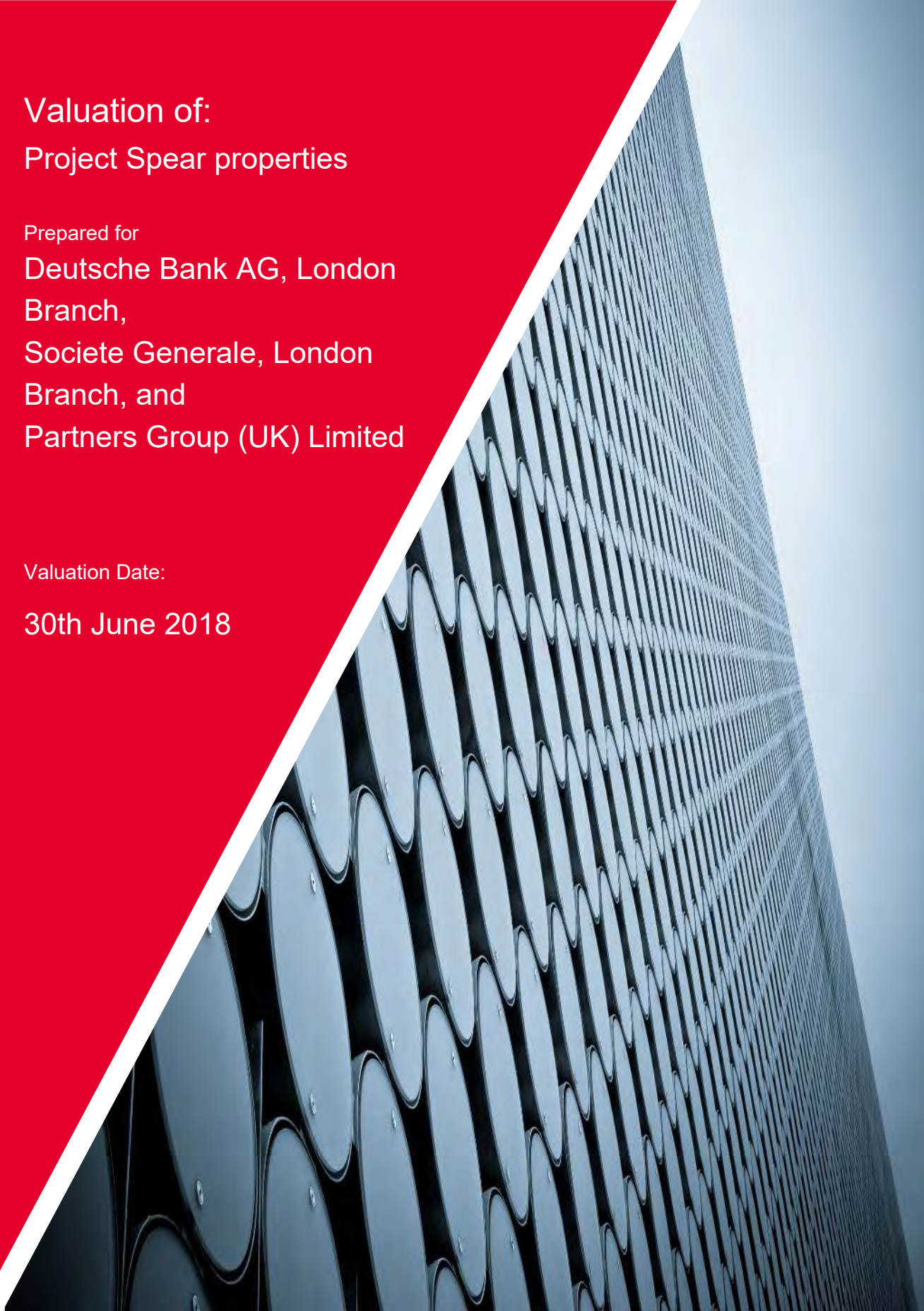


Valuation of:  
Project Spear properties

Prepared for  
Deutsche Bank AG, London  
Branch,  
Societe Generale, London  
Branch, and  
Partners Group (UK) Limited

Valuation Date:  
30th June 2018



**Strictly Confidential  
For Addressee Only**

**Project Spear**

**Report and Valuation for**

**Deutsche Bank AG,  
London Branch,  
Societe Generale, London  
Branch, and  
Partners Group (UK)  
Limited**

**Valuation Date**

**30th June 2018**

## Contents

<b>A</b>	<b>Valuation Report.....</b>	<b>4</b>
1	Instructions .....	4
2	Background to the Valuation.....	5
3	The Properties .....	5
4	Bases of Valuation.....	5
5	Assumptions, Departures and Reservations .....	6
6	Inspection .....	7
7	Sources of Information.....	7
8	General Comment .....	7
9	Valuation .....	9
10	Compliance .....	10
11	Confidentiality .....	10
12	Disclosure and Publication.....	12

## Summary Value Schedule

Portfolio premium / discount of the real estate

## B Executive Summaries and Individual Property Reports by country (delivered electronically only)

### France : Executive Summary

- Information Provided
- Market Value
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

### Individual Property Reports

### Germany : Executive Summary

- Information Provided
- Discounted Cash Flow Method
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

### Individual Property Reports

## **The Netherlands : Executive Summary**

- Information Provided
- Market Value
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

### **Individual Property Reports**

Instructions (Correspondence) .....21



**C & W (U.K.) LLP**  
43/45 Portman Square  
London  
W1A 3BG  
Tel 020 7935 5000  
Fax 020 7152 5360  
[www.cushmanwakefield.com](http://www.cushmanwakefield.com)

## **A Valuation Report**

### **To:**

**Deutsche Bank AG, London Branch** and **Societe Generale, London Branch** in their capacity as lenders under the senior facility agreement dated on or about the date of this letter between, amongst others, various borrowers (see Attachment B) and the senior lenders (the "**Senior Facility Agreement**") and to each other lender from time to time under the Senior Facility Agreement; and

**Partners Group (UK) Limited** acting on behalf of one or more investment vehicles managed and / or advised by Partners Group (UK) Limited or its affiliates in their capacity as lenders under a mezzanine facility agreement dated on or about the date of this letter between, amongst others, various borrowers (see Attachment B) and the mezzanine lenders (the "**Mezzanine Facility Agreement**") and to each other lender from time to time under the Mezzanine Facility Agreement; and

each Finance Party, as defined in the Senior Facility Agreement and Mezzanine Facility Agreement, from time to time.

(together the "**Addressees**").

Attention: David Morgans

**Portfolio: Project Spear**  
**Report Date: 11th September 2018**  
**Valuation Date: 30th June 2018**

## **1 Instructions**

### **Appointment**

We are pleased to submit our valuation report, which has been prepared for loan security purposes. Each property and interest valued is detailed in Part B.

Each valuation has been carried out in accordance with your instructions dated 21<sup>st</sup> August 2018 (the “**Engagement Letter**”) as appended to this report. The extent of our professional liability to you is also outlined within these instructions. We confirm that we have sufficient knowledge, skills and understanding to undertake each valuation competently.

## **2 Background to the Valuation**

The Addressees are looking to provide financing to the Borrowers secured against the properties. Each valuation and report is required to enable the Addressees to determine whether each property will provide suitable and adequate security for the loan, and to assess the viability of the Borrower’s proposal. The valuation report is provided for the sole purpose of enabling the Addressees to consider making an advance secured against each property.

## **3 The Properties**

There are 89 properties, located in France (53 properties), in Germany (27 properties) and in the Netherlands (9 properties). A list identifying each property and the tenure valued is in Part B of this report.

## **4 Bases of Valuation**

Each valuation and this report has been prepared in accordance with the RICS Valuation – Professional Standards (the “RICS Red Book”) by a valuer acting as an External Valuer, as defined within the RICS Red Book. We confirm that the valuer conforms to the stipulated requirements.

The effective date of valuation is 30th June 2018.

We have valued each 100% interest identified to us as the tenure to be valued.

### **Bases**

Each property in Part B has been valued on the following bases:

- Market Rent; and
- Market Value.

### **Definitions**

The definition of Market Value (MV) is that settled by the International Valuation Standards Committee (International Valuation Standards IVS Standard 1, Market Value Basis of Valuation) as well as the Royal Institution of Chartered Surveyors, London (Valuation Standards VS 3.2). Accordingly, the Market Value is:

*“The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction after proper*

---

*marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”*

The Uniform Standards of Professional Appraisal Practice (USPAP) defines Market Value as follows:

*“Market Value means the most probable price which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:*

- 1. Buyer and seller are typically motivated;*
- 2. Both parties are well informed or well advised, and acting in what they consider their own best interest;*
- 3. A reasonable time is allowed for exposure in the open market;*
- 4. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and*
- 5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sale concessions granted by someone associated with the sale.”*

Overall, the general USPAP understanding of the Market Value is virtually congruent with the Market Value definitions of the IVS and RICS.

Full definitions of the RICS Red Book valuation bases are included in the “Services Schedule – Valuation & Advisory” as “Appendix 1 – Definitions Schedule”, attached to the Letter.

## **5 Assumptions, Departures and Reservations**

We have prepared each valuation on the basis of the assumptions within our instructions detailed in Part C of this report.

### **Special Assumptions**

Additionally, we have adopted the following valuation scenario for each property:

#### **‘Vacant Possession Value’**

You have asked us to provide an opinion of ‘Vacant Possession Value’. For this purpose, this basis is defined as Market Value, subject to the Special Assumption of full vacant possession.

---

The Glossary within the Red Book defines a Special Assumption as “an assumption that assumes facts that differ from the actual facts existing at the valuation date”. You should note that if each Special Assumption above was not adopted there could be a material difference in value.

We have not made any Departures from the Red Book. Each valuation is not subject to a Reservation.

## **6 Inspection**

We inspected each property between June and July 2018, as referenced in each Individual Property Report. Each property was inspected externally from ground level and internally.

We have not measured any areas at any property. We have been provided with site and / or floor areas of each property which we have relied upon as being correct, complete and presented on the appropriate basis.

## **7 Sources of Information**

In addition to information established by us, we have relied on the information obtained from you, the Borrower, or the Borrower’s advisors. In particular core data was provided, property by property, either through an electronic dataroom, or via email. A list of the information provided, by country is included in each country level Executive Summary in this report.

The data provided through the dataroom was supplemented through a Question & Answer process between C&W and the Borrower’s asset managers, both via email, through telephone conversations, and in person.

## **8 General Comment**

Our opinions of value are based on an analysis of recent market transactions, supported by market knowledge derived from our agency experience. Our valuations are supported by this market evidence.

Where there are outstanding or forthcoming reviews, rental value has been assessed in accordance with the terms of the occupational lease review provisions. Otherwise, rental value has been assessed on the basis of Market Rent, assuming a new lease drawn on terms appropriate to current practice in the relevant market.

All valuations are professional opinions on a stated basis, coupled with any appropriate assumptions or special assumptions. A valuation is not a fact, it is an estimate. The degree of subjectivity involved will inevitably vary from case to case, as will the degree of certainty, or probability, that the valuer’s opinion of Market Value

---

would exactly coincide with the price achieved were there an actual sale at the valuation date.

The purpose of the valuation does not alter the approach to each valuation.

Property values can change substantially, even over short periods of time, and so each of our opinions of value could differ significantly if the date of valuation was to change. If you wish to rely on our valuation as being valid on any other date you should consult us first.

Should you contemplate a sale, we strongly recommend that each property is given proper exposure to the market. We recommend that you keep the valuation of each property under frequent review.

You should not rely on this report unless any reference to tenure, tenancies and legal title has been verified as correct by your legal advisers.

### **Cashflow Analysis**

Our valuation approach has been supported by cashflows, incorporating projections of future income and expenditure. These are not predictions, but our best estimate of current market thinking on likely future cashflow. These estimates constitute our judgment today and may be subject to change in the future. We make no warranty or representation that these projections of cashflow will materialise.

### **Valuation of Development Properties**

It is practically impossible to value most development properties on a straightforward comparison basis, due to their highly individual characteristics. We have therefore used the residual valuation approach. This approach assumes the property's capital value equates to the end value of the property once developed, less the costs of realisation (which may include site assembly and purchase, demolition, build costs, professional fees, planning, finance and marketing costs and developer's profit).

