALES●]

[●INSERT APPROPRIATE EXECUTION LANGUAGE●]

Acknowledged by:

[●INSERT APPROPRIATE EXECUTION LANGUAGE FOR THE SECURITY TRUSTEE ]

Schedule 2

Initial Administrative Details of the Parties

|  |  |  |  |
| --- | --- | --- | --- |
| **Party** | **Address** | **Attention** | **Email Address** |
| CITY PARTNERSHIP TRUSTEE LIMITED | 27-28 Eastcastle Street, London, W1W 8DH | Robin Smeaton | Robin.Smeaton@city.uk.com |
| AMBERSIDE ALP PLC | Wood Lane, Hemel Hempstead, Hertfordshire HP2 4TP | David Lomas | David.Lomas@amberside.com |

# Execution Page

**Executed as a Deed** by

**CITY PARTNERSHIP TRUSTEE LIMITED**

**by:**

………………………………………………….. Director

………………………………………………….. Director/Secretary

# Executed as a Deed by

**AMBERSIDE ALP PLC**

**by:**

………………………………………………….. Director

………………………………………………….. Director/Secretary