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79TH COMMERCIAL THREE LTD
MONTHLY, ANNUAL AND BIENNIAL RETURN



Dated:

27th March 2023

**79TH COMMERCIAL THREE LIMITED
(THE COMPANY)**

**CASTLE TRUST AND MANAGEMENT SERVICES LIMITED
(AS SECURITY TRUSTEE)**

DEBENTURE DEED

THIS DEBENTURE is made on:

27th March 2023

By:

79TH Commercial Three LIMITED incorporated in England and Wales with incorporation number 14628949 and having its registered office situated at Brook House, Southport Business Park, Wight Moss Way, Southport, England, PR8 4HQ (the "**Company**").

In favour of:

Castle Trust and Management Services Limited, incorporated in Gibraltar with incorporation number 46030 and having its registered office at Suite 932, Europort, Gibraltar, as security trustee on behalf, and for the benefit of, the Loan Note Holders (as defined below) (the "**Security Trustee**").

Pursuant to the Loan Notes (as defined below), the Loan Note Holders have made or intend to make sums available to the Company.

In consideration of the Loan Note Holders giving or continuing to give credit and/or lending facilities to the Company through the subscription of Loan Notes, the Company enters into this Debenture with the Security Trustee.

The Security Trustee agrees to hold the security created by this Debenture as security trustee on behalf, and for the benefit, of the Loan Note Holders pursuant to the terms of the Security Trust Deed.

IT IS AGREED as follows

1 **Interpretation**

1.1 **Definitions**

In this Debenture, each of the following expressions has, except where the context otherwise requires, the meaning shown opposite it

Administrator means an administrator for the purposes of Schedule B1 to the Insolvency Act 1986 (as inserted by section 248 of, and Schedule 16 to, the Enterprise Act 2002);

Assets means all of the Company's undertaking, property, assets, rights and revenues, whatever and wherever in the world, present and future, and includes each of any of them;

Company Business means development and construction of residential and commercial property directly or indirectly via subsidiaries of the 79th GRP Limited;

Debts means all book and trade debts, other debts, rental and other income, receivables and liabilities of any kind whatsoever now or at any time in the future (and from time to time) due, owing, outstanding, or payable to, or for the benefit of, the Company including but without limitation all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person;

Event of Default means any of the following events or circumstances:

- (a) the Security Trustee or any Loan Note Holder demands the payment or discharge of all or any part of the Secured Liabilities in accordance with the Loan Notes and the Company fails to make payment in accordance with such demand;

- (b) the Company is or becomes unable to pay its debts as they fall due, or the Company commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of, or a composition with, its creditors;
- (c) the Company passes any resolution or takes any corporate action, or a petition is presented or proceedings are commenced, or any step is taken by the Company or any other person for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of it or of any or all of its revenues or assets;
- (d) a distress, execution, attachment or other legal process is levied, or enforced on or sued against, all or any part of the assets of the Company and remains undischarged for 5 business days;
- (e) an encumbrancer takes possession of the whole or any part of the revenues or assets of the Company; or
- (f) on the convening of any meeting of the members of directors of the Company to consider a resolution to wind up the Company or put it into administration;
- (g) on a resolution being passed or an order being made for the winding up, dissolution, administration or re-organisation of the Company;
- (h) on the appointment of a liquidator or an administrator (whether out of court or otherwise) to the Company;
- (i) on any persons levying or attempting to levy any distress, execution or other process against any Security Assets;
- (j) on the Company ceasing to carry on business or a substantial part of it or ceasing to be a going concern;
- (k) on the Company stopping making payments to its creditors or giving notice to creditors that it intends to stop payment;
- (l) on the Company creating or attempting to create a trust over any of the Floating Charge Assets;
- (m) on the holder of any other Security Interest whether ranking in priority to or pari passu with or after the charges and security contained in the Debenture or the Company appointing requesting the appointment of, and administrator, an administrative receiver, receiver, manager or receiver and manager in respect of the Company; or
- (n) any floating charge granted by the Company to any person crystallizing for any reason whatsoever;
- (o) any event occurs in relation to the Company which is analogous to any of those set out in paragraphs (a) to (n) above;

Floating Charge Assets means those of the Assets that for the time being comprised in the floating charge created by clause 4.1 (Floating charges) but only insofar as concerns that floating charge;

Further Loan Notes any loan notes issued by the Company from time to time after the date of this Deed (other than the Original Loan Notes) and expressed to be secured by this Deed;

Insurance Contracts means all insurance and assurance contracts and policies now or in the future held by or otherwise benefiting the Company;

- (a) which relate to Assets; or
- (b) which are now or in the future deposited by the Company;

Intellectual Property Rights means patents, trademarks service marks, and registered designs, and any applications for any of them. unregistered design rights, copyright, database rights and rights, title, interest and benefits in respect of domain names, logo, get-up, computer and software, brand and trade names know-how and trade secrets and all other intellectual property rights and all rights under any agreements relating to the use of exploitation of any such rights (including for the avoidance of doubt the right to receive revenue or royalties) and, in each case, any extensions or renewals of and any applications for, these rights;

Land includes freehold and leasehold and any other estate in, land and (outside England and Wales) immovable property and in each case all buildings and structures upon and all things affixed to Land (include trade and tenant's fixtures) now or in the future owned or held by, or otherwise benefiting, the Company;

Loan Notes means the Original Loan Notes and any Further Loan Notes;

Loan Note Holders mean the holders of any Loan Notes from time to time; and **Loan Note Holder** means any one of them;

Original Loan Notes means the 79th Commercial Three Limited £25,000,000 Series A to D fixed rate secured loan notes 2024 for 364 days issued by the Company pursuant to an instrument executed by the Company and dated on or around 27 March 2023 for the purpose of raising finance for property acquisition, investment and/or development;

Receivables means all sums of money receivable by the Company now or in the future consisting of or payable under or derived from any Secured Assets;

Receiver means a duly qualified receiver or receiver and manager or, where permitted by law, an administrative receiver of the whole or any part of the Secured Assets and that term will include any appointee made under a joint and/or several appointments;

Secured Liabilities means all amounts which are or may become payable in respect of principal, interest or otherwise and all liabilities, present or future, actual or contingent, incurred solely or jointly and whether as principal or surety by the Company to the Loan Note Holders pursuant to the Loan Notes, together with interest, discount, commission and all other charges, costs and expenses and references to the Secured Liabilities include references to any of them;

Security Assets means all assets, rights, interests, undertakings and property of the Company or any of them the subject of any security created or expressed to be created by or pursuant to this Debenture;

Security Trust Deed means the security trust deed entered into between the Security Trustee, the Company, and the Loan Note Holders and dated the same date as this Debenture;

Securities means all loan notes (including the Loan Notes), stocks, shares, debentures, debenture stock, loan stock, bonds and securities issues by any company or person (other than the Company) and all other investments (as listed in Part II of Schedule 2 to the Financial Services and Markets Act 2000) including all rights and benefits arising and all money payable in respect of them, whether by way of conversion, redemption, bonus, option dividend interest or otherwise; now or in the future held or owned by, or otherwise benefiting, the Company;

Security Interest means any mortgage charge, pledge; lien, assignment, encumbrance, right of set off or security interest whatsoever howsoever created or arising or any other agreement arrangement or court order having substantially the same economic effect as the foregoing; and

Security Period means the period beginning on the date of this Debenture and ending on the date on which the Security Trustee is satisfied that all Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 Construction

In this Debenture, except where the context otherwise requires;

- (a) references to the Loan Note Holders, the Security Trustee and to the Company include references to their respective successors in title and assigns;
- (b) references to any deed, instrument, certificate, agreement, or contract (including this Debenture) or a provision thereof shall be construed as a reference to that deed, instrument certificate, agreement or contract or provision as from time to time varied, notated, amended, supplemented or replaced;
- (c) references to any statute or other legislative provision shall include any statutory or legislative modification, re-enactment or any substitution of such statute or provision and, where applicable, any equivalent statute or legislation in another jurisdiction;
- (d) a time of day is reference to London time;
- (e) words importing the plural include the singular and vice versa;
- (f) references to person shall be construed as a reference to any person, firm, company corporation, government state or agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the above; and
- (g) a person who is not a party to this Debenture has no right under the Contracts (Rights of Third Parties) Act 1999 or any similar applicable legislation to enforce or to enjoy the benefits of this Debenture.