To form an opinion of value we have had to make certain assumptions for the input variables. We consider these assumptions are appropriate and reasonable. You should be aware that the residual value is highly sensitive to even small movements in the input variables. Accordingly, the result must be treated with caution, as a small correction to even a single input could have a disproportionately adverse effect on the outcome.

### **Indication of Reinstatement Cost**

Our opinion is provided as a guide. This guide has not been prepared by a building surveyor or qualified building cost estimator and is based on costs obtained from generic building cost tables. It envisages reinstatement using modern methods and

---

materials, which may not necessarily be appropriate or permitted. You should not rely on this guide for any purpose before it has been confirmed by a formal assessment carried out by a building surveyor or other person with sufficient current experience of replacement costs.

### Currency

Each property has been valued in Euros. We have not reflected any local realisation taxes.

## 9 Valuation

These are aggregated figures of the individual values for each property. If the properties were to be sold as a single lot or in groups of properties, the total value could differ significantly.

### Market Rent

Our opinion of the aggregate Market Rent of the interest in each property valued is:

**€35,094,782 per annum**

**Thirty-five million ninety-four thousand 782 Euros per annum**

### Market Value

Our opinion of the aggregate Market Value of the interest in each property valued is:

**€441,986,000**

**Four hundred and forty-one million nine hundred and eighty-six thousand Euros**

You have asked us to comment on the possible “portfolio premium”, or “portfolio discount” and saleability relative to the aggregate value of the individual properties.

None of the real estate prices or views that we provide in relation to portfolios can be considered valuations under the “RICS Red Book” definition and no reliance can be placed on these values, views, or market commentaries.

We are of the opinion that if the properties in Project Spear were sold as a single lot, the sales process would be likely to generate a “portfolio premium” of 5 to 10% relative to the aggregate value of the individual properties, it is conceivable therefore that investors, subject to their individual specific nature and, not limited to, the driving factors discussed in the “Portfolio premium / discount” for the real estate” section below, would potentially pay in the region of €464m to €486m for this portfolio. This opinion is based on the evidence that we currently see in the market which includes

---

the level of the cover bids received as part of this sales process. However, it is our view that any real estate portfolio premium is a reflection of what an opportunity is worth to a particular investor, rather than a market estimate. Furthermore this premium cannot be apportioned to each asset. It is only relevant if all the properties are transacted in a single sale. Therefore, if an individual asset is transacted separately, this premium will reduce or disappear and there may also be an effect on the premium applicable to the remaining portfolio.

#### **“Vacant Possession Value”**

Our opinion of the aggregate Market Value of the interest in each property valued, subject to the Special Assumption that each is available with vacant possession, is:

**€330,427,000**

**Three hundred and thirty million four hundred and twenty-seven thousand  
Euros**

Our opinions of value of each property are shown on the attached Summary Value schedule.

An Individual Property Report for each property is delivered separately, electronically, but is intended to form an integral part of this report, and each must be read in conjunction with this report.

#### **10 Compliance**

Each valuation assessment was not based on a requested minimum valuation, a specific valuation or the approval of the loan. Furthermore, we have no interest, direct or indirect, in the Borrowers, the mortgaged properties or in any loan made on the security of the mortgaged properties and our compensation is not affected by the approval or disapproval of the loan.

#### **11 Confidentiality**

1. We confirm that this valuation report (the “**Report**”) may be relied upon by the Addressees and is intended for their benefit, provided that, in relying on the Report, each of the Addressees acknowledges and agrees that:

- (a) the Report refers to the position as at the date it was originally issued and we have not taken nor are we obliged to take any action to review or to update the Report since the date it was originally issued;
  - (b) we shall not be liable for any use of the Report for any purpose other than that for which the Report was prepared; and
-

- (c) our aggregate liability under and/or arising out of or in connection with the Report to any one or more or all of the Addressees shall be limited to the lesser of i) 25% of Market Value or ii) €75,000,000 in aggregate.
2. The Report and the Engagement Letter are confidential to the Addressees. However, copies of the Report and the Engagement Letter may be disclosed on a non-reliance basis, for information only without liability for us to:
- (a) the respective agents, trustees and advisers of the Addressees in connection with the transactions described in paragraph 1 above;
  - (b) the respective affiliates and related funds and investors to such funds of the Addressees and their respective employees, officers, directors, auditors and advisors;
  - (c) the respective employees, officers, directors, auditors and advisors of the Addressees;
  - (d) any prospective purchaser, transferee or assignee of, or participant in, any loan made under the Senior Facility Agreement or the Mezzanine Facility Agreement and any other prospective Addressee;
  - (e) any servicer of any loan under the Senior Facility Agreement or the Mezzanine Facility Agreement;
  - (f) any actual or prospective investor in any securities issued in connection with a securitisation of any loan under the Senior Facility Agreement or the Mezzanine Facility Agreement, and its advisers;
  - (g) any rating agency actually or prospectively rating any such securities, and its advisers;
  - (h) any trustee (Treuhänder) of a Finance Party under and as defined in the Senior Facility Agreement or the Mezzanine Facility Agreement in connection with the use of all or any part of the loan made under the Facility Agreement (and security therefore) as a cover asset in the Pfandbrief cover register of any such Finance Party; and
  - (i) any person to whom disclosure is required by law, court order, regulation, public authority, stock exchange or in connection with legal proceedings in connection with the Report.
-

Otherwise, our valuation is confidential to you, for your sole use and for the specific purpose stated. We will not accept responsibility to any other third party in respect of its contents.

## **12 Disclosure and Publication**

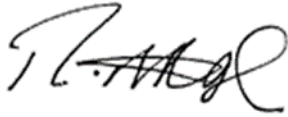
In addition, the Report or a reference to and summary of it (and the methodologies and concepts on which it is based) may be included in any information memorandum, offering circular, registration statement or similar document as may be required to comply with any applicable laws, regulations or official guidelines relating to the issuance of or investment in any securitisation of the loan under the Facility Agreement, provided that:

- (a) the Report or any summary shall not be published until such time as we have first approved the form and context in which the report appears (such approval not to be unreasonably withheld or delayed);
- (b) the information memorandum, offering circular, registration statement or other similar document shall make clear that we accept responsibility for our Report or summary only and for no other part of such materials;
- (c) such Report or summary complies in all respects with the requirements of the Red Book and any applicable regulations or directives;
- (d) The information memorandum, offering circular, registration statement or similar document shall contain a statement that the Report or summary (if applicable) has not been updated since the date it was issued.

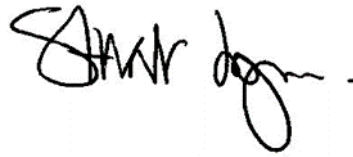
Otherwise, you must not disclose the contents of this valuation report to a third party in any way without first obtaining our written approval to the form and context of the proposed disclosure. You must obtain our consent, even if we are not referred to by name or our valuation report is to be combined with others. We will not approve any disclosure that does not refer sufficiently to any Special Assumptions or Departures that we have made.

---

**Signed for and on behalf of C & W (U.K.) LLP**



**Rupert Dodson FRICS**  
Executive Partner  
RICS Registered Valuer  
+44 (0)20 7152 5042  
rupert.dodson@cushwake.com



**Stuart Logan MRICS**  
International Partner  
RICS Registered Valuer  
+44 (0)20 7152 5535  
stuart.logan@cushwake.com

---

## Summary Value Schedule

ID	Country	City	Property address	Tenure valued	Main use of property	Market Rent p.a	Market Value	Vacant Possession Value	Reinstatement Assessment
1	France	Roncq	Parc du Lions, Allée des Trois Lions	Freehold	Light Industrial	€531,791	€4,273,000	€3,307,000	€6,721,000
2	France	Onnain	ZI n°9 Ouest, ZAC de L'Echangeur, Parc d'activité de la vallée de l'Escaut	Freehold	Logistics	€487,685	€5,943,000	€4,312,000	€6,633,000
3	France	Hordain	Hordain (Buildings A E & F), Impasse la Fosse à Loups, ZAC Hordain Hainaut	Co-Ownership	Logistics	€1,196,706	€15,790,000	€11,695,000	€17,918,000
4	France	Peronne	Zac de la Chapelette, 35-37 Rue Gilles de Genes	Freehold	Logistics	€273,240	€3,362,000	€2,457,000	€2,801,000
5	France	Camon	ZA de la Blanche Tache, rue Rosa Luxemburg	Freehold	Logistics	€722,925	€8,159,000	€5,610,000	€14,314,000
6	France	Estrees Deniecourt	Panavi, ZAC de Haute Picardie	Freehold	Logistics	€444,510	€3,891,000	€3,891,000	€7,818,000
7	France	Itancourt	Zone artisanale le bordeau, Rue d'Unvillers	Freehold	Logistics	€810,000	€10,121,000	€5,701,000	€10,150,000
8	France	Beauvais	Beauvais Frans Maas, Parc d'Activités de la Vatine Sud	Freehold	Logistics	€313,215	€2,576,000	€2,428,000	€6,326,000
9	France	Tourville La Riviere	Boulevard Gabriel Peri, ZI du Moulin II	Freehold	Logistics	€621,000	€7,086,000	€5,367,000	€9,755,000
10	France	La Veuve	Chalons, Rue de la Nau des Vignes, ZAM de la Veuve	Freehold	Logistics	€807,030	€7,296,000	€5,666,000	€13,002,000
11	France	Gonesse	15a Villa, 5 rue Pierre Salvi	Co-Ownership	Light Industrial	€23,800	€205,000	€176,000	€325,000
12	France	Gonesse	15c Villa, 5 rue Pierre Salvi	Co-Ownership	Light Industrial	€23,800	€213,000	€175,000	€325,000
13	France	Gonesse	Acticentre, 4, avenue Pierre Salvi	Freehold	Light Industrial	€311,700	€3,766,000	€2,785,000	€3,500,000
14	France	Sannois	4-18, Esplanade de la Gare	Co-Ownership	Redevelopment	€0	€3,780,000	€3,780,000	n/a
15	France	Mitry-Mory	1, rue René Cassin	Freehold	Urban Logistics	€583,680	€7,878,000	€5,785,000	€6,096,000
16	France	Argenteuil (Val d'Oise)	Argenteuil, 120-140, quai de Bezons, 2-6 avenue du Marais	Freehold	Office	€582,750	€7,203,000	€4,857,000	€9,310,000
17	France	Gennevilliers	27-41, Boulevard Louise Michel	Freehold	Mixed-Use	€1,131,200	€16,346,000	€11,640,000	€12,425,000
18	France	Nanterre	Nanterre, 26 rue Lavoisier	Freehold	Mixed-Use	€333,850	€4,202,000	€2,210,000	€6,196,000
19	France	Rosny-sous-Bois	1 rue de Rome & 19 rue de la Dhuis	Freehold	Office	€405,300	€4,447,000	€3,271,000	€6,725,000
20	France	Saint-Thibault-des-Vignes	7, rue de la Marne	Freehold	Urban Logistics	€357,060	€4,155,000	€3,184,000	€3,356,000
21	France	Paris	11bis, 13, rue Beethoven	Co-Ownership	School	€829,056	€17,082,000	€14,328,000	€10,418,000
22	France	Champs sur Marne	Champs, 65, avenue du Général de Gaulle	Co-Ownership	Light Industrial	€201,740	€2,122,000	€1,475,000	€2,230,000
23	France	Lognes	Zac du Mandinet, rue des Campanules	Freehold	Light Industrial	€939,079	€10,151,000	€7,595,000	€9,317,000
24	France	Trappes	Trappes, rue Eugène Hénaff	Co-Ownership	Light Industrial	€124,300	€1,376,000	€1,080,000	€1,395,000
25	France	Trappes	Trappes Ent, Rue Eugène Hénaff	Co-Ownership	Light Industrial	€146,675	€1,689,000	€1,311,000	€1,670,000
26	France	Elancourt	1bis, rue Francois Arago - 70, avenue George Politzer	Freehold	Light Industrial	€550,940	€6,476,000	€4,535,000	€6,734,000
27	France	Chatenay Malabry	Chatenay, 41-49, Chemin de la Justice	Freehold	Redevelopment	€0	€4,920,000	€5,220,000	n/a
28	France	La Verrière	Activerrière, 30-52, rue de Panicale	Freehold	Light Industrial	€62,320	€627,000	€528,000	€774,000
29	France	La Verrière	Locaverrière, Rue L. Arnaud et G. Schuller	Freehold	Light Industrial	€314,840	€3,336,000	€2,248,000	€3,781,000
30	France	Fresnes	Parc Medicis, Avenue des Pépinières	Co-Ownership	Mixed-Use	€1,531,620	€22,476,000	€16,117,000	€13,888,000
31	France	Verrieres	Zac des Godets, 1 à 4 Impasse de la Noisette	Freehold	Mixed-Use	€1,135,854	€15,712,000	€10,465,000	€13,924,000
32	France	Saclay	Azur, 4, rue René Razel	Co-Ownership	Office	€186,760	€1,875,000	€1,367,000	€2,286,000
33	France	Villebon	Zac de Courtaboeuf, 9 avenue du Quebec : H1, 22 avenue de la Baltique ; H2, 4 avenue de Norvege : H3	Freehold	Light Industrial	€712,980	€8,221,000	€5,805,000	€7,996,000
34	France	Tigery	Parc d'activités de Parisud, 4, Boulevard Des Pays Bas	Freehold	Logistics	€700,050	€8,868,000	€6,706,000	€7,018,000
35	France	Lisses	34 bis rue des Malines - za les malines	Freehold	Urban Logistics	€371,520	€4,433,000	€3,695,000	€3,879,000
36	France	Quevert	14 rue de la violette	Freehold	Light Industrial	€547,252	€5,859,000	€3,127,000	€16,569,000
37	France	Durtal	ZAC des Ormeaux II, 2 rue Joseph Cugnot	Freehold	Logistics	€176,130	€2,541,000	€1,461,000	€2,515,000
38	France	Chevigny St-Sauveur	31, rue Paul-Henri Spaak	Freehold	Logistics	€207,000	€2,628,000	€1,874,000	€2,918,000
39	France	Bouguenais	Le Concorde, 1, rue Charles Lindbergh	Freehold	Office	€306,478	€3,078,000	€2,280,000	€5,530,000
40	France	Bouguenais	Le Rafale, 1, rue Charles Lindbergh	Freehold	Office	€337,560	€3,934,000	€2,818,000	€5,618,000
41	France	St Aignan de Grand Lieu	SDEL, rue Nungesser et Coll	Freehold	Logistics	€576,850	€6,651,000	€5,200,000	€8,166,000
42	France	Clermont-Ferrand	78 avenue du midi, , Coumon d'Auvergne	Freehold	Logistics	€338,836	€3,937,000	€2,824,000	€4,339,000
43	France	Chassieu	10-12, Avenue Louis Blériot	Freehold	Urban Logistics	€413,270	€5,245,000	€3,860,000	€4,346,000
44	France	Saint Priest	R21, RN6	Freehold	Mixed-Use	€454,055	€5,569,000	€4,424,000	€5,904,000
45	France	Venissieux	Route de Corbas	Freehold/ Co-Ownership	Urban Logistics	€357,555	€4,635,000	€3,542,000	€4,556,000
46	France	Corbas	36, Route de Lyon, Lieudit Chambetière	Freehold	Logistics	€508,420	€6,768,000	€5,120,000	€9,145,000
47	France	Mions	31, Boulevard des Nations	Freehold	Logistics	€219,165	€2,940,000	€2,024,000	€2,602,000
48	France	Chaponnay	ZAC du Chapotin, Rue des Frères Voisins, Rue Juliette Récamier	Freehold	Mixed-Use	€129,366	€1,556,000	€1,163,000	€1,676,000
49	France	Villefontaine	Isle d'Abeau, 29, rue Condorcet	Co-Ownership	Light Industrial	€260,925	€2,753,000	€1,883,000	€3,047,000
50	France	Belmont-Tramonet	Parc d'Activités, Val-Guiers	Freehold	Logistics	€370,880	€6,960,000	€4,002,000	€5,503,000
51	France	Cavaillon	410 route du Moulin de Losque	Freehold	Logistics	€912,963	€8,220,000	€6,954,000	€10,350,000
52	France	Toulouse	Futur, 6, rue Maryse Hilsz	Freehold	Office	€246,905	€2,736,000	€2,137,000	€4,635,000
53	France	Labège	Agora, Rue Jean Bart	Freehold / Co-Ownership	Office	€90,420	€938,000	€683,000	€1,731,000

