

Dated: 22nd MAY 2023

(1) **Northumberland Living (Alnwick) Limited**

(2) **Alpha Trustee Services Limited**

(3) **The Loan Note Holders (as defined herein)**

and

(4) **WH2022 Limited**

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**Security Trust Deed**

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**THIS SECURITY TRUST DEED** is made on  
2023

**BETWEEN:**

- (1) **Northumberland Living (Alnwick) Limited** a company incorporated in England and Wales with registration number 14573785 whose registered office at 136 Warkworth Drive Chester Le Street, County Durham, DH2 3TW and any of its successors, permitted assigns and permitted transferees (**Company**);
- (2) **Alpha Trustee Services Limited** a company incorporated in England and Wales with incorporation number 14669552 and having its registered office at 80 High Street, 1st & 2nd Floor, Yarm, North Yorkshire, England, TS15 9AP (as trustee for the Loan Note Holders (as defined below)) (**Security Trustee** which expression includes all other persons for the time being the security trustee or trustees for the Loan Note Holders under this deed);
- (3) **The Loan Note Holders** (as defined below) from time to time; and
- (4) **WH2022 Limited** a company incorporated in England and Wales with registration number 14344187 whose registered office at 136 Warkworth Drive Chester Le Street, County Durham, DH2 3TW (**WH2022**)

**WHEREAS:**

- (A) WH2022 has granted the Equitable Mortgage (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 (as defined below) for the benefit of the Loan Note Holders upon the terms and conditions contained in this deed.

**1 Interpretation and definitions**

1.1 In this deed the following terms have the following meanings:

**this deed:** this security trust deed including the schedule hereto as supplemented, varied, updated, modified, or amended from time to time in accordance with its terms.

**Accession Undertaking:** an undertaking substantially in the form set out in the Schedule hereto (Form of Accession Undertaking).

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

**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 which are expressed to be secured by any of the Security Documents.

**Equitable Mortgage:** the Equitable Mortgage entered into by WH2022 in favour of the Security Trustee and dated on or around the date of this deed.

**Loan Notes:** the Original Loan Notes and any Further Loan Notes.

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

**Original Loan Notes:** Northumberland Living (Alnwick) Limited £2,500,000 12% per annum paid quarterly, or 12% per annum plus a 2% overall bonus paid on maturity of the 18 months term, 18 months fixed rate secured loan notes 2024-2025 issued, or to be issued, by the Borrower pursuant to a loan note instrument executed or to be executed by the Company and dated on or around the date of this deed for the purpose of the Company raising finance for property acquisition, investment and/or development and which are expressed to be secured by the Security Documents.

**Parties:** the parties to this deed; and **Party** means any of them.

**Relevant Party:** (i) the Company; (ii) WH2022 for so long as the Equitable Mortgage subsists; and (iii) any other third party (other than a Loan Note Holder and the Security Trustee) who agrees to be bound by and accede to this deed by executing and delivering to the Security Trustee a deed of accession or deed of adherence (in terms, form and substance acceptable to the Security Trustee) and who continues to have any obligations or liabilities under the relevant Security Document entered into by them in favour of the Security Trustee; and **Relevant Parties** shall be construed accordingly.

**Secured Liabilities:** all and any amounts and sums which are or may become due, owing, owed, payable, or outstanding by or from the Company to the Loan Note Holders under, in respect of, or pursuant to, the Loan Notes, and references to the Secured Liabilities include references to any of them.

**Security Documents:**

- (a) this deed;
- (b) the Equitable Mortgage; and
- (c) any other document or agreement entered into from time to time by any Relevant Party pursuant to which that Relevant Party undertakes any liability or obligation to the Security Trustee (as security trustee for the Loan Note Holders in respect of any of the Secured Liabilities), and/or which creates or evidences any Security Interest in favour of the Security Trustee (as security trustee for the Loan Note Holders over any of the assets of that Relevant Party), in respect of, in relation to, in connection with, for the purposes of, or as security for, the Secured Liabilities or which creates or evidences any right or interest related thereto;

and **Security Document** shall be construed accordingly.

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

**Trust Property:**

- (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).

**VAT:** 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.

1.2 In this deed:

- 1.2.1 clause, Schedule and paragraph headings shall not affect the interpretation or construction of this deed
- 1.2.2 a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a Party shall include that Party's successors, permitted assigns, and permitted transferees and this deed shall be binding on, and enure to the benefit of, the Parties and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- 1.2.7 a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- 1.2.8 a reference to writing or written includes fax and email;
- 1.2.9 an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- 1.2.10 a reference to this deed (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- 1.2.11 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.12 any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.13 a reference to an amendment includes a novation, re-enactment, supplement or variation (and amend and amended shall be construed accordingly);

- 1.2.14 a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.15 a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisisation, registration and resolution;
- 1.2.16 a reference to determines or determined means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.17 a reference to a regulation includes any regulation, rule, official directive, request, or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.3 A person who is not a Party 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.