1.3 Headings

The headings in this Debenture shall not affect its interpretation.

2. Covenant to pay

2.1 The Company as surety, covenants with the Security Trustee that it will pay or discharge on demand the Secured Liabilities on the date(s) on which such Secured Liabilities are expressed to become due or apply and in the manner provided for in the document under which liability for such Secured Liability arises.

3. **Fixed security**

3.1 The Company as continuing security for the payment, discharge and performance of all Secured Liabilities at any time owed or due to the Loan Note Holders, charges in favour of the Security Trustee for it to hold on behalf, and for the benefit, of the Loan Note Holders pursuant to and in accordance with the terms of the Security Trust Deed, by way of first fixed charge:

- (a) all Land;
- (b) to the extent that they are not Land all plant, machinery, computers, vehicles, furniture, office or other equipment, and other tangible moveable property, now or at any time in the future (and from time to time) owned or held by, or otherwise benefiting, the Company (and any part thereof, together with all spare parts, replacements, modifications and additions thereto) and the benefit of all contracts, licenses and warranties relating to them;
- (c) all Debts;
- (d) all claims which are due or owing to the Company now or in the future (and from time to time);
- (e) all Securities;
- (f) the Insurance Contracts together with all rights and interest in the Insurance Contracts;
- (g) all of the Company's present and future goodwill;
- (h) all of the Company's present and future uncalled capital;
- (i) all of the Company's present and future Intellectual Property Rights and, to the extent that any Intellectual Property Rights are not capable of being charged, whether by reason of lack of any third party consent which is required, or otherwise, the Company assigns and agrees to assign in favour of the Security Trustee all its right, title and interest (if any) in and to any all damages, compensation, remuneration, profit, rent, fees, royalties or income which the Company may derive from such Intellectual Property rights or be awarded or entitled to in respect of such Intellectual Property Rights;
- (j) all trade secrets, confidential information and know-how owned or enjoyed by the Company now or in the future in any part of the world; and
- (k) the benefit of all instruments, guarantees, charges, pledges and other rights now or in the future available to the Company as security in respect of any Asset itself subject to a fixed charge in favour of the Security Trustee.

4. **Floating charges**

- 4.1 The Company as continuing security for the payment, discharge and performance of the Secured Liabilities, charges in favour of the Security Trustee for it to hold on behalf, and for the benefit, of the Loan Note Holders pursuant to and in accordance with the terms of the Security Trust Deed, by way of first floating charge all the Assets which are not effectively charged by the fixed charges detailed above.
- 4.2 The Company undertakes to the Security Trustee that, save as expressly permitted by the Security Trustee in writing, it will not:
- (a) take any other step referred to in clause 9 (Covenants relating to land & other assets) with respect to any of the Floating Charge Assets; or
 - (b) sell, transfer, part with or dispose of any of the Floating Charge Assets except by way of sale in the ordinary course of business; or
 - (c) create any mortgage or any fixed or floating charge or other security over any of the Floating Charge Assets (whether having priority over, or ranking pari passu with or subject to, this floating charge).
- 4.3 Conversion of Floating Charges
- (a) **By notice:** Subject to the Insolvency Act 1986, the Security Trustee may by notice to the Company convert the floating charges created by this Debenture into specific charges as regards all or any of the Company's assets, rights and property specified in the notice at any time.
 - (b) **Automatic conversion:** Subject to the Insolvency Act 1986 and clause 4.3(c) below, the floating charges created by this Debenture shall (in addition to the circumstances in which the same will occur under general law) automatically be converted (without any notice) into fixed charges over the assets, rights and property of the Company upon the occurrence or happening of an Event of Default.
 - (c) **Moratorium:** the floating charges created pursuant to clause 4.1 (Floating Charges) may not be converted into fixed charges solely by reason of:
 - (i) the obtaining of a moratorium; or
 - (ii) anything done with a view to obtaining a moratorium under Schedule A1 of the Insolvency Act 1986.
- 4.4 Paragraph 14 of Schedule 81 to the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2000) shall apply to all floating charges created pursuant to this Debenture.
- 4.5 At any time after the floating charges have been converted to specific charges, the Security Trustee may by notice subsequently reconvert it into a floating charge by notice in writing.
5. Delivery of documents of title etc. and registration
- 5.1 The Company shall on the date of this Debenture hold and retain during the Security Period, all deeds, certificates and other documents of title relating to the property charged pursuant to this Debenture (including any lease of licenses relating to it).

- 5.2 The Company shall at any time as required by the Security Trustee make available upon request, or have available, documentation relating to Loan Notes and the Security Assets to facilitate inspection at any reasonable time and give any instructions and take any actions the Security Trustee may require to achieve this.
- 5.3 The Company shall, if requested by the Security Trustee in the event of a default only, execute all such documents and do all acts that the Security Trustee may reasonably require to record the interest of the Security Trustee in any registers relating to any registered intellectual property rights.
- 5.4 The Company undertakes to register all property interests on a prompt basis in its own name or of that of a wholly owned company under its management and control.
- 5.5 The Company certifies that the security interest created under or pursuant to this Debenture does not contravene any of the provisions of the Memorandum or Articles of Association or other constitutive documents of the Company.
- 5.6 The Company undertakes not to amend, vary or waive the terms and conditions relating to any insurance contract without the prior written consent of the Security Trustee.

6. Rights under Securities

6.1 Unless and until this Debenture becomes enforceable or the Security Trustee directs otherwise all and any cash dividends paid in respect of the Securities or any of them received by the Security Trustee (or its nominee) (if any) shall, on request by the Company, be released to the Company.

6.2 Subject to clause 6.1:

- (a) all and any dividends and other distributions accruing on or deriving from the Securities, loans or other financial transaction (notwithstanding that they may have accrued in respect of an earlier period) shall if received by the Company be held on account and paid a first priority payment to the Security Trustee on or before the due dates agreed until all amounts due to the Security Trustee in respect of that accounting period are full discharged;
- (b) all amounts paid will be sent to the Security Trustee by faster payment or CHAPS bank transfer;
- (c) the Security Trustee may in the event of default exceeding 30 days exercise (and may only then exercise) all voting and other rights and powers (by statute or otherwise) attached to or conferred on the Securities in such a manner as the Security Trustee (in its reasonable discretion) thinks fit and the Company shall, and shall procure that any nominee of the Company shall, comply with any such directions of the Security Trustee; and
- (d) the Company, only in the event of a default exceeding 30 days, shall call any meetings or class meetings of the holder of the Securities, to appoint proxies and exercise all voting and other rights and powers which may at any time be exercisable by the holders of the Securities as the Security Trustee may from time to time direct.

6.3 The rights and powers attached to the Securities shall include (without limitation) all powers given to trustees by sections 10(3) and 10(4) of the Trustee Act 1925 (as amended) in respect of securities subject to a trust and shall be exercisable without any need for any further consent or authority of the Company.

7. Priority of charges

7.1 Any fixed charge or other fixed security the Company creates in the Security Trustee's favour will have priority over the floating charge created by clause 4.1 (floating charges) unless the Security Trustee states otherwise.

7.2 Any debentures, mortgages or charges (fixed or floating) which the Company creates in the future shall be expressed to be subject to this Debenture and shall rank in order of priority behind the charges created pursuant to this Debenture save for those created in the ordinary course of the Company's business and save as where agreed otherwise by the Security Trustee.

8. Collection of receivables

8.1 Subject to clause 6 (Rights under Securities), the Company shall collect and realise all Receivables and immediately on receipt pay all money which it receives in respect of them into the Company's bank account which may only be used to pay the on-going operational costs of the business as approved by the board of directors of the Company. The Company expressly undertakes not to charge, factor, discount, assign, postpone, subordinate or waive its rights in respect of any Receivables in favour of any other person or purpose to do so.