ID	Country	City	Property address	Tenure valued	Main use of property	Market Rent p.a	Market Value	Vacant Possession Value	Reinstatement Assessment
54	Germany	Stralsund	Wertstraße 22	Freehold	Car repair shop	€35,292	€442,000	€301,000	€509,000
55	Germany	Kritzkow	Gewerbestraße 21	Freehold	Logistics	€57,288	€730,000	€571,000	€1,070,000
56	Germany	Malchow	Lindenallee 22	Freehold	Logistics	€340,038	€4,640,000	€3,740,000	€5,550,000
57	Germany	Oldenburg	Gerhard-Stalling-Straße 9-11	Freehold	Warehouse	€884,118	€13,100,000	€9,670,000	€13,900,000
58	Germany	Bremen	Traunsteiner Straße 1-2	Freehold	Logistics	€331,089	€2,610,000	€2,210,000	€10,900,000
59	Germany	Papenburg	Friedenkenstraße 88	Freehold	Car repair shop	€33,504	€426,000	€285,000	€449,000
60	Germany	Eberswalde	Eberswalder Straße 22a	Freehold	Car repair shop	€35,496	€429,000	€293,000	€476,000
61	Germany	Velten	Ameisenweg 2	Freehold	Industrial	€106,992	€1,280,000	€968,000	€1,530,000
62	Germany	Sehnde-Hoever	Gretlade 3	Freehold	Logistics	€549,798	€8,430,000	€6,500,000	€8,750,000
63	Germany	Minden	Gesellenweg 13	Freehold	Warehouse	€149,635	€2,110,000	€1,640,000	€3,270,000
64	Germany	Melle I	Betonstraße 8	Freehold	Logistics	€537,741	€6,910,000	€5,500,000	€10,300,000
65	Germany	Melle II	Neurostraße 5	Freehold	Logistics	€961,749	€10,200,000	€7,780,000	€19,400,000
66	Germany	Bernburg	Kalistraße 2d	Freehold	Car repair shop	€31,230	€383,000	€263,000	€455,000
67	Germany	Halle	Dessauer Platz 5	Freehold	Car repair shop	€39,672	€464,000	€345,000	€463,000
68	Germany	Ense-Hoeningen	Harkortstraße 1	Freehold	Logistics	€786,036	€9,790,000	€7,840,000	€17,000,000
69	Germany	Tollwitz	In den Längen 3	Freehold	Logistics	€350,361	€4,780,000	€3,650,000	€5,810,000
70	Germany	Weissenfels	Nikolaus-Otto-Straße 1a	Freehold	Car repair shop	€35,394	€437,000	€304,000	€443,000
71	Germany	Klipphausen	Göttingerstraße 1	Freehold	Logistics	€321,573	€4,720,000	€3,600,000	€5,790,000
72	Germany	Dresden	Hansastraße 54	Freehold	Car repair shop	€107,136	€1,330,000	€1,040,000	€1,250,000
73	Germany	Loebau	Rumburger Straße 5	Freehold	Retail	€80,220	€1,080,000	€743,000	€1,140,000
74	Germany	Eisenach	Mühlhäuser Straße 11-13	Freehold	Car repair shop	€25,839	€336,000	€208,000	€429,000
75	Germany	Aue-Alberoda	Wachbergstraße 3-5	Freehold	Industrial	€356,640	€2,950,000	€2,110,000	€10,500,000
76	Germany	Nuremberg	Aussere Bayreuther Straße 143	Freehold	Car repair shop	€43,056	€599,000	€426,000	€455,000
77	Germany	Neustadt	Landauer Straße 44	Freehold	Car repair shop	€26,964	€396,000	€232,000	€529,000
78	Germany	Neunkirchen	Am Ochsenwald 7	Freehold	Logistics	€281,904	€4,390,000	€2,870,000	€4,940,000
79	Germany	Burglengenfeld	Hopfenröthe 3	Freehold	Warehouse	€425,352	€5,060,000	€3,720,000	€9,930,000
80	Germany	Karlsfeld	Hertzstraße 2-6	Freehold	Logistics	€831,744	€13,900,000	€11,500,000	€11,200,000
81	Netherlands	Groningen	Leonard Springerlaan 9	Freehold	Office	€433,415	€2,710,000	€2,320,000	€5,210,000
82	Netherlands	Badhoevedorp	Schipholweg 303	Freehold	Urban Logistics	€211,800	€2,800,000	€1,630,000	€2,490,000
83	Netherlands	Badhoevedorp	Schipholweg 321	Freehold	Urban Logistics	€319,660	€3,600,000	€2,800,000	€2,990,000
84	Netherlands	Amsterdam	Funenpark 1	Freehold	Office	€426,010	€6,250,000	€5,390,000	€3,920,000
85	Netherlands	Almere	Versterkerstraat 2	Freehold	Mixed-Use	€772,550	€7,700,000	€5,830,000	€10,420,000
86	Netherlands	Houten	Peppelkade 54	Freehold	Light Industrial	€211,420	€2,300,000	€2,060,000	€2,600,000
87	Netherlands	IJsselstein Ut	Boerhaaveweg 4	Freehold	Mixed-Use	€229,180	€2,600,000	€2,030,000	€2,390,000
88	Netherlands	Capelle aan den IJssel	Vlierbaan 15	Freehold	Urban Logistics	€218,570	€2,200,000	€1,810,000	€2,950,000
89	Netherlands	Roosendaal	Jan Vermeerlaan 257-263 (odd)	Freehold	Light Industrial	€283,310	€2,900,000	€2,100,000	€4,450,000
TOTALS						€35,094,782	€441,986,000	€330,427,000	

### **“Portfolio premium / discount” for the real estate**

If a whole portfolio, or a substantial number of properties within it, were to be placed on the market at the same time, it could effectively flood the local market, leading to a reduction in values (“portfolio discount”). Conversely, the opportunity to purchase a particular group of properties might produce a premium (“portfolio premium”). In other words, the value of the whole could exceed the sum of the individual parts, and vice versa. You have asked us to comment on the possible “portfolio premium”, or “portfolio discount” and saleability relative to the aggregate value of the individual properties.

None of the real estate prices or views that we provide in relation to portfolios can be considered valuations under the “RICS Red Book” definition and no reliance can be placed on these values, views, or market commentaries.

C&W’s experience in the current highly liquid market conditions is that some investors are willing to pay a premium for portfolios that they consider “strategic”. By this, we mean portfolios that offer a consistent theme such as by sector and/or risk profile. The extent of this premium is driven by a number of factors, and the table below summarises our thoughts on some of the key factors that might influence the potential for a real estate portfolio premium:

Real estate portfolio premium driving factors
The consistency of asset class and risk profile
The consistency of risk profile
The quantum of investors/amount of capital (especially new fund launches) seeking similar investments
The rarity value of the platform and the difficulty in recreating it due to barriers of entry in creating an equivalent portfolio due to the availability of alternative properties
The time and cost associated with creating an equivalent portfolio
Diversification by geography, tenant covenant and income expiry
The ability to be a “one-stop shop” for large occupiers
The ability to have monopolistic control of supply/stock in certain geographical locations
The strategic rationale of the portfolio

We are of the opinion that if the properties in Project Spear were sold as a single lot, the sales process would be likely to generate a “portfolio premium” of 5 to 10% relative to the aggregate value of the individual properties, it is conceivable therefore that investors, subject to their individual specific nature and, not limited to, the driving factors aforementioned, would potentially pay in the region of €464m to €486m for this portfolio.. This opinion is based on the evidence that we currently see in the market which includes the level of the cover bids received as part of this sales process. However, it is our view that any real estate portfolio premium is a reflection of what an opportunity is worth to a particular investor, rather than a market estimate. Furthermore this premium cannot be apportioned to each asset. It is only relevant if all the properties are transacted in a single sale. Therefore, if an individual asset is transacted

separately, this premium will reduce or disappear and there may also be an effect on the premium applicable to the remaining portfolio.