## **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 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 Security Documents. 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 Document, the terms and provisions of this deed shall at all times prevail and take precedence and priority.
- 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 5.1, 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 clause 6.2.15 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 any Relevant Party):

- 5.1.1 first, in paying all rents, taxes, rates and outgoings whatever affecting any Trust Property;
- 5.1.2 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;
- 5.1.3 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;
- 5.1.4 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);
- 5.1.5 fifthly, to any person other than any Relevant Party 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
- 5.1.6 finally, in paying any surplus or part thereof to any Relevant Party entitled to the same.

### 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 any Relevant Party under or in respect of 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 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

6.1.1 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 any Relevant Party.

6.1.2 The Security Trustee shall act solely in accordance with any instructions given to it by any Loan Note Holder and shall assume that:

- (a) any instructions received by it from a Loan Note Holder are duly given by or on behalf of all the Loan Note Holders or the requisite proportion of them in accordance with the terms of the Loan Notes; and
- (b) unless it has received actual written notice of revocation, that any instructions or directions given by a Loan Note Holder have not been revoked, and no revocation of any such instructions by an 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. Specifically, the Security Trustee is not obliged to act on an instruction or direction from a Loan Noteholder unless acting as agent for the Majority Group i.e., Noteholders holding more than 75% in nominal value of the Notes then issued and outstanding, at any time while an Event of Default remains un-remedied.

### 6.2 Supplemental provisions relating to Security Trustee

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:

- 6.2.1 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 any Relevant Party for execution by the Security Trustee;
- 6.2.2 the Security Trustee may, acting in good faith, rely on any communication, certificate, legal opinion or other document believed by it to be genuine;
- 6.2.3 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, or a statement by or on behalf of, any Relevant Party;

- 6.2.4 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 any Relevant Party 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;
- 6.2.5 the Security Trustee may obtain and pay for such legal or other expert advice 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 any Relevant Party 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;
- 6.2.6 any opinion, advice or information referred to in clause 6.2.5 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;
- 6.2.7 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;
- 6.2.8 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, any Relevant Party 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);
- 6.2.9 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;
- 6.2.10 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;
- 6.2.11 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:
- (a) 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;



- (b) 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;
  - (c) failure to require the deposit with it of any deed or document certifying, representing, or constituting, the title of any Relevant Party to any of the property mortgaged, charged, assigned or otherwise encumbered by or pursuant to any of the Security Documents; or
  - (d) failure to require any further assurances in relation to any of the Security Documents;
- 6.2.12 the Security Trustee may accept without enquiry, requisition, objection or investigation of such title as any Relevant Party 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 any Relevant Party 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;
- 6.2.13 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 willful misconduct of such person;
- 6.2.14 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 any Relevant Party 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;
- 6.2.15 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;

- 6.2.16 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;
- 6.2.17 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:
- (a) 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;
  - (b) 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
  - (c) 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
- 6.2.18 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 any Relevant Party 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 any Relevant Party) acquires actual knowledge to the contrary and that if the Security Trustee receives any instructions or directions from any Loan Note Holder 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 any Relevant Party 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 Loan Note Holders 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 willful default of the Security Trustee.

## 6.6 Security Trustee as a Loan Note Holder

6.6.1 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.

6.6.2 The Security Trustee may enter into any banking, financial or business contracts or any other transactions or arrangements with any Relevant Property, 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.

6.6.3 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 any Relevant Party 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 any Relevant Party 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

8.2.1 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 each Relevant Party.

8.2.2 Subject to the prior satisfaction of the conditions set out in clause 8.2.3, 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:

- (a) 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
- (b) 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.

8.2.3 The Security Trustee shall not be entitled to resign unless and until:

- (a) 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
- (b) the Loan Note Holders and each Relevant Party are satisfied that the Security continues or will continue to constitute perfected and enforceable interests in favour of the successor Security Trustee;

and each Relevant Party 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 any Relevant Party shall not be required to enter into any documents which contain terms more onerous than the terms contained within any of the Security Documents.

8.2.4 The successor Security Trustee shall promptly notify each Relevant Party, 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, 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, clause 7, this clause 8, and clause 9.

## 9 Remuneration

9.1 In the event the Security Trustee is requested by any Relevant Party 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 any Security Document, any Relevant Party shall pay to the Security Trustee any additional remuneration (together with any applicable VAT) as may be agreed between the Security Trustee and that Relevant Party.

- 9.2 If the Security Trustee and any Relevant Party 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 that Relevant Party 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 that Relevant Party) and the determination of any investment bank shall be final and binding upon the Parties.
- 9.3 Each Relevant Party shall, from time to time on demand of the Security Trustee, indemnify and 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:
- 9.3.1 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
  - 9.3.2 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 Security Documents or of enforcing those rights, powers and remedies (on a full indemnity basis).
- 9.4 Each Relevant Party 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 Each Relevant Party 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:
- 9.5.1 any failure by that Relevant Party to comply with its obligations under this clause 9;
  - 9.5.2 the taking, holding, protection or enforcement of the security constituted by the Security Documents;
  - 9.5.3 the exercise of any of the rights, powers, discretions and remedies vested in any of them by Security Documents or by law;
  - 9.5.4 any default by that Relevant Party in the performance of any of the obligations expressed to be assumed by it in the Security Documents; and
  - 9.5.5 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 indemnities in clauses 9.3, 9.4, and 9.5 from each Relevant Party 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 clauses 9.3, 9.4, and 9.5.