9. Covenants relating to land and other assets

9.1 The Company shall:

- (a) keep its land, plant, machinery, computers, vehicles, office or other equipment in good and substantial repair and condition;
- (b) perform and observe in all material respects all the covenants, conditions and stipulations (whether as landlord or tenant) in any lease, agreement for lease or other right to occupy in respect of any of its Land and shall not do or permit to subsist any act or thing as result of which any such lease, agreement for lease or other right to occupy may be subject to determination or right of re-entry or forfeiture prior to the expiration of its term;
- (c) not at any time sever or remove any of the fixtures forming part of its Land or any of the plant or machinery (other than stock in trade or work in progress) on or in its Land if to do so would reasonably be expected to have a materially adverse effect of the value, saleability or use of the Land;
- (d) comply with all planning laws and regulations and the terms of any authorization in respect of any such planning laws and regulations, in each case relating to any of its Land; and
- (e) promptly notify the Security Trustee of any indication that any of the Land is or may be listed in a register of contaminated land or contaminative use, or similar register or if any environmental or other condition exists which could have a material adverse effect on the value of the Land or the Company's business.

9.2 The Company shall not in the ordinary course of business, unless agreed by the Security Trustee:

- (a) grant or agree to grant (whether in exercise of or independently of any statutory power) any lease or tenancy;
- (b) agree to any amendment or waiver or surrender of any lease or tenancy;
- (c) commence any forfeiture proceedings in respect of any lease or tenancy;
- (d) part with possession or confer upon any person any contractual license or right to occupy;
- (e) consent to any assignment of any tenant's interest under any lease or tenancy;
- (f) agree to any rent review in respect of any lease or tenancy; or
- (g) serve any notice on any former tenant under any lease or tenancy (or any guarantor of that former tenant) which would entitle it to a new lease or tenancy in respect of all or any part of its land.

9.3 If the Company fails to comply with any of the undertakings in this Clause 9 and a loss of income arises to the Security Trustee as a direct result of departure from the declared business plan and method of approved operations then, and only then, will the Security Trustee be entitled to do such things as it considers are necessary or desirable to remedy such failure. The Company shall pay the costs and expenses of the Security Trustee incurred in connection with any action taken under this Clause 9.

10. **Negative Pledge**

10.1 The Company shall not, without prior written consent of the Security Trustee:

- (a) create, agree to create or permit to exist any trust, interest or Security Interest (howsoever ranking in point of priority) of any nature whatsoever (including such as arises by operation of law or any enactment) in, over or affecting all or any part of its assets, rights or property which would adversely affect the income rights of the Security Trustee; or
- (b) part with, grant or enter into a lease of, sell transfer, assign or otherwise dispose of (including by way of declaration of trust) all or any part of its assets, rights or property or any interest in them or agree to do so which would adversely affect the income rights of the Security Trustee.

11. **Further Assurances**

11.1 The Company shall upon request from a Security Trustee in the event of a default exceeding 30 days consider to execute any document and do any other act or thing (in either case, at the expense of the Company) which the Security Trustee may reasonably specify for protecting, preserving or perfecting any security created or intended to be created by this Debenture.

12. **Enforcement**

12.1 On or after the occurrence or happening of an Enforcement Event, the Security Trustee, without prejudice to the powers conferred on it by virtue of the Law of Property Act 1925, shall be entitled to sell and/or dispose of all or any of the Security Assets subject to and in accordance with the terms of the Security Trust Deed. The Security Trustee is authorised to transfer or otherwise dispose of any security asset and to give good discharge for any monies received by the Security Trustee in exercise of such power of sale & or disposal.

13. Continuing Security

13.1 The security constituted by this Debenture shall be continuing, is made for securing further advances and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part.

14. Insurance

14.1 The Company must insure all insurable Assets with an insurance office or underwriter acceptable to the Security Trustee against loss or damage by fire and such other risks as the Security Trustee may specify from time to time. This insurance cover must be for the full replacement value and be index-linked. The Company must also maintain all other insurances normally maintained by prudent companies with similar activities to it.

14.2 The Company must punctually make all premium and other payments necessary to effect or maintain these insurances and produce receipts for these payments at the request of the Security Trustee. If, at any time, the Company fails to have the required insurance cover in place or to produce any receipt on request or to deposit any policy with the Security Trustee under Clause 5 (Delivery of Documents of Title etc and Registration) or on request, the Security Trustee may take out or renew any insurance in any sum and on terms the Security Trustee thinks appropriate and recover the costs of doing so from the Company.

15. Administrator

15.1 Appointment of administrator

- (a) Subject to the Insolvency Act 1986, at any time, but only from when Company has been in default for more than 90 days after this security becomes enforceable, the Security Trustee may appoint anyone or more qualified persons to be an Administrator of the Company, to act together or independently of the other or others appointed (to the extent applicable).
- (b) Any such appointment may be made pursuant to an application to the court under paragraph 12 of schedule B1 of the Insolvency Act 1986 (appointment of administrator by holder of floating charge).
- (c) In this clause 15, qualified person means a person who, under the Insolvency Act 1986, is qualified to act as an Administrator of any company with respect to which he is appointed.

16 Receiver

16.1 Appointment of receiver

- (a) Subject to the Insolvency Act 1986, at any time, but only after 90 days following a default by the Company such that this security becomes enforceable the Security Trustee may further notice appoint under seal or in writing any one or more qualified persons to be a Receiver of all or any part of the Security Assets, to act together or independently of the other or others to the extent applicable.
- (b) In this clause 16, a qualified person means a person who, under the Insolvency Act 1986, is qualified to act as a Receiver of the property of any company with respect to which he is appointed or (as the case may require) an administrative receiver of such Company.

16.2 Powers of receiver

- (a) Every receiver appointed in accordance with clause 16.1 (Appointment of Receiver) shall have and be entitled to exercise all of the powers set out in clause 16.2 (b) below in addition to those conferred by the Law of Property Act 1925 on any receiver appointed under the Law of Property Act 1925. If at any time there is more than one Receiver of all or any part of the Security Assets, each Receiver may (unless otherwise stated in any document appointing him) exercise all of the powers conferred on a Receiver under this Debenture individually and to the exclusion of each other Receiver.
- (b) The powers referred to in the first sentence of Clause 16.2 (a) above are:
 - (i) Take possession: to take immediate possession of, get in and collect the Security Assets whether accrued before or after the date of his appointment
 - (ii) Carry on business: to carry on or manage the business of the Company as he may think fit or to concur in or authorize the management of, or appoint a manager of the whole or any part of the business of the Company;
 - (iii) Protection of assets: to make and effect all repairs, alterations, improvements replacements, developments, demolitions and insurances (including indemnity insurance and performance bonds and guarantees) and do all other acts which the Company might do in the ordinary conduct of its business as well for the protection as for the improvement of the Security Assets and to commence and/or complete any building operations on any Land secured pursuant to this Debenture and to apply for and maintain any planning permissions, building regulation approvals and any other permissions, consents or license, in each case as he may in his absolute discretion think fit or concur in any of the foregoing
 - (iv) Employees and advisers: to appoint and discharge managers, officers, agents, accountants, servants, workmen and other advisers for the purposes of this Debenture upon such terms as to remuneration or otherwise as he may think proper and to discharge any such persons appointed by the Company;

- (v) **Borrow money:** for the purpose of exercising any of the powers, authorities and discretions conferred on him by or pursuant to this Debenture and/or of defraying any costs, charges, losses or expenses (including his remuneration) which shall be incurred by him in the exercise of such powers, authorities and discretions or for any other purpose, to raise and borrow money either unsecured or on the security of the Security Assets or any part of the Security Assets either in priority to the security constituted by this Debenture or otherwise and generally on such terms and conditions as he may think fit and no person lending such money shall be concerned to enquire as to the propriety or purpose of the exercise of such power or to see to the application of any money so raised or borrowed;
- (vi) **Sell business:** to sell or concur in selling the whole or any part of any Company's business whether as a going concern or otherwise;
- (vii) **Sell assets:** to sell, exchange grant options to purchase, license, surrender release disclaim, abandon, return, or otherwise dispose of, convert into money or realise all or any part of the Security Assets by public auction or private contract and generally in such a manner and on such terms as he shall think proper or to concur in any such transaction. Without prejudice to the generality of the foregoing he may do any of these things for a consideration consisting of cash, debentures or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such a period as he may think fit. Fixtures, other than landlords' fixtures, may be severed and sold separately from the property containing them without the consent of the Company; and
- (viii) **General powers:** to do all such other acts and things as he may consider desirable or necessary for realising the Security Assets or any part of them or incidental or conducive to any of the matters, powers or authorities and things as he would be capable of exercising if he were the absolute beneficial owner of them and to use the name of the Company for all or any of such purposes.