---

## Part B

### Executive Summaries and Individual Property Reports by country (delivered electronically only)

#### France

##### Executive Summary

- Information Provided
- Market Value
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

##### Each Individual Property Report

1	Roncq	Parc du Lions, Allée des Trois Lions
2	Onnain	ZI n°9 Ouest, ZAC de L'Echangeur, Parc d'activite de la vallee de l'Escaut
3	Hordain	Hordain (Buildings A E & F), Impasse la Fosse à Loups, ZAC Hordain Hainaut
4	Peronne	Zac de la Chapelette, 35-37 Rue Gilles de Gennes
5	Camon	ZA de la Blanche Tache, rue Rosa Luxemburg
6	Estrees Deniecourt	Panavi, ZAC de Haute Picardie
7	Itancourt	Zone artisanale le bordeau, Rue d'Urvilliers
8	Beauvais	Beauvais Frans Maas, Parc d'Activités de la Vatine Sud
9	Tourville La Riviere	Boulevard Gabriel Peri, ZI du Moulin II
10	La Veuve	Chalons, Rue de la Nau des Vignes, ZAM de la Veuve
11	Gonesse	15a Villa, 5 rue Pierre Salvi
12	Gonesse	15c Villa, 5 rue Pierre Salvi
13	Gonesse	Acticentre, 4, avenue Pierre Salvi
14	Sannois	4-18, Esplanade de la Gare
15	Mitry-Mory	1, rue René Cassin
16	Argenteuil (Val d'Oise)	Argenteuil, 120-140, quai de Bezons, 2-6 avenue du Marais
17	Gennevilliers	27-41, Boulevard Louise Michel
18	Nanterre	Nanterre, 26 rue Lavoisier
19	Rosny-sous-Bois	1 rue de Rome & 19 rue de la Dhuys
20	Saint-Thibault-des-Vignes	7, rue de la Marne
21	Paris	11bis, 13, rue Beethoven
22	Champs sur Marne	Champs, 65, avenue du Général de Gaulle
23	Lognes	Zac du Mandinet, rue des Campanules
24	Trappes	Trappes, rue Eugène Hénaff
25	Trappes	Trappes Ent, Rue Eugène Hénaff
26	Elancourt	1bis, rue Francois Arago - 70, avenue George Politzer
27	Chatenay Malabry	Chatenay, 41-49, Chemin de la Justice
28	La Verrière	Activerrière, 30-52, rue de Panicale

---

29	La Verrière	Locaverrière, Rue L. Arnaud et G. Schuller
30	Fresnes	Parc Medicis, Avenue des Pépinières
31	Verrieres	Zac des Godets, 1 à 4 Impasse de la Noisette
32	Saclay	Azur, 4, rue René Razel
33	Villebon	Zac de Courtaboeuf, 9 avenue du Quebec : H1, 22 avenue de la Baltique ; H2, 4 avenue de Norvege : H3
34	Tigery	Parc d'activités de Parisud, 4, Boulevard Des Pays Bas
35	Lisses	34 bis rue des Malines - za les malines
36	Quevert	14 rue de la violette
37	Durtal	ZAC des Ormeaux II, 2 rue Joseph Cugnot
38	Chevigny St-Sauveur	31, rue Paul-Henri Spaak
39	Bouguenais	Le Concorde, 1, rue Charles Lindbergh
40	Bouguenais	Le Rafale, 1, rue Charles Lindbergh
41	St Aignan de Grand Lieu	SDEL, rue Nungesser et Coli
42	Clermont-Ferrand	78 avenue du midi, , Cournon d'Auvergne
43	Chassieu	10-12, Avenue Louis Blériot
44	Saint Priest	R2I, RN6
45	Venissieux	Route de Corbas
46	Corbas	36, Route de Lyon, Lieudit Chambetière
47	Mions	31, Boulevard des Nations
48	Chaponnay	ZAC du Chapotin, Rue des Frères Voisins, Rue Juliette Récamier
49	Villefontaine	Isle d'Abeau, 29, rue Condorcet
50	Belmont-Tramonet	Parc d'Activités, Val-Guiers
51	Cavaillon	410 route du Moulin de Losque
52	Toulouse	Futur, 6, rue Maryse Hilsz
53	Labège	Agora, Rue Jean Bart

## Germany

### Executive Summary

- Information Provided
- Discounted Cash Flow Method
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

### Each Individual Property Report

---

54	Stralsund	Werftstraße 22
55	Kritzkow	Gewerbestraße 21
56	Malchow	Lindenallee 22
57	Oldenburg	Gerhard-Stalling-Straße 9-11
58	Bremen	Traunsteiner Straße 1-2
59	Papenburg	Friederikenstraße 88

---

---

60	Eberswalde	Eberswalder Straße 22a
61	Velten	Ameisenweg 2
62	Sehnde-Hoever	Gretlade 3
63	Minden	Gesellenweg 13
64	Melle I	Betonstraße 8
65	Melle II	Neuerostraße 5
66	Bernburg	Kalistraße 2d
67	Halle	Dessauer Platz 5
68	Ense-Hoeningen	Harkortstraße 1
69	Tollwitz	In den Längen 3
70	Weissenfels	Nikolaus-Otto-Straße 1a
71	Klipphausen	Göttingerstraße 1
72	Dresden	Hansastraße 54
73	Loebau	Rumburger Straße 5
74	Eisenach	Mühlhäuser Straße 11-13
75	Aue-Alberoda	Wachbergstraße 3-5
76	Nuremberg	Äussere Bayreuther Straße 143
77	Neustadt	Landauer Straße 44
78	Neunkirchen	Am Ochsenwald 7
79	Burglengenfeld	Hopfenröthe 3
80	Karlsfeld	Hertzstraße 2-6

## The Netherlands

### Executive Summary

- Information Provided
- Market Value
- Vacant Possession Value
- Indicative Re-Instatement Cost
- Market Description

### Each Individual Property Report

81	Groningen	Leonard Springerlaan 9
82	Badhoevedorp	Schipholweg 303
83	Badhoevedorp	Schipholweg 321
84	Amsterdam	Funenpark 1
85	Almere	Versterkerstraat 2
86	Houten	Peppelkade 54
87	IJsselstein Ut	Boerhaaveweg 4
88	Capelle aan den IJssel	Vlierbaan 15
89	Roosendaal	Jan Vermeerlaan 257-263 (odd)

---

## **Part C**

### **Instructions (Correspondence)**

This valuation report has been prepared in accordance with the instructions agreed between us, as recorded in the Engagement Letter dated 21<sup>st</sup> August 2018.

Valuation Advisory,  
Cushman & Wakefield,  
43 – 45 Portman Square,  
London,  
W1H 6LY

David Morgans,  
Deutsche Bank AG, Filiale London  
Risk - Commercial Real Estate  
1 Appold Street,  
London EC2A 2UU

For the attention of Stuart Logan

21<sup>st</sup> August 2018

Dear Sir,

**Valuation of – Project Spear (“the Properties”)**

Please accept this letter as formal instruction to prepare a valuation (“the Report”) of the Properties, which is required for loan security purposes.

You should be aware that the lenders may seek to securitise or syndicate the proposed loan in due course and hence the Report may be disclosed to rating agencies, prospective investors and bank syndicates-see Attachment D. We will seek your consent prior to extending reliance to any prospective investors or referencing the Report in any given offering document in accordance with the terms, conditions and procedures set out in the C&W Valuation Terms. Consent is not to be unreasonably withheld or delayed.

In addition, (subject to your written approval to the form and context of the proposed disclosure as required by the RICS Valuation Standards and in accordance with the terms and conditions set out in the C&W Valuation Terms (such approval not to be unreasonably withheld)) the Report or a reference to the Report (and the methodologies and concepts on which the same is based) may be included or quoted or otherwise summarised in any information memorandum, offering circular, private placement memorandum, registration statement or prospectus as may be required to comply with any applicable laws, regulations or official guidelines relating to the issuance of any securitisation of the Facility (as defined in the Facility Agreement) or any portion of the Facility (as defined in the Facility Agreement) or for any investor or potential investor to be in compliance with any applicable law, regulation or requirements of any governmental, banking, taxation or similar body relating to maintaining an investment in, or the regulatory capital treatment of, any securities issued in such securitisation, strictly on a non-reliance basis.

We confirm that any parties being provided with the Report confirm their acceptance of the basis and terms of your instruction (each an “Addressee”).

An Addressee shall be permitted to rely on the report only on the condition that it acknowledges that the valuers shall not be liable to the Addressee for any special, indirect or consequential damages and that the valuers' total aggregate liability to all lenders, agents, Addressees and any other third party who seeks to rely on the report shall be limited to a sum not to exceed the Aggregate Cap (as defined below). Reliance by the Addressees and any other third parties on the report shall constitute deemed acceptance of the above provisions in this paragraph and that any matters or disputes arising as a result shall be governed by English law and subject to the exclusive jurisdiction of the English courts.

The purpose of the Report is not simply to provide a valuation figure, but also to assist in determining whether the lenders should make available the proposed facility, the amount of such facility and to identify issues, which may prove significant to the lender's security and the ability of the Borrower to refinance the facility at the end of the term, subject always that the lenders will come to its own decision on the merits of offering the proposed facility.

Following provision of the Report please be prepared to discuss its contents with us in detail during the course of a ‘roll-up’ meeting.

### ***Timing of Report***

- § Stage 1: Draft valuation numbers – completed
- § Stage 2: Full draft valuation reports – 28<sup>th</sup> August

The Report should not be finalised without the consent of the lenders.

### ***The Properties***

Please refer to Attachment A

### ***Sponsor***

Blackstone Real Estate Partners

### ***Inspections / Access to the Properties***

In order to arrange access to the properties and to receive property information please contact:

[to be advised]

Unless otherwise agreed, and subject to the C&W Valuation Terms, it is expected that the Properties will be internally and externally inspected and a draft inspection schedule should be circulated to the lenders and the sponsor as soon as possible so that arrangements can be made with the tenant(s) in good time.

### ***Basis of Valuation***

Your report is to be carried out in accordance with the relevant sections contained within the RICS Valuation Global Standards 2017 (the “Red Book”) and the incorporated IVSC International Valuation Standards.

The Report is to include the following bases of value for the Properties:

1. Market Value
2. Market Value on the special assumption of vacant possession
3. Market Rental Value
4. Reinstatement Costs (indicative only)

Please can you provide an indication of the value of the properties assuming sold as a single portfolio and provide a schedule (in Excel) showing the key valuation metrics for each property.

### ***Legal Due Diligence***

We require you to confirm that subject to your receipt of the same and to the relevant provisions of the C&W Valuation Terms you have reviewed the appropriate Certificate of Title and/or Report on Title in respect of the Property and that all matters contained therein and relevant to the performance of the Services and your field of expertise have been taken into account and reflected in your valuation.

### ***Building, Technical & Environmental Reports***

Comprehensive Building and Environmental reports will be forwarded to you for your review and consideration.

Notwithstanding the availability of these reports, it is expected that you will comment in your report on the general condition of the Property, having regard to any obvious defects, wants of repair or suspicion of deleterious materials and contamination. Similarly, subject to the C&W Valuation Terms, you should comment on the potential for environmental liability based on your observations during inspection of the Property and surrounding land uses.

Please advise us immediately where expert investigations may be appropriate with regard to specific building or environmental issues.

**Standard Valuation Report Content - Refer to Attachment C**

The report must contain all of the information, as appropriate, as recommended within the RICS Global Standards 2017. Notwithstanding the above your Report should contain the following:

- § Valuation Certificate
- § Executive Summary with Strengths, Risks & Mitigants analysis
- § Statement on conflict of interest
- § Statement on suitability for loan security
- § Tenancy Analysis
- § Tenancy Schedule for multi-let properties
- § Valuation calculations (including DCF)

As discussed we will agree report formats to reflect the large number of assets i.e short form report for each property, varied by country, with a more comprehensive market section for each jurisdiction/asset type and portfolio summary.