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**

10.2.1 The Parties 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".

10.2.2 Each Party (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 to this deed 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 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.

## 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 each Relevant Party and all the Loan Note Holders (or the requisite proportion of all of the Loan Note Holders 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

12.1 Any notice, communication or demand under or in connection with this deed to be given by any Relevant Party, 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 relevant 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 any Relevant Party 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.

## 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 irrevocably agree 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 on the date stated at the beginning.



**THE SCHEDULE**

**Accession Undertaking**

**THIS DEED OF UNDERTAKING** dated [●] is supplemental to a security trust deed dated [●] 2023 and made between (1) Northumberland Living (Alnwick) Limited; (2) Alpha Trustee Services Limited (as security trustee) (the “**Security Trustee**”); (3) the Loan Note Holders (as defined therein); and WH2022 Limited (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 any Relevant Party 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 and DELIVERED as a DEED by [●]**            )  
[acting by a director] in the presence of a witness        )

Director.....

Witness signature.....

Witness name.....

Witness address.....

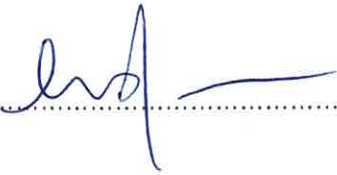
.....

.....

Witness occupation.....

**EXECUTED and DELIVERED as a DEED by**  
**NORTHUMBERLAND LIVING (ALNWICK) LIMITED**  
acting by a director in the presence of a witness

)  
)

Director  .....

Witness signature  .....

Witness name IRENE MACKENZIE

Witness address .....

7 CHATTON CLOSE  
CHESTER LE STREET

Witness occupation MANAGER

**EXECUTED and DELIVERED as a DEED by**  
**ALPHA TRUSTEE SERVICES LIMITED**  
acting by a director in the presence of a witness

)  
)

Director  .....

Witness signature  .....

Witness name IRENE MACKENZIE

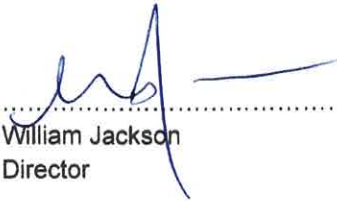
Witness address .....

7 CHATTON CLOSE  
CHESTER LE STREET

Witness occupation MANAGER

**EXECUTED** and **DELIVERED** as a **DEED** by  
**WH2022 LIMITED** acting by a director in the presence  
of:

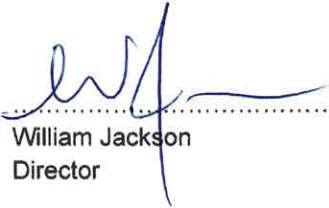
) .....  
) William Jackson  
Director




W Signature: .....  
I Name: IRENE MAUKENZIE  
T Address: 7 CHATTON CLOSE  
N CHESTER LE STREET  
E DHA 3HU  
S .....  
S Occupation: MANAGER

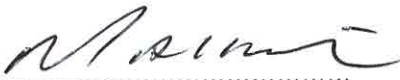
EXECUTION PAGES


**EXECUTED** and **DELIVERED** as a **DEED** by  
**NORTHUMBERLAND LIVING (ALNWICK) LIMITED**  
acting by a director in the presence of:

)   
) William Jackson  
Director

W Signature:   
I Name: IRENE MACKENZIE  
T Address: 7 CHATON CLOSE  
N CHESTER LE STREET  
E DH2 3HU  
S  
S Occupation: MANAGER

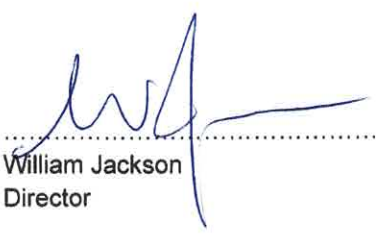
**EXECUTED** and **DELIVERED** as a **DEED** by  
**ALPHA TRUSTEE SERVICES LIMITED** acting by a  
director in the presence of:

)   
) Mark Anthony Kidd  
Director

W Signature:   
I Name: IRENE MACKENZIE  
T Address: 7 CHATON CLOSE  
N CHESTER LE STREET  
E DH2 3HU  
S  
S Occupation: MANAGER

**EXECUTED** and **DELIVERED** as a **DEED** by  
**WH2022 LIMITED** acting by a director in the presence  
of:

)  
)  
.....  
William Jackson  
Director



W Signature: .....



I Name: .....

IRENE MACKENZIE

T Address: .....

7 CHATTON CLOSE

N .....

CHESTER LE STREET

E .....

DN2 3HU

S .....

S Occupation: .....

MANAGER