16.3 Remuneration

- (a) The Security Trustee may from time to time, subject to Section 26 of the Insolvency Act 1986, fix the remuneration of any Receiver appointed by it.
- (b) The amount of such remuneration shall form part of the secured liabilities and accordingly be secured on the Security Assets under the security contained in this Debenture.

17 Expenses and Indemnities

- 17.1 The Company shall be able to make such payments and give such indemnities that enable it to properly operate its business consistent with accepted practice undertaken by other reputable entities operating in the same business sector.

18 Transfer and disclosure

18.1 The Security Trustee may not assign or transfer all or any of its rights and/or obligations in respect of this Debenture, in whole or in part, to any person or persons without the written permission of the Company.

19 Notices, communications and demands

19.1 Subject to clause 19.3, any notice, communication or demand under or in connection with this Debenture shall be in writing and shall be delivered personally, or by post to the addresses given in this Debenture or at such other address as the recipient may have notified to the other party in writing and, if given by the Security Trustee, may be made or given by any manager, officer or agent of the Security Trustee.

19.2 Proof of posting or dispatch of any notice, communication or demand on the Company shall be deemed to be proof of receipt in the case of a letter which is sent by first class pre-paid post and is posted before the last collection of letters from the letter box in which it was posted has been made on any day, at 10.00am on the next succeeding day upon which a delivery of letters is made.

19.3 The Security Trustee is not incorporated in England or Wales, so shall always maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this Debenture. Such agent shall be Preston Turnbull LLP, 2 Seething Lane, London, EC3N 4AT. Any claim form, judgment or other notice of legal process shall be sufficiently served on the Security Trustee if delivered to such agent at its address for the time being. The Security Trustee irrevocably undertakes not to revoke such appointment without notifying the Company of the appointment of a replacement agent for service. It shall be service for the Company to serve the process on the last known address in England or Wales of the last known process agent for the Security Trustee notified to the Company notwithstanding that such process agent is no longer found at such address or has ceased to act.

20 Illegality and counterparts

20.1 If any of the provisions of this Debenture is or becomes in any respect invalid, illegal or unenforceable the validity legality and enforceability of the remaining provisions of this Debenture shall not in any way be affected or impaired thereby.

20.2 This Debenture may be executed in any number of counterparts and by different parties to it in separate counterparts each of which when executed and delivered shall be an original. All such counterparts will together constitute one and the same instrument.

21 Security Trust Deed

21.1 The Security Trustee holds all obligations and liabilities of the Company and all the Security Trustee's rights under this Debenture as Trustee on behalf of the Loan Note Holders pursuant to the terms of the Security Trust Deed.

21.2 The security created by this Debenture is created with the benefit of and subject to the provisions of the Security Trust Deed, the provisions of which the Company hereby acknowledges including the Security Trustee's right to use monies received by it in respect of the Secured Liabilities to reduce the Secured liabilities in accordance with the terms of the Security Trust Deed.

21.3 In the event of any conflict or inconsistency between the terms or provisions of the Security Trust Deed and this Debenture, the terms and provisions of the Security Trust Deed shall at all times prevail and take precedence.

22 Governing law and jurisdiction


22.1 This Debenture is governed by, and shall be construed in accordance with, the laws of England and Wales.


22.2 The Company irrevocably agrees that the Courts of England are to have non-exclusive jurisdiction to settle any dispute (including claims for set off and counter claims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationships established by, this Debenture or otherwise in connections with this Debenture and for such purposes irrevocably submits to the jurisdiction of such courts.

IN WITNESS whereof this document has been entered into and executed as a deed by the parties hereto on the date stated at the beginning.

EXECUTED as a DEED by 79TH COMMERCIAL)
THREE LIMITED)

acting by a director in the presence of
a witness

Director.....

Witness signature.....

Witness name.....Jennifer Salcedo

Witness address.....The 79th Group
Limited, Southport Business
Park, Wight Moss Way
PR8 4HQ

Witness occupation.....Personal Assistant

THE COMMON SEAL OF CASTLE TRUST AND)
MANAGEMENT SERVICES LIMITED)
was affixed hereto in the presence of:

Director.....*[Signature]*

Director/secretary.....*[Signature]*



Dated:

27th March 2023

**79TH COMMERCIAL THREE LIMITED
(THE COMPANY)**

and

**CASTLE TRUST AND MANAGEMENT SERVICES LIMITED
(AS SECURITY TRUSTEE)**

and

LOAN NOTE HOLDERS (as defined herein)

SECURITY TRUST DEED

230327 79th CM3 Security Trust Deed FINAL

1

THIS SECURITY TRUST DEED is made on

27th day of March 2023

BETWEEN:

- (1) **79th Commercial Three Limited** a company incorporated in England and Wales with incorporation number 14628949 and having its registered office situate at Brook House, Southport Business Park, Wight Moss Way, Southport, England, PR8 4HQ (the "**Company**");
- (2) **The Loan Note Holder(s)** (as defined below);
- (3) **Castle Trust Management Services Limited** a company incorporated in Gibraltar with incorporation number 46030 and having its registered office at Suite 932, Europort, Gibraltar (the "**Security Trustee**").

WHEREAS:

- (A) The Company has granted the Debenture (as defined below) to the Security Trustee as security for the Company's liabilities and obligations to the Loan Note Holders under or in respect of the Secured Liabilities (as defined below).
- (B) The Security Trustee has agreed to act as the trustee of the Trust Property under this Deed for the benefit of the Loan Note Holders upon the terms and conditions contained in this Deed.

1 Interpretation and definitions

1.1 Unless otherwise defined in this Deed, terms defined the Debenture (as defined below) have the same meanings in this Deed.

1.2 In this Deed the following terms have the following meanings:

this Deed means this security trust deed including the schedule hereto as supplemented, varied, or amended from time to time in accordance with its terms;

Accession Undertaking means an undertaking in the form set out in the Schedule hereto (Form of Accession Undertaking);

Debenture means the debenture dated the same date as this Deed granted by the Company in favour of the Security Trustee;

Exposure means at any time in relation to a Loan Note Holder all amounts which are owing, actually or contingently, at such time by the Company to such Loan Note Holder under the Loan Notes whether or not due and payable;

Lenders Majority Group means at any relevant time a group of one or more Loan Note Holders whose aggregate nominal value of Notes as at that day equal more than 75% of the aggregate nominal value of all Notes issued under the Loan Note Instruments Series A and B.

Loan Note Holders means the holders of the Loan Notes from time to time and Loan Note Holder means any one of them;

Secured Liabilities means all amounts which are or may become payable in respect of principal, interest or otherwise and all liabilities, present or future, actual or contingent, incurred solely or jointly and whether as principal or surety by the Company to the Loan Note Holders pursuant to the Loan Notes, together with interest, discount, commission and all other charges, costs and expenses and references to the Secured Liabilities include references to any of them;

Trust Property means:

- (a) all assets and rights from time to time transferred, mortgaged, charged, assigned to and/or vested in the Security Trustee under or in connection with any Security Document;
- (b) the security interests from time to time constituted by or pursuant to or evidenced by the Security Documents;
- (c) all representations, obligations, covenants, warranties or other contractual provisions in favour of the Security Trustee (other than any made or granted solely for its own benefit) made or granted in or pursuant to any of the Security Documents;
- (d) all sums received or recovered by the Security Trustee under, pursuant to or in connection with any Security Document or the exercise of any of the Security Trustee's powers under or in connection therewith and which are required to be held by the Security Trustee upon trust on the terms of any Security Document; and
- (e) all income and other sums at any time received or receivable by the Security Trustee in respect of the Trust Property (or any part thereof);

Security Documents means this Deed, the Debenture and any other document entered into from time to time by the Company pursuant to which the Company undertakes a liability to the Security Trustee as security trustee for the Loan Note Holders in respect of any of the Secured Liabilities or which creates or evidences a security interest in favour of the Security Trustee as security trustee for the Loan Note Holders over any of the assets of such Company as security for any of the Secured Liabilities or which creates or evidences any right or interest related thereto; and **Security Document** shall be construed accordingly; and

VAT means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar or equivalent nature in UK or any other relevant jurisdiction.