**Addressing the Report, Reliance and Disclosure**

Subject always to the C&W Valuation Terms, relating to disclosure and reliance, please confirm that your report can be relied upon by those parties set out in Attachment D and that it can be disclosed to those parties, and in the manner, also set out in the fourth paragraph of Attachment D. Please include the text and working of this Attachment D within your report.

**Draft Reports**

Draft reports are to be made available electronically and should include:

- § Report text
- § Tenancy Schedules/Valuation Calculations
- § Appendices including Photographs

Subsequent drafts must show marked-up edits.

**Final Reports**

The lenders require:

- § An electronic version of the Report, complete with appendices (all contained in one document), on CD or via e-mail

**Conflict & Competence**

Before accepting this instruction, you must disclose all involvement, both past and present, with the subject Properties and the Borrower/Sponsor.

You are to confirm in your report in writing that you have no existing or potential conflict of interest in providing the Report to the lenders and in acting as Independent Valuer for the lenders.

In the existence of such, please clarify the nature of any conflict and state the manner in which such conflict can be managed. You must notify the lenders before accepting any instruction in respect of the same Property for a period not exceeding 12 months. During this instruction you must advise us of any other work being undertaken for the Borrower or any related party relevant to this transaction.

Please refer to the 'Disclosure and Confidentiality' section below. Furthermore, you acknowledge that you and your firm are suitably experienced and professionally competent to perform this assignment in accordance with the requirements of this engagement letter.

**Confidentiality**

All proprietary or otherwise confidential information including but not limited to financial statements, tenancy schedules, third party reports, contracts, or agreements, which may be disclosed to employees

and representatives of your firm during the course of this assignment, must be held in the strictest confidence and returned to the lenders upon our first request.

### **Sign Off**

Please ensure that the Report is dated and addressed to the parties as set out above and that it is signed by a Fellow of the Royal Institution of Chartered Surveyors, or Member with a minimum of 5 years' experience and whose qualifications are on file and approved by the lenders. In addition please ensure that the engagement addressee / signatory also signs the report.

### **Fees**

Your fees as agreed will be €365,000 plus VAT inclusive of expenses. These will become payable by Deutsche Bank, London Branch following delivery of your final report.

Note that where a valuation has been carried out in anticipation of a proposed loan and the loan has not been drawn within three months of the date of your valuation, it will be necessary for you to update the valuation an additional charge for this work may be appropriate.

### **Terms and Conditions of Instruction**

We acknowledge that the Services Schedule dated December 2017 ("Services Schedule") and Terms of Business dated April 2017 ("Terms of Business") attached as Attachment 'E' and 'F' accordingly, together with this engagement letter, confirm the basis of the instruction and represent the entire subject matter of this Agreement (although if there is any conflict between (i) the Services Schedule and Terms of Business (together the "C&W Valuation Terms" ) and (ii) this engagement letter, this engagement letter shall prevail save to the extent that it is (a) expressly stated to the contrary in this engagement letter or (b) this letter is silent, then terms set out the C&W Valuation Terms shall prevail).

We acknowledge Section 11 of the Terms of Business except that:

1. In clause 11.3 "C&W's total aggregate liability arising under or in connection with an Engagement or any breach or non-performance no matter how fundamental (including by reason of negligence or breach of statutory duty) in contract, tort or otherwise shall be limited in all circumstances to an amount equal to the lesser of:

- (a) five (5) times the Fees paid or payable by or on behalf of the Client to C&W in relation to the Engagement; or
- (b) two million pounds sterling (£2,000,000)."

shall be deleted and replaced with €75,000,000 in aggregate", ("the Aggregate Cap").

2. A new Clause 11.9 shall be added as follows: "Nothing in these Terms and Conditions or the Letter shall restrict our liability to you for any losses caused by our wilful default."

Please confirm that you have adequate and appropriate professional indemnity insurance in place for this instruction and that it complies with the RICS Rules of Conduct and RICS Minimum Terms.

### **Entire Agreement**

Where there are conflicting terms and conditions between this Agreement and your General Terms and Conditions this Agreement prevails.

Please sign and return the attached copy letter as confirmation of your acceptance of the instruction on the above terms. This agreement is to be governed by English law.



Yours faithfully

**1. DEUTSCHE BANK AG, LONDON BRANCH**

*Deutsche Bank* *[Signature]*

---

**2. SOCIETE GENERAL, LONDON BRANCH**

*SG*

---

**3. PARTNERS GROUP (UK) LTD**

(acting on behalf of one or investment vehicles managed and/or advised by Partners Group (UK) Limited or its affiliates) who are signing this engagement letter solely for the purpose of becoming an addressee of the Report and without any liability in particular in relation to (but not limited to) the payment of any fees in connection with this instruction

---

**ACKNOWLEDGED AND AGREED BY CUSHMAN & WAKEFIELD**

*Stuart Logan*


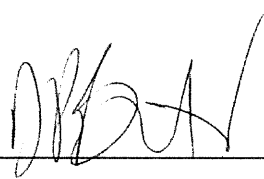
---

Name: **STUART LOGAN**

Date: **22 AUG 2018**

Yours faithfully

**1. DEUTSCHE BANK AG, LONDON BRANCH**

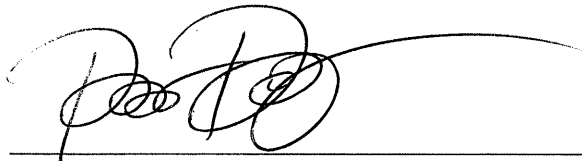
 

---

**2. SOCIETE GENERAL, LONDON BRANCH**

---

**3. PARTNERS GROUP (UK) LTD**  
(acting on behalf of one or investment vehicles managed and/or advised by Partners Group (UK) Limited or its affiliates) who are signing this engagement letter solely for the purpose of becoming an addressee of the Report and without any liability in particular in relation to (but not limited to) the payment of any fees in connection with this instruction



---

**ACKNOWLEDGED AND AGREED BY CUSHMAN & WAKEFIELD**

---

Name:

Date:

## Attachment A

### Schedule of Assets

Property Name	Address	Country
1. Roncq	Parc du Lions, Allée des Trois Lions	France
2. Onnaing	ZI n°9 Ouest, ZAC de L'Echangeur, Parc d'activite de la vallee de l'Escaut	France
3. Hordain	Hordain (Buildings A E & F), Impasse la Fosse à Loups, ZAC Hordain	France
4. Peronne	Zac de la Chapelette, 35-37 Rue Gilles de Gennes	France
5. Camon	ZA de la Blanche Tache, rue Rosa Luxemburg	France
6. Estrées-Deniécourt	Panavi, ZAC de Haute Picardie	France
7. Itancourt	Zone artisanale le bordeau, Rue d'Urvilliers	France
8. Beauvais	Beauvais Frans Maas, Parc d'Activités de la Vatine Sud	France
9. Tourville	Boulevard Gabriel Peri, ZI du Moulin II	France
10. Chalons en Champagne	Chalons, Rue de la Nau des Vignes, ZAM de la Veuve	France
11. Gonesse 15A	15a Villa, 5 rue Pierre Salvi	France
12. Gonesse 15C	15c Villa, 5 rue Pierre Salvi	France
13. Acticentre	Acticentre, 4, avenue Pierre Salvi	France
14. Sannois	4-18, Esplanade de la Gare	France
15. Mitry Mory	1, rue René Cassin	France
16. Argenteuil	Argenteuil, 120-140, quai de Bezons, 2-6 avenue du Marais	France
17. Gennevilliers	27-41, Boulevard Louise Michel	France
18. Nanterre	Nanterre, 26 rue Lavoisier	France
19. Rosny-sous-Bois	1 rue de Rome & 19 rue de la Dhuis	France
20. St Thibault	7, rue de la Marne	France
21. Paris 16 Beethoven	11bis, 13, rue Beethoven	France
22. Champs	Champs, 65, avenue du Général de Gaulle	France
23. Parc du Mandinet	Zac du Mandinet, rue des Campanules	France
24. Trappes	Trappes, rue Eugène Hénaff	France
25. Trappes Ent	Trappes Ent, Rue Eugène Hénaff	France
26. Elancourt	Elancourt, 1 bis rue Francois Arago, 70, avenue George Politzer	France
27. Chatenay	Chatenay, 41-49, Chemin de la Justice	France
28. Activerriere	Activerrière, 30-52, rue de Panicale	France
29. Locaverriere	Locaverrière, Rue L. Arnaud et G. Schuller	France
30. Parc Medicis	Parc Medicis, Avenue des Pépinières	France
31. Parc de Verrieres	Zac des Godets, 1 à 4 Impasse de la Noisette	France
32. Azur	Azur, 4, rue René Razel	France
33. Parc Hightech	Zac de Courtaboeuf, 9 avenue du Quebec : H1, 22 avenue de la Baltique ; H2, 4 avenue de Norvege : H3	France
34. Tigery	Parc d'activities de Parisud, 4, Boulevard Des Pays Bas	France
35. Innovalisses	34 bis rue des Malines - za les malines	France
36. Dinan	14 rue de la violette	France
37. Durtal	ZAC des Ormeaux II, 2 rue Joseph Cugnot	France
38. Chevigny-St-Sauveur	31, rue Paul-Henri Spaak	France
39. Concorde	Le Concorde, 1, rue Charles Lindbergh	France
40. Rafale	Le Rafale, 1, rue Charles Lindbergh	France
41. St Aignan de Grand Lieu	SDEL, rue Nungesser et Coli	France
42. Cournon D'auvergne	78 avenue du midi, , Cournon d'Auvergne	France

43.	Chassieu	10-12, Avenue Louis Blériot	France
44.	St Priest	R2I, RN6	France
45.	Vénissieux	Route de Corbas	France
46.	Corbas	36, Route de Lyon, Lieudit Chambetière	France
47.	Mions	31, Boulevard des Nations	France
48.	Chaponnay	ZAC du Chapotin, Rue des Frères Voisins, Rue Juliette Récamier	France
49.	Isle d'Abeau	Isle d'Abeau, 29, rue Condorcet	France
50.	Belmont	Parc d'Activités, Val-Guiers	France
51.	Cavaillon	410 route du Moulin de Losque	France
52.	Futuropolis	Futur, 6, rue Maryse Hilsz	France
53.	Agora	Agora, Rue Jean Bart	France
54.	Stralsund	Stralsund, 22 Werftstrasse	Germany
55.	Kritzkow	Kritzkow (WENCO), 21 Gewerbestr	Germany
56.	Malchow	TOF III, 22 Lindenallee	Germany
57.	Oldenburg	Oldenburg, 9+11 Gerhard-Stalling-Str	Germany
58.	Bremen	Bremen (WENCO), 1+2 Trauenerstr	Germany
59.	Papenburg	Papenburg, 88 Friederiken strasse	Germany
60.	Eberswalde	Eberswalde, 22a, Eberswalder strasse	Germany
61.	Velten	Velten (WENCO), 2 Ameisenweg	Germany
62.	Sehnde-Hoever	TOF II, 3, Gretlade	Germany
63.	Minden	Minden (WENCO), 13 Gesellenweg	Germany
64.	Melle I	Melle I, 8 Betonstr	Germany
65.	Melle II	Melle II, 5 Neuerstr	Germany
66.	Bernburg	Bernburg, Kalistrasse	Germany
67.	Halle	Halle, 5, Dessauer Platz	Germany
68.	Ense-Höningen	Ense-Höningen, 1 Harkorstr, Northrhine-Westphalia	Germany
69.	Tollwitz	Tollwitz, 3 In den Längen, Saxony	Germany
70.	Weissenfels	Weissenfels, 1A, Nikolaus-Otto-Strasse	Germany
71.	Klipphausen	Klipphausen, 1 Göttingerstr., Saxony	Germany
72.	Dresden	Dresden, 54, Hansastrasse	Germany
73.	Loebau	Löbau, 5, Rumburger Strasse	Germany
74.	Eisenach	Eisenach, 11-13, Mühlhäuser Strasse	Germany
75.	Aue-Alberoda	Wachbergstr. 3-5, Thuringia	Germany
76.	Nürnberg	Nürnberg, 143 Äussere Bayreuther Strasse	Germany
77.	Neustadt	Neustadt, 44 Landauer Strasse	Germany
78.	Neunkirchen	Neunkirchen, Am Ochsenwald 7	Germany
79.	Burglengenfeld	Hopfenröthe 3	Germany
80.	Karlsfeld	Karlsfeld, 2, 4, 6 Hertzstr., Bavaria	Germany
81.	Groningen	Leonard Springerlaan 9	Netherlands
82.	Schipholweg I	Schipholweg 303	Netherlands
83.	Schipholweg II	Schipholweg 321	Netherlands
84.	Amsterdam	1, Funenpark	Netherlands
85.	Almere	Almere, 2-4 and 23, 25, 27, Versterkerstraat and Antennestraat	Netherlands
86.	Houten	Peppelkade 54 - 60 & Wilgenkade 1	Netherlands
87.	IJsselstein	Boerhaaveweg 4-10	Netherlands
88.	Capelle	Vlierbaan 15	Netherlands
89.	Roosendaal	Westelijke Havendijk & J Vermeerlaan	Netherlands

## Attachment B

### List of Borrowers

No.	Name of Borrower	Jurisdiction of incorporation	Registration number
1.	Digem Sarl (France)	France	492 803 176
2.	Industrial Securities Onnaing SAS	France	482 050 572
3.	Paned	France	488 817 610
4.	Sarl Innovalisses	France	488 817 586
5.	Nescourt	France	492 365 978
6.	IF Three Log 1	France	824 081 160
7.	Chapelyon	France	492 803 234
8.	Abervest	France	509 498 952
9.	S.L.P.1.	France	484 756 135
10.	MPITS 1 SCI	France	804 719 607
11.	MPITS 2 SCI	France	810 430 983
12.	MPITS 3	France	819 129 511
13.	MPITS 21 SCI	France	812 673 598
14.	MPITS 22 SCI	France	812 673 606
15.	MPITS 23	France	493 026 496
16.	MPIT Netherlands 1 B.V.	Netherlands	62673785
17.	Dutchprop 5 B.V.	Netherlands	34270485
18.	Dutchprop 6 B.V.	Netherlands	34270486
19.	IT 1 S.à r.l.	Luxembourg	B114305
20.	Ger Log 1 S.à r.l.	Luxembourg	B113075
21.	Ger Log 4 S.à r.l.	Luxembourg	B113078
22.	Ger Log 5 S.à r.l.	Luxembourg	B113079
23.	Ger Log 6 S.à r.l.	Luxembourg	B122692
24.	Ger Log 7 S.à r.l.	Luxembourg	B125888
25.	Ger Log 8 S.à r.l.	Luxembourg	B127179
26.	Ger Log 9 S.à r.l.	Luxembourg	B127178

## Attachment C

### Standard Valuation Report Content

The report must contain all of the information, as appropriate, listed in the RICS Valuation Standards. In addition, we are seeking specific advice on the following:

- § A Valuation Certificate in accordance with RICS guidelines, including a schedule of values, detailing variations from standard assumptions and stating special assumptions. The Certificate should be supported by a schedule detailing the Scope of Work and Sources of Information, together with a schedule of Standard Valuation Assumptions, again, in accordance with RICS guidelines.
- § An Executive Summary should summarise key points including Address, Location, Description, Tenancy, Income, Values, Yield profiles and Valuation considerations/Key issues/Strengths, Risks & Mitigants analysis.
- § Summarise all assumptions (and the bases thereof) made in preparing the Valuation, listing all information referred to in preparing the Valuation Report.
- § Date of valuation and inspection.
- § Detailed cash flow modelling, as required.
- § Site Description: Please comment in your report on Location, Situation, Site Description, Planning and Infrastructure. Please comment on factors such as competing properties, local trends, development or highway proposals.
- § Please include a “Strengths, Risks & Mitigants” analysis.
- § Property Description: A full description of floor areas, construction, building age, car parking and accessibility should be included.
- § Floor Areas will be provided. Please check for plausibility.
- § Comment on the general condition and state of repair of the Property, making reference to any available Building and/or Technical Reports as appropriate.
- § Tenancy/Income Statement: Please comment on the number of leases, lease expiries including break clauses, weighted unexpired lease duration, typical reviews/recoveries clauses, whether the leases are institutionally acceptable, tenant/lease expiry concentration and covenant analysis. Please state the net income and whether the Property is considered reversionary/rack or over rented.
- § Review and summarise all occupational lease(s) and comment on the effect on value and marketability of:
  - Net rental income after landlord’s irrecoverable outgoings, if any, and whether service charge provisions are adequate to ensure recovery of costs. We are particularly concerned to establish the true net rental income from each Property in the hand of a passive investor (or a bank), and therefore in appropriate cases, please advise on what provision should be made for ongoing costs of management including rent reviews/lease renewals, etc.
  - The uniformity of service charge provisions (In the case of multi-let properties) and whether any lack of such uniformity will have an adverse impact on management.

- § Future Value Prospects: whether and to what extent you consider the Property to be a wasting or appreciating asset (by virtue of tenure, physical characteristics, occupational leases, terms etc). Please comment upon any possible strategies to mitigate any wasting factor.
- § Estimated Rental Value: how current market rental values differ from rents passing and trends in rental values for properties of this type/location. It would be useful to give examples of comparable properties and to comment on the ability to bring rents into line with such comparable properties.
- § Re-letting: the ease with which the Property or parts thereof could be re-let if any were to fall vacant now or over the term of the facility. We also require your professional opinion as to the likely quality of tenants and rents obtainable under new leases (including whether any inducements may be required). Also, please comment on any alternative uses that would be appropriate for any part of the Property.
- § Market Rental Growth Prospects: as opposed to mechanical (indexed) increases based on reviews/re-lettings at current ERVs.
- § Estate Management: the extent to which continuation/maximisation of income/value will depend on the skills of the owner/manager.
- § Deleterious Materials: from your professional knowledge, please advise whether there is a likelihood that HAC, calcium chloride, wood wool slabs, blue asbestos or other deleterious material might have been used in the construction and how demand for each Property might be affected by such considerations.
- § Environmental Issues: you should also indicate whether your inspection or research has given any cause for concern in terms of environmental issues and if this is the case, any further investigation which you may consider necessary.
- § Void Running Costs: the approximate cost of holding each Property vacant, or part thereof, including void rates, insurance, security and maintenance.
- § Occupational real estate taxes: Where appropriate commentary is required on any taxes relating to the occupation of the Property. In respect of the UK you should provide information on the current UBR and the rates payable for the Property. For non UK property we require details on local taxes payable and confirmation as to who is responsible for meeting the costs thereof.
- § VAT: the current status and, if VAT is not currently applicable, the effect of a waiver or exemption on tenant and purchaser demand, capital and rental values.
- § Saleability: please comment on the level of activity and any restrictions in the market, for properties of this value, type etc. and trends in demand. Please comment on how volatile value might be to changes in the property market and economy.
- § Divisibility: please also comment on the divisibility of the investment and the impact on value of a sale in parts or as a whole and the relative demand for larger or smaller investments. Divisibility may apply to individual assets or alternatively, parts of a portfolio.
- § Comparable Evidence: please provide a schedule and analysis of the principal rental and capital value comparable transactions upon which your assessments are based.
- § Demographics, Catchment and Socio-Economic trends: for retail assets a review of demographic, catchment and socio-economic trends is critical. A review of any marketing or business plans should also be provided.
- § Historical Performance: Please provide a review of occupancy levels, trend in rental levels, turnover, total occupancy cost, service charge, capital expenditure, tenant incentives (rent free periods and contributions to fit out).

Consideration and provision should be made for appropriate deductions and discounts for any property in the course of development or which is currently vacant.

- § The Valuer is to comment upon the existence, or otherwise, of any restrictive covenants or easements which could affect a future disposal as highlighted in the Report on Title.
- § Advice on any other factors which you consider are likely to materially affect the status of the Property as security, including any restrictive covenants, lease terms (if applicable), easements, restrictions, permanent fixtures, planning etc.
- § Please comment on the purchase price of the Property and on whether there is a “portfolio premium” or “portfolio discount” for the Property.
- § Please provide an overview of recent trends and forecasts in the relevant asset sector(s) generally and also, your view with regards to the market for the Property. In addition to internally resourced material, we would expect you to review and comment upon other relevant industry research where appropriate.
- § Mortgage Security Statement. Please comment on the sustainability of value having regard to lease expiry, tenant covenants, location, property cycle and passing vs. market income and asset management issues.

### ***Appendices to Report***

We expect that the following would typically be provided:

- § Location Plans (Country, Region, Local)
- § Site Plan (showing Title boundaries and site areas)
- § Colour Photographs
- § Tenancy Schedule
- § Net and gross floor areas (including ITZA areas for UK retail assets)
- § Service Charge Schedule
- § Rental Values Schedule
- § Rateable Values Schedule
- § Valuation Calculations
- § Retail Assets – GOAD Plans & Catchment Analysis

## Attachment D

### Standard Reliance Language

Your Report will be deemed to include the following reliance/ consent language (and your signature of this letter will confirm your agreement to such deemed inclusion):

To:

Deutsche Bank AG, London Branch and Societe Generale, London Branch in their capacity as lenders under the senior facility agreement dated on or about the date of this letter between, amongst others, various borrowers (see Attachment B) and the senior lenders (the "**Senior Facility Agreement**") and to each other lender from time to time under the Senior Facility Agreement; and

Partners Group (UK) Limited acting on behalf of one or more investment vehicles managed and / or advised by Partners Group (UK) Limited or its affiliates in their capacity as lenders under a mezzanine facility agreement dated on or about the date of this letter between, amongst others, various borrowers (see Attachment B) and the mezzanine lenders (the "**Mezzanine Facility Agreement**") and to each other lender from time to time under the Mezzanine Facility Agreement; and

each Finance Party, as defined in the Senior Facility Agreement and Mezzanine Facility Agreement, from time to time.

(together the "**Addressees**").

1. We confirm that this valuation report (the "Report") may be relied upon by the Addressees and is intended for their benefit, provided that, in relying on the Report, each of the Addressees acknowledges and agrees that:
  - (a) the Report refers to the position as at the date it was originally issued and we have not taken nor are we obliged to take any action to review or to update the Report since the date it was originally issued;
  - (b) we shall not be liable for any use of the Report for any purpose other than that for which the Report was prepared; and
  - (c) our aggregate liability under and/or arising out of or in connection with the Report to any one or more or all of the Addressees shall be limited to the lesser of i) 25% of Market Value or ii) €75,000,000 in aggregate.
2. The Report and this letter are confidential to the Addressees. However, copies of the Report and this letter may be disclosed on a non-reliance basis, for information only without liability for us to:
  - (a) the respective agents, trustees and advisers of the Addressees in connection with the transactions described in paragraph 1 above;
  - (b) the respective affiliates and related funds and investors to such funds of the Addressees and their respective employees, officers, directors, auditors and advisers;
  - (c) the respective employees, officers, directors, auditors and advisers of the Addressees;
  - (d) any prospective purchaser, transferee or assignee of, or participant in, any loan made under the Senior Facility Agreement or the Mezzanine Facility Agreement and any other prospective Addressee;

- (e) any servicer of any loan under the Senior Facility Agreement or the Mezzanine Facility Agreement;
  - (f) any actual or prospective investor in any securities issued in connection with a securitisation of any loan under the Senior Facility Agreement or the Mezzanine Facility Agreement, and its advisers;
  - (g) any rating agency actually or prospectively rating any such securities, and its advisers;
  - (h) any trustee (Treuhänder) of a Finance Party under and as defined in the Senior Facility Agreement or the Mezzanine Facility Agreement in connection with the use of all or any part of the loan made under the Facility Agreement (and security therefore) as a cover asset in the Pfandbrief cover register of any such Finance Party; and
  - (i) any person to whom disclosure is required by law, court order, regulation, public authority, stock exchange or in connection with legal proceedings in connection with the Report.
3. In addition, the Report or a reference to and summary of it (and the methodologies and concepts on which it is based) may be included in any information memorandum, offering circular, registration statement or similar document as may be required to comply with any applicable laws, regulations or official guidelines relating to the issuance of or investment in any securitisation of the loan under the Facility Agreement, provided that:
- (a) the Report or any summary shall not be published until such time as we have first approved the form and context in which the report appears (such approval not to be unreasonably withheld or delayed);
  - (b) the information memorandum, offering circular, registration statement or other similar document shall make clear that we accept responsibility for our Report or summary only and for no other part of such materials;
  - (c) such Report or summary complies in all respects with the requirements of the Red Book and any applicable regulations or directives;
  - (d) The information memorandum, offering circular, registration statement or similar document shall contain a statement that the Report or summary (if applicable) has not been updated since the date it was issued.