- 1.3 A person who is not a party to this Deed has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Deed.
- 1.4 This Deed is intended to take effect as a deed notwithstanding the fact that a party may only execute this Deed under hand.
- 1.5 For the purposes of this Deed, where any discretions or power to give instructions or directions are vested herein in the Loan Note Holders, the Security Trustee shall only act upon receipt of written instructions signed by Loan Note Holders together making up a Lenders Majority Group.

2 Declaration of trust

- 2.1 The Security Trustee declares that it shall hold the Trust Property on trust for the Loan Note Holders on the terms contained in this Deed. Each of the parties to this Deed agrees that the Security Trustee shall have those duties, obligations and responsibilities expressly specified in this Deed and the Security Documents (and no others shall be implied) and, without limiting the foregoing, each of the Loan Note Holders authorises, ratifies, confirms and approves the Security Trustee's entering into the Debenture. In exercising its rights, powers and discretions under the Security Documents, the Security Trustee shall act subject to and in accordance with this Deed.
- 2.2 If there is any conflict or inconsistency between the terms and provisions of this Deed and any other Security Documents, the terms and provisions of this Deed shall at all times prevail and take precedence.

2.3 The rights, power and discretions conferred upon the Security Trustee by 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 general law or otherwise.

3 Non delegation by Security Trustee

3.1 The Security Trustee shall not at any time delegate whether by power of attorney or otherwise or in any other manner to any person or persons all or any of the rights, powers and discretions which are for the time being exercisable by the Security Trustee under any of the Security Documents.

4 Investment by Security Trustee

4.1 Pending appropriation and distribution under Clause 5 (Application of Proceeds), the Security Trustee shall place any sum received, recovered or held by it in respect of the Trust Property in a suspense account and shall invest an amount equal to the balance from time to time standing to the credit of that suspense account in any of the investments authorised by paragraph (o) of Clause 6.2 (Supplemental provisions relating to Security Trustee) with power from time to time in its absolute discretion to vary any such investments. The income from those investments shall be credited to the relevant suspense account when received by the Security Trustee.

5 Application of proceeds

5.1 Order of application

The Security Trustee shall appropriate and distribute all sums received, recovered or held by it in respect of the Trust Property as follows (but without prejudice to the right of the Loan Note Holders (or any of them) to recover any shortfall from the Company):

- (a) first, in paying all rents, taxes, rates and outgoings whatever affecting any Trust Property;
- (b) secondly in paying all reasonable and proper costs, charges, remuneration and expenses of and incidental to the Security Trustee's appointment and the exercise of the Security Trustee's powers and all reasonable and proper outgoings paid by the Security Trustee, in all cases which have been which have been reasonably and properly incurred by the Security Trustee;
- (c) thirdly, to pay all reasonable and proper costs, charges, and expenses incurred by a Loan Note Holder in connection with the realisation or enforcement of any Security Document;
- (d) fourthly, in or towards discharge of the Secured Liabilities on a pro rata basis among all Loan Note Holders (i.e., ratably in the proportion which each Loan Note Holder's individual Exposure bears to the aggregate Exposures of all the Loan Note Holders);
- (e) fifthly, to any person other than the Company who remains entitled to the proceeds of enforcement of the security and if there is more than one such person, ratably in accordance with their proportionate exposure or entitlement; and
- (f) finally, in paying any surplus to the Company.

5.2 Timing of distributions

Distributions by the Security Trustee shall be made at such times as the Security Trustee in its absolute discretion determines to be as soon as reasonably practical, having regard to all relevant circumstances.

5.3 Distribution Deemed to be made gross

As between the Loan Note Holders, a Loan Note Holder shall be deemed to have received from the Security Trustee any amount which the Security Trustee is at any time required by law to deduct or withhold on account of tax from any distribution made by the Security Trustee to that Loan Note Holder under this Deed. However, this shall not prejudice any right which that Loan Note Holder may have against the Company under the Loan Notes (whether under a grossing-up clause or otherwise) but, as between the Loan Note Holders, any such indebtedness shall rank after all other Secured Liabilities.

5.4 Basis of Distribution

For the purpose of any distribution by the Security Trustee, the Security Trustee may fix a date as at which the amount of the Secured Liabilities is to be calculated. Any such date must not be more than 10 days before the proposed date of the relevant distribution. For the purposes of determining the amount of any payment to be made pursuant to Clause 5.1 (Order of Application) to any Loan Note Holder, the Security Trustee shall be entitled to call for a certificate from any third party nominated by the Security Trustee of the amount, currency and nature of any Secured Liabilities due, owing or incurred to the relevant Loan Note Holder at the date fixed by the Security Trustee for such purpose and as to such other matters as the Security Trustee may deem necessary or desirable to enable it to make a distribution. The Security Trustee shall be entitled to rely on any such certificate.

5.5 Unwinding

Any appropriation or distribution which later transpires to have been, or is agreed by the Security Trustee to have been, invalid, or which has to be refunded, shall be refunded forthwith on demand of the Security Trustee and shall be deemed never to have been made provided that the Security Trustee shall be under no obligation to make such repayment or refund unless it has first received the requisite amount from the recipient of such invalid or refundable appropriation or distribution.

6. Security Trustee's rights and duties

6.1 Rights and duties

- (a) The Security Trustee shall have only those duties, obligations and responsibilities expressly specified in this Deed and the other Security Documents and shall not have any implied duties, obligations or responsibilities. In performing or carrying out its duties, obligations and responsibilities, the Security Trustee shall be considered to be acting only in a mechanical and administrative capacity (save as expressly provided in this Deed or the other Security Documents) and shall not have or be deemed to have any duty, obligation or responsibility to or relationship of trust or agency with the Company.
- (b) The Security Trustee shall act solely in accordance with any instructions given to it by or on behalf of (i) all the Loan Note Holders or the requisite proportion of them in accordance with the terms of the Loan Notes, the Lenders Majority Group; and (ii) unless it has received actual written notice of revocation, that any instructions or directions given by the Lenders Majority Group have not been revoked and no revocation of any such instructions by any Loan Note Holder shall affect any action taken by the Security Trustee in reliance upon such instruction or direction prior to actual receipt of the notice of revocation.
- (c) The Security Trustee will not engage in correspondence with any individual loan note holder at any time.

6.2 Supplemental provisions relating to Security Trustee

If any Noteholder becomes aware of the occurrence of an Event of Default, it shall notify the Security Trustee of the same. Following such notification the Security Trustee shall, if requested to do so by a Lenders Majority Group in such notification, enforce the Rights in accordance with the instructions of the Lenders Majority Group, provided that the Security Trustee shall be entitled to decline to take any action to enforce any Security unless indemnified and/or secured to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities (including any environmental liabilities), losses and proceedings (including legal and other professional fees in bringing or defending the same) which might be brought, made or confirmed against or suffered, incurred or sustained by it as a result.