## Services Schedule – Valuation & Advisory

<b>Type of Instructions:</b>	Valuation and Advisory
<b>Property Details:</b>	Each Property and each Borrower are referred to in the accompanying Deutsche Bank AG, Filiale London (“the Client”) instruction letter (“the Letter”).
<b>Client Instructions:</b>	The Client has instructed C&W to undertake the Valuation
<b>Addressee:</b>	<p>This Valuation Report may be relied upon only in connection with the Purpose of Valuation stated and only by the <b>Addressees</b>, as defined in “Attachment D, Standard Reliance Language” of the Letter.</p> <p>The Addressees shall be entitled to rely on the Valuation Report as if they were a joint Client under, and subject to, the terms and conditions of this Engagement</p>
<b>Timetable:</b>	<p>The timetable is listed in the Letter.</p> <p>This is subject to the timely receipt of all information requested from the Client. Any delay may result in the timetable being amended.</p>
<b>Period of Appointment:</b>	N/A
<b>Scope of Services:</b>	<p>Included in the Services are:</p> <ul style="list-style-type: none"> <li><b>a. Valuation Report</b> <p>Providing a Valuation Report that will be prepared in English. C&amp;W will provide one electronic copy of the Valuation Report and, if requested, two signed hard copies. Where the Valuation Report is required to contain site plans these will be based on extracts of the Ordnance Survey or other maps showing, for identification purposes only, C&amp;W's understanding of the extent of title based on site inspections or copy title plans supplied to C&amp;W. The Client should not rely on C&amp;W's plans to define boundaries.</p> </li> <li><b>b. Currency</b> <p>Providing a Valuation in Euros (€).</p> </li> <li><b>c. Inspections</b> <p>The Property will be inspected as described in the Letter.</p> </li> <li><b>d. Floor Areas</b> <p>The Letter refers to the approach required.</p> </li> <li><b>e. Tenancies &amp; Leasing</b> <p>The Letter refers to the approach required.</p> </li> <li><b>f. Environmental Matters (including Flooding)</b> <p>Reviewing the relevant Local Authority websites regarding environmental matters, including contamination and flooding (subject to the provisions of item 5 of the Assumptions). For the avoidance of doubt, C&amp;W will not undertake an environmental assessment or prepare a land quality statement, which would be the responsibility of an environmental consultant or chartered environmental surveyor. In this respect, C&amp;W will have regard to any environmental reports provided to C&amp;W (subject to the provisions of item 5 of the Assumptions).</p> </li> </ul>

**g. Title**

Reading a Certificate of Title where this is provided to C&W by and C&W will reflect its contents in the Valuation (subject to the provisions of item 7 of the Assumptions). C&W will not inspect the title deeds of the Property.

Unless agreed in writing in advance with the Client, C&W will not obtain information from the Land Registry.

**h. Condition of Structure & Services, Deleterious Materials and Ground Conditions**

Taking into account the general condition of the Property as observed from the inspection (subject to item 8 of the Assumptions). Where a separate condition or structural survey has been undertaken and made available to C&W, C&W will reflect the contents of the survey or condition report in the Valuation Report, but may need to discuss the survey or condition report with the originating surveyor.

**i. Statutory Requirements and Planning**

Making verbal or electronic enquiries of the relevant planning authorities as to the possibility of highway proposals, comprehensive development schemes and other ancillary planning matters that could affect property values. C&W will also seek to ascertain whether any outstanding planning applications exist which may affect the Property, and whether the Property is listed or included in a Conservation Area. C&W will also attempt to verify the existing permitted use of the Property, and endeavour to have sight of any copies of planning permissions. For the avoidance of doubt, C&W will not undertake formal searches.

**j. Disclosures of incentives on new build residential property**

Endeavouring to obtain a copy of the 'CML Disclosure of Incentives Form' which vendors of newly built residential property are required to complete in order to comply with their duty to disclose whether the sale price includes any incentives. C&W will take into account the contents of such a form in undertaking our valuation (subject to the provisions of item 14, of the Assumptions).

Where C&W is engaged to prepare a Valuation Report in connection with a proposed transaction in respect of the Property, expressly excluded from the Services is the provision of any recommendation or otherwise by C&W as to whether to proceed with such a proposed transaction. Accordingly the Client must not in any circumstances construe the Valuation Report as a recommendation whether or not to proceed with such a proposed transaction.

**Basis of Appointment:**

C&W confirms that:

- a.** The Valuation and Valuation Report will be undertaken in accordance with the

	<p>appropriate sections of the current edition of the RICS Valuation – Global Standards which incorporate the International Valuation Standards ("<b>IVS</b>") and the RICS UK Valuation Standards (the "<b>RICS Red Book</b>"). In this context "current edition" means the version in force at the Valuation Date.</p> <p><b>b.</b> The Valuation will be the responsibility of the signatory, who is in a position to provide an objective and unbiased Valuation. The Valuation will be undertaken by a suitably qualified valuer, or valuers, who has or have the knowledge, skills and understanding to undertake the Valuation competently and who will act as "<b>External Valuer(s)</b>" (as defined in the RICS Red Book) qualified for the Purpose of Valuation.</p> <p>C&amp;W does not (and any affiliates of C&amp;W do not) act as external valuers as defined under the Alternative Investment Fund Manager's Directive ("<b>AIFMD</b>") legislation, or its equivalent under local law. C&amp;W expressly disclaims any responsibility or obligations under AIFMD and/or its equivalent unless expressly agreed in writing in advance by C&amp;W.</p> <p><b>c.</b> The Letter lists the requirements on Conflicts.</p>
<b>Fees and Expenses:</b>	<p>C&amp;W's fee for undertaking the Services is listed in the Letter.</p> <p>The fee excludes VAT but unless specifically stated is inclusive of expenses.</p> <p>The fee includes the provision of the copies of the Valuation Report referred to under 'Scope of Services'. Where additional hard copies are required, a charge may be made reflecting the time spent and costs incurred.</p> <p>C&amp;W's invoice will be addressed to the Client. If C&amp;W is requested to re-address an invoice after it has been issued, C&amp;W reserves the right to make an administrative charge.</p> <p>In the event that C&amp;W agrees to re-address the Valuation Report to another party or other parties or permit reliance upon it by another party or other parties, C&amp;W reserves the right to charge additional fees appropriate to the additional work involved and any extension of C&amp;W's liability.</p> <p>C&amp;W's fees and expenses shall be payable whether or not the transaction proceeds or the loan is drawn down, and in the event that instructions are withdrawn, the fee or a proportion of it will be payable in accordance with Clause 12 of the Terms of Business.</p>
<b>Anticipated Expenses:</b>	N/A
<b>Special and Additional Terms:</b>	<p><b>1. Bases of Valuation</b></p> <p>In accordance with the Client's instructions, C&amp;W will undertake the Valuation on the bases listed in the Letter.</p> <p>The definitions of the bases are set out in Appendix 1 (the "<b>Definitions Schedule</b>").</p> <p><b>2. Special Assumptions</b></p> <p>If appropriate, these are listed in the Letter.</p>

### 3. Use of Valuation Report

The Valuation Report may be used only for the Purpose of Valuation referred to in item (b) of 'Client Instructions' in this Services Schedule.

### 4. Areas

Where C&W measures and calculates the floor areas, measurement will be in accordance with the RICS Professional Statement RICS Property Measurement 1st Edition 2015.

The RICS Practice Statement "RICS Property Measurement" (effective from 1 January 2016) requires office buildings to be measured in accordance with International Property Measurement Standards ("IPMS"), unless the Client confirms in writing that alternative methodology should be used. Unless the Client so instructs C&W otherwise in writing, C&W will assume that the Client does not require C&W to measure office buildings in accordance with IPMS on the basis that the Client has no use for such data given that at present it is rare for market activity to be based on IPMS measurements.

The areas C&W report will be appropriate for the Purpose of the Valuation, but should not be relied upon for any other purpose.

### 5. Group of Properties / Lotting

Unless C&W has confirmed otherwise in this Services Schedule, each property will be valued individually; in the case of a portfolio, C&W will assume that each of the properties would be marketed in an orderly way and not placed on the market at the same time.

### 6. Limitations

N/A

### 7. Limitation of Liability

The cap on C&W's liability in Clause 11.3 of the Terms of Business shall be amended in accordance with the Letter.

Where more than one value basis is adopted, the Market Value of the Engagement Property shall be the Market Value without Special Assumptions; or, if this basis is not included in the Valuation Report, the Value basis most similar to the Market Value without Special Assumptions, as referred to in the Definitions Schedule.

Where the Services relate to more than one property, C&W's maximum liability in respect of an individual property shall be in the same proportion to the total aggregate liability as such individual property's reported value is to the aggregate reported value.

Where the Engagement is in connection with a syndicated finance facility pursuant to which the Client is or will be the Arranger or Lender. The Client represents and warrants to C&W that it is duly authorised to enter into this Engagement as the lenders' agent (the term "lenders" in this Engagement Letter includes any present, proposed or future members of the lending syndicate) and that C&W's cap on liability is or shall be agreed by the lenders and shall apply to the maximum liability of C&W in respect of any and all claims that may be brought by the Client and/or any lender(s) arising out of, under or in connection with this Engagement. Without prejudice to the foregoing, the Client confirms that it has informed or shall promptly inform syndicate members of the terms of the Engagement by providing them with a copy of the entire Engagement Letter, including attachments thereto. Until such time as the syndicate members have been so informed and the Client has informed C&W of the identity of the syndicate members, the Client may not release the Valuation to any syndicate member. If and when permitted for disclosure, the entirety of the Valuation Report must be disclosed to all members of the syndicate.

#### **8. Disclosure and Syndication**

C&W will not consent to publication or disclosure of the Valuation Report unless, where relevant, it incorporates adequate reference to the Special Assumptions and/or Departures from the RICS Red Book referred to in this Services Schedule.

In the event that, after receiving the Engagement Letter, the Client advises C&W of a proposal to syndicate the loan then the Client will, at such point, represent and warrant that it has been duly authorised to enter this Engagement as the lender's agent (the term "lenders" in this Engagement Letter includes any present, proposed or future members of the lending syndicate). C&W and the Client must agree the nature of C&W's responsibility to any further named parties prior to any disclosure of the Valuation Report. In this connection, the cap on liability provisions referred to in section 7 above shall be agreed by the lenders and shall apply to the maximum liability of C&W in respect of any and all claims that may be brought by the Client and/or any lender(s) arising out of, under or in connection with this Engagement. Without prejudice to the foregoing, prior to any disclosure of the Valuation Report, the Client must also inform syndicate members of the terms of the Engagement by providing them with a copy of the entire Engagement Letter including attachments thereto. The Client must also inform C&W of the identity of the proposed members of the syndicate. If these conditions are satisfied and the Valuation Report is disclosed to syndicate members, the Valuation Report must be disclosed in its entirety.

Clause 8 of the Terms of Business states that the provision of the services is for the Client's benefit only. If C&W is subsequently asked to extend responsibility to other parties, then there will be an additional fee payable, to be agreed, to cover C&W's additional time costs, indemnity and insurance liabilities subject to a minimum of £500, plus VAT.

#### **9. Age of Building**

If C&W states the age of a building in the Valuation Report, this will be an estimate and for guidance only.

#### **10. Condition of Structure, Foundations, Soil & Services**

It is a condition of C&W or any related entity, or any qualified employee, providing advice and opinions as to value, that the Client and/or third parties (whether notified to C&W or not) accept that the Valuation Report in no way relates to, or gives warranties as to, the condition of the structure, foundations, soil and services.