Notwithstanding that the Security Trustee may be entitled to remuneration, the Security Trustee shall have all the rights, powers, discretions, privileges and immunities which gratuitous trustees have or may have in England and, by way of supplement to the Trustee Act 1925 and the Trustee Act 2000, it is expressly declared as follows:

- (a) the Security Trustee may execute each of the Security Documents and all such further documents as may be approved by the Loan Note Holders and the Company for execution by the Security Trustee;
- (b) the Security Trustee may, acting in good faith, rely on any communication, certificate, legal opinion or other document believed by it to be genuine;
- (c) the Security Trustee may, acting in good faith, rely as to any matter of fact which might reasonably be expected to be within the knowledge of the Company or a statement by or on behalf of the Company;
- (d) the Security Trustee may, acting in good faith, accept as sufficient evidence a certificate signed by any person believed by it to be a director or otherwise authorised officer or agent of the Company to the effect that any particular dealing, transaction, step or thing is, in the opinion of the person so certifying, suitable or expedient or as to any other fact or matter upon which the Security Trustee may require to be satisfied. The Security Trustee shall be in no way bound to call for further evidence or be responsible for any loss that may be occasioned by acting on any such certificate;
- (e) the Security Trustee may obtain and pay for such legal or other expert advice or services as it may deem necessary or desirable and rely on any such advice. In relation to any of the provisions of any of the Security Documents, or any other agreement, matter or thing relating to the Company or the Trust Property, the Security Trustee may act on the opinion or advice of or any information obtained from any lawyer, accountant, architect, engineer, surveyor, broker, consultant, valuer or other expert, whether obtained by the Security Trustee or otherwise, and shall not be responsible for any loss occasioned by so acting;
- (f) any opinion, advice or information referred to in paragraph (e) of this Clause 6.2 (Supplemental provisions relating to Security Trustee) above may be sent or obtained by email, letter, fax, telephone, or any other means. The Security Trustee shall not be liable for acting on any opinion, advice or information purporting to be so conveyed although the same shall contain some error or shall be authentic;
- (g) subject to the terms of any of the Security Documents, the Security Trustee may retain for its own benefit and without liability to account any fee or other sum receivable by it for its own account;

- (h) the Security Trustee may accept deposits from, lend money to, provide any advisory or other services to, or engage in any kind of banking or other business with, the Company or any other Loan Note Holder or, in either case, a subsidiary or associated company of any such person (and, in each case, may do so without liability to account or disclose any such arrangements to any person);
- (i) the Security Trustee may perform any of its duties, obligations and responsibilities under any of the Security Documents by or through any of its personnel and/or may employ and pay an agent to transact or concur in transacting any business and to do or concur in doing any acts required to be done by the Security Trustee (including the receipt and payment of money). Any agent who is a lawyer, accountant, architect, auctioneer, engineer, surveyor, broker, consultant, valuer or other person engaged in any profession or business shall be entitled to be paid all usual professional and other charges for business transacted and acts done by him or any partner or employee of his in connection with the trusts hereof.
- (j) the Security Trustee may refrain from doing anything which would or might in its opinion be contrary to any law of any applicable jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render it liable to any person and may do anything which is, in its absolute discretion, necessary to comply with any such law, directive or regulation;
- (k) the Security Trustee shall not be liable for any failure, omission or defect in perfecting the security interests created by or pursuant to the Security Documents including without prejudice to the generality of the foregoing:
 - (i) failure to obtain any license, consent or other authority for the execution, delivery, validity, legality, adequacy, performance, enforceability or admissibility in evidence of any Security Document;
 - (ii) failure to effect or procure registration of or otherwise protect any of the security interests created by the Security Documents by registering under any applicable registration laws in any territory by any notice, caution, filing, registration or other entry prescribed by or pursuant to the provisions of the said laws;
 - (iii) failure to require the deposit with it of any deed or document certifying, representing or constituting the title of any Company to any of the property mortgaged, charged, assigned or otherwise encumbered by or pursuant to any of the Security Documents; or
 - (iv) failure to require any further assurances in relation to any of the Security Documents;
- (l) the Security Trustee may accept without enquiry, requisition, objection or investigation of such title as the Company may have to that part of the assets belonging to it (or any part thereof) which is the subject matter of any of the Security Documents and shall not be liable for any failure or omission to ascertain or investigate the title of the Company or other person to any asset now or at any time hereafter subject or purporting to be subject to any security interests created by or pursuant to the Security Documents;

- (m) the Security Trustee and every Receiver, delegate, sub-delegate, attorney, agent or other person appointed under any of the Security Documents may indemnify itself or himself out of the Trust Property against all actions, charges, claims, costs, damages, demands, expenses, liability, loss or proceedings which may be brought, made or preferred against or suffered, incurred or sustained by it or him in relation to, in connection with, or arising out of the entry into, any Security Document, the taking or holding of any of the guarantees and/or security given or created by or pursuant to the Security Documents and/or in the execution of any right or trust vested in any of them by any Security Document and/or in respect of any other matter or thing done or omitted to be done in any way relating to any Security Document and/or acting as Security Trustee or any such other capacity other than those costs, damages, expenses, liabilities or losses which are directly attributable to the gross negligence or wilful misconduct of such person.
- (n) the Security Trustee may place any or all title deeds and other documents certifying, representing or constituting the title to any of the assets subject to the security conferred by the Security Documents and for the time being in its hands in any safe deposit, safe or receptacle selected by the Security Trustee or with any banker or banking company or company whose business includes undertaking the safe custody of documents or any solicitor or firm of solicitors. The Security Trustee may in its absolute discretion make any such arrangements as it thinks fit for allowing the Company or its solicitors or auditors or other advisers access to or possession of any such title deeds and other documents when necessary or convenient. The Security Trustee shall not be responsible for any loss incurred in connection with any such deposit, access or possession;
- (o) all moneys which under the trusts contained in this Deed are received or held by the Security Trustee may be invested in the name of or under the control of the Security Trustee in any investment for the time being authorised by English law for the investment by trustees of trust moneys or by placing the same on deposit in the name of or under the control of the Security Trustee at such bank, financial institution or company (including the Security Trustee) as the Security Trustee may think fit and the Security Trustee may at any time vary, exchange, transfer or transpose any such investments for or into other such investments. The Security Trustee shall not be responsible for any loss occasioned thereby, whether by depreciation in value or otherwise. Any investment may, at the discretion of the Security Trustee, be made or retained in the names of nominees;
- (p) the Security Trustee may refrain from taking any (or any further) action or exercising any right, power or discretion vested in it under any Security Document until it has been indemnified and/or secured to its satisfaction against any and all actions, charges, claims, costs, damages, demands, expenses, liabilities, losses and proceedings (including legal, accountants' and other professional fees) which might be brought, made or preferred against or suffered, incurred or sustained by it as a result;
- (q) neither the Security Trustee nor any of its personnel or agents makes, or shall at any time be deemed to make, any representation or warranty (express or implied) as to, or shall be responsible or liable to any person for:
 - (i) the adequacy, accuracy or completeness of any representation, warranty, statement or information in any Security Document, any notice, report or other document, statement or information circulated, delivered or made to any Loan Note Holder whether orally or otherwise and whether before, on or after the date of this Deed;

- (ii) the execution, delivery, validity, legality, priority, ranking, adequacy, performance, enforceability or admissibility in evidence of any Security Document or any other document referred to in paragraph (a) above or of any security created thereby or any obligations imposed thereby or assumed thereunder; or
- (iii) anything done or not done by it or any of them under or in connection with any Security Document or any other notice or document save in the case of its or their own gross negligence or willful misconduct; and
- (r) the Security Trustee may upon a disposal to any third party of any property the subject of any of the security interests created under any of the Security Documents by any Receiver, or by the Company where the Security Trustee has consented to the disposal, release such property from such security.

6.3 No duty to enquire

The Security Trustee may assume without enquiry that each Company and/or each other person is duly performing and observing and/or, as the case may be, is in compliance with all the representations, warranties, undertakings, covenants, conditions, provisions and obligations contained in any Security Document on its part to be performed, observed or complied with unless an officer of the Security Trustee (while active on matters relating to the Company) acquires actual knowledge to the contrary and that if the Security Trustee receives any instructions or directions from the Lenders Majority Group to take any action in relation to the Trust Property, it may assume that all applicable conditions under the Loan Notes for taking that action have been satisfied.

6.4 No duty to collect payments

The Security Trustee shall not have any duty to ensure that any payment or other financial benefit in respect of any of the Trust Property is duly and punctually paid, received or collected as and when the same becomes due and payable or to secure that the correct amounts (if any) are paid or received or to ensure the taking up of any (or any offer of any) stocks, shares, rights, moneys or other property paid, distributed, accruing or offered at any time by way of interest, dividend, redemption, bonus, rights, preference, option, warrant or otherwise on, or in respect of or in substitution for any of the Trust Property.

6.5 Indemnity to Security Trustee

To the extent that the Company does not do so on demand or is not obliged to do so, each Loan Note Holder shall indemnify the Security Trustee in the proportion which its Exposure bears to the aggregate Exposures of all the Loan Note Holders for the time being (or, if the Exposures of each of the Loan Note Holders are zero, immediately prior to their being reduced to zero) against any action, charge, claim, cost, damage, demand, expense, liability, loss or proceeding or sustained or incurred by the Security Trustee in complying with any instructions from the Lenders majority Group or otherwise sustained or incurred by the Security Trustee in connection with any Security Document or its rights, powers, discretions, duties, obligations and responsibilities under any such document except to the extent that they are attributable to the gross negligence or wilful default of the Security Trustee.

6.6 Security Trustee as a Loan Note Holder

Notwithstanding that the Security Trustee is or may become a Loan Note Holder, the Security Trustee shall be entitled to take, or refrain from taking, in any capacity any action which it would be entitled to take, or refrain from taking, in that capacity if it were not acting in any other capacity. The Security Trustee may enter into any banking, financial or business contracts or any other transactions or arrangements with the Company, the Loan Note Holders, or any other party to any Security Document, or any subsidiary, holding company or associated company thereof, (whether in relation to the Secured Liabilities or in any other manner whatever) or in relation to the Trust Property. The Security Trustee shall not be required to disclose any such contract, transaction or arrangement to any of the Loan Note Holders and shall be in no way accountable to the Company or (save as otherwise provided in this Deed) to any of the Loan Note Holders for any profits or benefits arising from any such contract or transaction or from any contract of loan or deposit or any other contract or transaction or arrangement which any person not being a trustee of this Deed could or might have entered into with the Company or any other party to any Security Document, or any subsidiary, holding company or associated company thereof, or in relation to the Trust Property.

7 Additional powers

- 7.1 The rights and trusts conferred upon the Security Trustee by any of the Security Documents shall be in addition to any which may from time to time be vested in the Security Trustee by the general law.

8 Appointment and resignation of security trustees

8.1 Appointment

The statutory power to appoint new or additional trustees shall be vested in the Security Trustee.

8.2 Resignation of Security Trustees

- (a) Subject to this Clause 8.2, the Security Trustee may resign its appointment under this Deed at any time without assigning any reason therefor by giving not less than 30 days' prior written notice to that effect to the Loan Note Holders and the Company and without being responsible for any costs occasioned by such retirement.
- (b) Subject to the prior satisfaction of the conditions set out in Clause 8.3(c), the resignation of the Security Trustee and appointment of a successor Security Trustee shall take effect upon the appointment of such successor Security Trustee pursuant to a deed of appointment duly executed and delivered by each party thereto, whereupon:
- (i) the retiring Security Trustee shall cease to be a party to all the Security Documents in its capacity as such and shall be discharged from any further obligation thereunder (but without prejudice to any liabilities accrued thereunder but unperformed by the retiring Security Trustee) but shall remain entitled to the benefit of this Deed; and
 - (ii) the successor Security Trustee and each other party to the Security Documents shall have the same rights and obligations amongst themselves as they would have had if the successor Security Trustee had been a party thereto in place of the retiring Security Trustee.

The retiring Security Trustee shall make available to the successor Security Trustee all records and documents held by it as Security Trustee and shall cooperate with the successor Security Trustee in order to ensure an orderly transition.

- (c) The Security Trustee shall not be entitled to resign unless and until:
- (i) all deeds and documents have been executed and all acts and things have been done which are necessary to transfer and vest in the successor Security Trustee all the rights, interests and obligations of the Security Trustee under the Security Documents; and
 - (ii) the Loan Note Holders and the Company are satisfied that the Security continues or will continue to constitute perfected and enforceable interests in favour of the successor Security Trustee;

and the Company shall execute and deliver all deeds and documents and do all acts and things as the Loan Note Holders, the retiring Security Trustee or the successor Security Trustee may require in relation to the appointment of the successor Security Trustee provided that the Company shall not be required to enter into any documents which contain terms more onerous than the terms contained within any of the Security Documents.

- (d) The successor Security Trustee shall promptly notify the Company, each of the Loan Note Holders and all other relevant parties of its appointment.

8.3 Survival of provisions

If a successor to the Security Trustee is appointed under the provisions of Clause 8.2 (Resignation of Security Trustee), the retiring Security Trustee shall be discharged from any further obligations under each Security Document but shall remain entitled to the benefits of the provisions of Clause 6 (Security Trustee's rights and duties), this Clause 8 (Appointment and resignation of security trustees) and Clause 9 (Remuneration).

9 Remuneration

- 9.1 In the event the Security Trustee is requested by the Company or any of the Loan Note Holders to undertake duties which the Security Trustee deems to be of an exceptional nature and/or outside the scope of the normal duties of the Security Trustee under the any Security Document, the Company shall pay to the Security Trustee any additional remuneration (together with any applicable VAT) as may be agreed between the Security Trustee and the Company.
- 9.2 If the Security Trustee and the Company fail to agree upon whether such duties are of an exceptional nature or otherwise outside the scope of the normal duties of the Security Trustee under any Security Document or upon any additional remuneration, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Trustee and approved by the Company or, failing approval, nominated (on the application of the Security Trustee) by the President for the time being of the Law Society of England and Wales (the costs and expense of the nomination and of the investment bank being payable by the Company) and the determination of any investment bank shall be final and binding upon the parties to this Deed.
- 9.3 The Company shall, from time to time on demand of the Security Trustee, reimburse the Security Trustee for all costs and expenses (including reasonable legal fees) together with any applicable VAT incurred by the Security Trustee and any Receiver in connection with:
- (a) the negotiation, preparation and execution of any Security Documents and the completion of the transactions and perfection of the security arrangements contemplated in the Security Documents; and

- (b) the exercise, preservation and/or enforcement of any of the rights, powers and remedies of or the performance of the duties of the Security Trustee or any Receiver of any Trust Property and any proceedings instituted by or against the Security Trustee and/or any Receiver of any Trust Property as a consequence of taking or holding the security contemplated under the UK Security Documents or of enforcing those rights, powers and remedies (on a full indemnity basis).
- 9.4 The Company shall pay all stamp, registration, notarial and other Taxes or fees paid or payable by the Security Trustee in connection with any action taken or contemplated by or on behalf of the Security Trustee for enforcing or resolving any doubt concerning, or for any other purpose in relation to any Security Documents and shall, from time to time, indemnify the Security Trustee on demand against any liabilities, costs, claims and expenses resulting from any failure to pay or any delay in paying any Tax or fee.
- 9.5 The Company shall, as a separate and independent obligation and notwithstanding any release or discharge of all or any part of the security constituted by the Security Documents, indemnify the Security Trustee and every Receiver or any person appointed by them any Security Document (and their respective officers and employees) against all costs, claims, losses, expenses (including reasonable legal fees) and liabilities (together with any applicable VAT), whether or not reasonably foreseeable, incurred by any of them in relation to or arising out of:
 - (a) any failure by any of the Companies to comply with obligations under this Clause 9;
 - (b) the taking, holding, protection or enforcement of the security constituted by the Security Documents;
 - (c) the exercise of any of the rights, powers, discretions and remedies vested in any of them by Security Documents or by law;
 - (d) any default by any Company in the performance of any of the obligations expressed to be assumed by it in the Security Documents; and
 - (e) which otherwise relate to any of the security constituted by the Security Documents or the performance of the terms of any Security Document or exercise of any of the rights, powers, discretions and remedies conferred on such parties by any Security Document (otherwise than as a result of its gross negligence or willful misconduct).
- 9.6 The Security Trustee may, in priority to any payment to the other Loan Note Holders, indemnify itself out of the assets the subject of any security constituted by the Security Documents in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Clause 9.5 from the Company and shall have a lien on such assets and the proceeds of the enforcement of the security in respect thereof for all moneys payable to it under this Clause.
- 9.7 Unless otherwise specifically stated in any discharge of this Deed the provisions of this Clause 9 shall continue in full force and effect notwithstanding such discharge.

10 **Transfers**

10.1 **Transfers by Loan Note Holders**

This Deed shall benefit the Security Trustee, each Loan Note Holder, and each of their respective successors and permitted assigns and transferees. Any reference to any Loan Note Holder or the Security Trustee shall be read and construed accordingly.

10.2 **Accession to this Deed**

The parties hereto confirm that any person who becomes a Loan Note Holder at any time on or after the date of this Deed shall be entitled to the benefits of the provisions contained in this Deed as if originally named a party to this Deed and included in the definition of "Loan Note Holders". In addition, each party hereto (including parties subsequently becoming bound by this Deed) irrevocably authorises the Security Trustee to agree on its behalf with any other person intended to become a party hereto as a Loan Note Holder to the execution of an Accession Undertaking so as to make such person a party to this Deed as a Loan Note Holder. The parties hereto further agree that this authorisation is given to secure the interests of the parties under this Deed and is accordingly irrevocable.

10.3 **Recognition of Transfers and Transferees**

The Security Trustee shall not be required to recognise any transfer or transferee which does not comply with the requirements of this Clause 10 (Transfers).

11 **Remedies, waivers, amendments and consents**

11.1 **No implied waivers and remedies cumulative**

Except as otherwise provided in this Deed, all rights, powers and discretions of the Security Trustee may be exercised at any time and from time to time at the absolute discretion of the Security Trustee. No failure on the part of the Security Trustee to exercise, and no delay on its part in exercising, any right, power or discretion under any Security Document will operate as a waiver thereof, nor will any single or partial exercise of any right, power or discretion preclude any other or further exercise thereof or the exercise of any other right, power or discretion. The rights and remedies provided in the Security Documents are cumulative and not exclusive of any rights or remedies provided by law.

11.2 **Amendments, waivers and consents**

Any provision of this Deed and the other Security Documents may be amended, released or a waiver given in respect of it only if the Company and all the Loan Note Holders or the requisite proportion of them, the Lenders Majority Group, in accordance with the terms of the Loan Notes so agree in writing. Any such waiver, release and any consent or approval by the Security Trustee under this Deed or the other Security Documents, shall not be effective unless it is in writing, may be given subject to any conditions thought fit by the person(s) giving it may be withdrawn or modified at any time, and shall be effective only in the instance and for the purpose for which it is given.

11.3 **Determinations**

Any determination by the Security Trustee pursuant to this Deed shall be conclusive in the absence of manifest error.

12 Notices, communications and demands

- 12.1 Subject to clause 12.3, any notice, communication or demand under or in connection with this Deed to be given by the Company, the Security Trustee or any Loan Note Holder shall be in writing and shall be delivered personally, or by post to the addresses given in this Deed or (as the case may be) and the relevant Accession Undertaking or at such other address as the recipient may have notified to the other party in writing and, if given by the Security Trustee, may be made or given by any manager, officer or agent of the Security Trustee.
- 12.2 Proof of posting or dispatch of any notice, communication or demand on the Company shall be deemed to be proof of receipt in the case of a letter which is sent by first class pre-paid post and is posted before the last collection of letters from the letter box in which it was posted has been made on any day, at 10.00am on the next succeeding day upon which a delivery of letters is made.
- 12.3 The Security Trustee is not incorporated in England or Wales, so shall always maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this Security Trust Deed. Such agent shall be RCJ Law, Suite 3, Grapes House, 79a High Street, Esher, England, KT10 9QA. Any claim form, judgment or other notice of legal process shall be sufficiently served on the Security Trustee if delivered to such agent at its address for the time being. The Security Trustee irrevocably undertakes not to revoke such appointment without notifying the Company of the appointment of a replacement agent for service. It shall be service for the Company to serve the process on the last known address in England or Wales of the last known process agent for the Security Trustee notified to the Company notwithstanding that such process agent is no longer found at such address or has ceased to act.

13. Partial invalidity

- 13.1 The illegality, invalidity or unenforceability of any provision of this Deed under the law of any jurisdiction shall not affect its legality, validity or enforceability under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision.

14 Perpetuity period

- 14.1 The perpetuity period for each trust created by this Deed shall be 25 years from the date of this Deed.

15 Counterparts

- 15.1 This Deed may be executed in any number of counterparts, each of which when executed and delivered constitutes an original of this Deed, but all the counterparts shall together constitute one and the same agreement.

16 Governing Law and Jurisdiction

- 16.1 This Deed is governed by, and shall be construed in accordance with, the laws of England and Wales.
- 16.2 The parties hereto irrevocably agrees that the courts of England are to have non-exclusive jurisdiction to settle any dispute (including any claims for set off and counter claims) which may arise in connection with the validity, effect, interpretation or performance of, or the legal relationships established by, this Deed or otherwise in connections with this Deed and for such purposes irrevocably submits to the jurisdiction of such courts

IN WITNESS whereof this document has been entered into and executed as a deed by the parties hereto on the date stated at the beginning.

THE SCHEDULE

Accession Undertaking

THIS DEED dated [] is supplemental to a security trust deed dated 27 March 2023 and made between (1) 79th Commercial Three Limited (the “**Company**”); (2) Castle Trust and Management Services Limited (as security trustee); and (3) the Loan Note Holders (as defined therein) (the “**Security Trust Deed**”).

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

I, [] of [] (the “**Acceding Party**”), hereby irrevocably and unconditionally agree and undertake with each other person who is or who becomes a party to the Security Trust Deed that with effect on and from the date hereof I will become a party to and be bound by and benefit from the Security Trust Deed as a Loan Note Holder as if I had been party originally to the Security Trust Deed in that capacity and defined therein as a “**Loan Note Holder**”.

I understand that the Security Trustee has no involvement in the day to day activities of the Company and their role commences only at the time when an Event of Default (as defined in the Security Trust Deed) has occurred.

I have read and understood the contents of the sales brochure which was provided to me.

Address for notices of the Acceding Party for the purposes of Clause 12 (Notices) of the Security Trust Deed is:

Address: []

Invest Amount: £[]

Email: []

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

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

THIS DOCUMENT has been executed and delivered as a deed by the parties hereto on the date stated at the beginning of this Deed

EXECUTED as a DEED by [•])
[acting by a director] in the presence of a witness)

[Director].....

Witness signature.....

Witness name.....

Witness address.....

.....

.....

Witness occupation.....

EXECUTED as a DEED by 79TH)
COMMERCIAL THREE LIMITED)
acting by a director in the presence of a witness

Director.....

Witness signature.....

Witness name.....

Witness address.....

.....

.....

Witness occupation.....

THE COMMON SEAL OF CASTLE TRUST AND)
MANAGEMENT SERVICES LIMITED)

Director.....

Director/secretary.....

EXECUTED as a DEED by 79TH)
COMMERCIAL THREE LIMITED)
acting by a director in the presence of)
a witness

Director.....

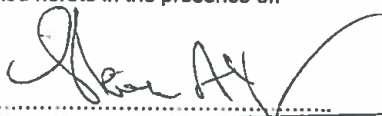
Witness signature.....

Witness name..... Jennifer Salcedo

Witness address..... The 79th Group
Limited, Southport Business
Park, Wght Moss Way
PR8 4HQ

Witness occupation..... Personal Assistant

THE COMMON SEAL OF CASTLE TRUST AND)
MANAGEMENT SERVICES LIMITED)
was affixed hereto in the presence of:

Director.....

Director/secretary.....





**SEVENTY
NINTH™**
COMMERCIAL

Contact Us

investments@the79thgroup.co.uk

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Head Office

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Wight Moss Way
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United Kingdom

March 2023