#### **11. Plant & Machinery**

No allowance will be made by C&W for any items of plant or machinery not forming part of the service installations of the building(s). C&W will specifically exclude all items of plant, machinery and equipment installed wholly or primarily in connection with any of the occupants' businesses. C&W will also exclude furniture and furnishings, fixtures, fittings, vehicles, stock and loose tools, except where such items would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern in accordance with VPGA4 of the RICS Red Book.

#### **12. Goodwill**

No account will be taken by C&W in the Valuation of any business goodwill that may arise from the present occupation of the Property, except where such business goodwill (excluding any personal goodwill) would ordinarily transfer to a prospective purchaser in the sale of a trading business as a going concern in accordance with VPGA4 of the RICS Red Book.

#### **13. Statutory Requirements & Planning**

Please note the fact that employees of town planning departments now always give information on the basis that it should not be relied upon and that formal searches should be made if more certain information is required. Where a Client needs to rely upon the information given about town planning matters, the Client's legal advisers must be instructed to institute such formal searches. C&W recommends that the Client requests C&W to review its comments and Valuation in light of any resultant findings.

#### **14. Defective Premises Act 1972**

No allowance will be made by C&W for rights, obligations or liabilities arising under the Defective Premises Act 1972.

#### **15. Legal Issues**

Legal issues, and in particular the interpretation of matters relating to title and leases, may have a significant bearing on the value of an interest in property. No responsibility or liability will be accepted by C&W for the true interpretation of the legal position of the Client or any other parties in respect of the Valuation. Where C&W expresses an opinion on legal issues affecting the Valuation, then such opinion is subject to verification by the Client with a suitable qualified legal adviser.

#### **16. Deduction of Notional Purchaser's Costs**

The opinion of value which C&W will attribute to the Property will be the figure C&W considers would appear in a contract for sale, subject to the appropriate assumptions for the Basis of Value reported. Where appropriate, C&W will make an allowance in respect of stamp duty and purchaser's costs.

The Client's attention is drawn to the fact that when assessing Market Value, Fair Value or Existing Use Value for balance sheet purposes, C&W will not include directly attributable acquisition or disposal costs in the Valuation. Where C&W is requested to reflect these costs, they will be stated separately.

#### **17. Taxation & Disposal Costs**

No adjustment will be made by C&W to reflect any liability to taxation that may arise on disposal, or development of the Property nor for any costs associated with disposal incurred by the Owner. Furthermore, no allowance will be made by C&W to reflect any liability to repay any government or other grants, taxation allowance or lottery funding that may arise on disposal.

C&W's valuation figure for the Property will be that receivable by a willing seller excluding VAT, if applicable.

#### **18. Building Society Act 1986**

C&W confirms that it is not disqualified under Section 13 of the Building Societies Act 1986 from reporting to the Client.

#### **19. Properties to be Developed or in the Course of Development or Requiring Repair / Refurbishment and Recently Completed Developments**

Unless specifically agreed in writing to the contrary, C&W's fee assumes that C&W will be provided with a specification and floor plans of the proposed / ongoing development as well as information relating to construction and associated costs in respect of both the work completed and the work necessary for completion, together with a completion date or dates. Normally such figures, dates and information will be provided by the professional advisers involved in the construction programme. Unless specifically instructed to the contrary in writing, C&W will rely on such figures, dates and information and the Client should make this fact known to such advisers. Alternatively, on request, C&W can arrange for independent quantity surveyors to provide an assessment of costs and dates at an additional fee charge. If the Valuation is for lending purposes, the Client is advised to seek independent advice and to consider the appointment of a project monitoring surveyor.

#### **20. Monitoring**

The compliance of the valuations undertaken in accordance with the RICS Red Book may be subject to monitoring by the RICS under its conduct and disciplinary regulations.

#### **21. Valuation Components**

The components of C&W's valuation calculations (such as future rental values, cost allowances, or void periods) may only be appropriate as part of the valuation calculations and should not be taken as a forecast or prediction of a future outcome. The Client should not rely on any component of the valuation calculations for any other purpose.

## 22. Estimated Reinstatement Cost Assessment

If required in the Letter, C&W will consider the extent and nature of the building with an estimated reinstatement cost assessment being undertaken as part of its normal valuation exercise. C&W will not carry out a formal reinstatement cost assessment through its Building Consultancy Division. C&W's assessment should be treated as a guide only and should not be relied upon. It should be used for comparative purposes only against the borrower's proposed reinstatement cover. Should any discrepancies arise, a formal reinstatement cost assessment should be commissioned.

The figures set out in C&W's Valuation Report will be its indicative assessment of the cost of reconstructing the Property at the Valuation Date. C&W will include an allowance for demolition, removal of debris, temporary shoring, statutory and professional fees which are likely to be incurred on reconstruction, but will exclude any allowance for VAT. If the Borrower is unable to recover VAT, or can recover part only, it should advise its insurers and increase the Base Sum Insured appropriately. The figures will make no allowance for loss of rent during the rebuilding period, nor for inflation, nor the cost of dealing with any contamination which may be present and have to be dealt with prior to reconstruction. The assessment will not provide advice in respect of terrorist damage cover and insurers should be consulted in respect of this.

C&W will provide a guide that envisages the reinstated building and its use will be similar to that existing, and the replacement building will be to the original design, in modern materials, using modern techniques to modern standards.

### Assumptions:

#### 1. Assumptions

The RICS Red Book contains a glossary that defines various terms used in the RICS Red Book that have a special or restricted meaning. One such term is an assumption which is defined as "A supposition taken to be true" ("**Assumption**"). Accordingly in this context, C&W will make certain Assumptions in relation to facts, conditions or situations affecting the subject of, or approach to, the Valuation that C&W will not verify as part of the valuation process but rather, in accordance with the definition in the RICS Red Book, will treat as true because it is agreed that specific investigation by C&W is not required. In the event that any of these Assumptions prove to be incorrect then the Valuation will need to be reviewed.

#### 2. Confirmation of Assumptions

The Client must promptly notify C&W in writing if any of the Assumptions are incorrect. Should any amendment to the Assumptions set out in the Services Schedule result in an increase in the scope of the Engagement this may result in an appropriate increase in C&W's fees and expenses due under the Engagement.

#### 3. Areas

Where C&W is provided with floor areas, C&W will make an Assumption that the areas have been measured and calculated in accordance with the RICS Professional Statement RICS Property Measurement 1st Edition 2015.

#### 4. Tenancies and Leasing

C&W's opinion of the Market Value or Fair Value will be subject to existing leases of which the Client or its advisors have made C&W aware but otherwise will reflect an Assumption of vacant possession. Where C&W has undertaken to read the leases and related documents provided to it, C&W will make an Assumption that copies of all relevant documents will be sent to C&W and that they are complete and up to date.

Where C&W relies on tenancy and lease information provided to it, unless such information reveals otherwise, C&W will make the Assumption that all occupational leases are on full repairing and insuring terms, with no unusual or onerous provisions or covenants that would affect value.

C&W will make an Assumption that vacant possession can be given of all accommodation which is unlet or occupied by the entity/borrower or its employees on service tenancies. C&W will not take account of any leases between subsidiaries unless C&W states otherwise in the Services Schedule.

C&W will not undertake investigations into the financial strength of any tenants unless otherwise referred to in the Valuation Report. Unless C&W has become aware by general knowledge, or has been specifically advised to the contrary, C&W will make an Assumption that:

- a. where a Property is occupied under leases then the tenants are financially in a position to meet their obligations, and
- b. there are no material arrears of rent or service charges, breaches of covenant, current or anticipated tenant disputes.

However, the Valuation will reflect a potential purchaser's likely opinion of the credit worthiness of the type of tenants actually in occupation or responsible for meeting lease commitments, or likely to be in occupation.

C&W will take into account any information the Client or its advisors provide concerning tenants' improvements. Otherwise, if the extent of tenants' alterations or improvements cannot be confirmed, C&W will make an Assumption that the Property was let with all alterations and improvements evident during C&W's inspection (or, in the case of a Valuation without internal inspection, as described within the information provided by the Client).

C&W will also make an Assumption that wherever rent reviews or lease renewals are pending or impending, with anticipated reversionary changes, all notices have been served validly within the appropriate time limits.

## 5. Environmental Matters

If C&W's enquiries or any reports supplied to C&W indicate the existence of environmental problems without providing method statements and costings for remedial works, then C&W may not be able to issue a Valuation Report except on the Special Assumption that the subject property is assumed **NOT** to be affected by such environmental matters. In certain circumstances, the making of such a Special Assumption may be unrealistic and may be a Departure from the requirements of the RICS Red Book. In these circumstances, the Valuation Report may include a recommendation that an investigation should be undertaken to quantify the costs and that subsequently the Valuation should be reviewed.

Where C&W's enquiries lead C&W to believe that the Property is unaffected by contamination or other adverse environmental problems, including the risk of flooding, then, unless the Client instructs C&W otherwise, the Valuation will be based on an Assumption that no contamination or other adverse environmental matters exist in relation to the Property sufficient to affect value.

If the Property lies within or close to a flood plain, or has a history of flooding, C&W will make the Assumption that building insurance is in place and available to be renewed to the current or any subsequent owner of the Property, without payment of an excessive premium or excess.

Depending on the nature of the investigations made and the information revealed, the Valuation Report may include a statement that, in practice, a purchaser might undertake further investigations and that if these revealed contamination or other adverse environmental problems, then this might reduce the value reported.

## 6. Mineral Rights

C&W will make an Assumption that any mineral rights are excluded from the Property.

## 7. Title

Save as disclosed either in any Certificate of Title or unless specifically advised to the contrary by the Client or its legal advisers and as referred to in the Valuation Report, C&W will make the Assumption that there is good and marketable title in all cases and that the Property is free from rights of way or easements, restrictive covenants, disputes or onerous or unusual outgoings. C&W will also make an assumption that the Property is free from mortgages, charges or other encumbrances.

If verification of the accuracy of any site plans contained in the Valuation Report is required, the matter must be referred to the Client's legal advisers.

C&W will make the Assumption that roads and sewers serving the Property have been adopted and that the Property has all necessary rights of access over common estate roads, paths, corridors and stairways, and rights to use common parking areas, loading areas and other facilities.

In addition, similarly, where the title is leasehold, C&W will make the Assumption that both landlord and tenant have abided by the terms of the lease and that the layout of the accommodation is in accordance with that permitted in the lease. C&W will make a further Assumption that the lease contains no option for the landlord to obtain possession of the Property if they intend to redevelop the Property or a substantial

part of the premises in which the Property is situated.

#### **8. Condition of Structure and Services, Deleterious Materials and Ground Conditions**

Due regard will be paid by C&W to the apparent general state of repair and condition of the Property, but a condition or structural survey will not be undertaken, nor will woodwork or other parts of the structure which are covered, unexposed or inaccessible, be inspected. Therefore, C&W will be unable to report that the Property is structurally sound or is free from any defects. C&W will make an Assumption that the Property is free from any rot, infestation, adverse toxic chemical treatments, and structural, design or any other defects other than such as may be mentioned in the Valuation Report.

C&W will not arrange for investigations to be made to determine whether any deleterious, hazardous or harmful materials (including but not limited to high alumina cement concrete or calcium chloride additive) have been used in the construction or any alterations, and therefore C&W will not be able to confirm that the Property is free from risk in this regard. For the purposes of the Valuation, C&W will make an Assumption that any such investigation would not reveal the presence of such materials in any adverse condition.

C&W will not carry out an asbestos inspection and will not act as an asbestos inspector in completing the valuation inspection of Property that may fall within the Control of the Asbestos at Work Regulations 2012. C&W will not make an enquiry of the duty holder (as defined in the Control of Asbestos of Work Regulations 2012), of an existence of an Asbestos Register or of any plan for the management of asbestos to be made. Where relevant, C&W will make an Assumption that there is a duty holder, as defined in the Control of Asbestos of Work Regulations 2012 and that a Register of Asbestos and Effective Management Plan is in place, which does not require any immediate expenditure, or pose a significant risk to health, or breach the HSE regulations. C&W recommends that such enquiries be undertaken by the Client's legal advisers during normal pre-contract or pre-loan enquiries.

No mining, geological or other investigations will be undertaken by C&W to certify that the sites are free from any defect as to foundations. C&W will make an Assumption that all buildings have been constructed having appropriate regard to existing ground conditions or that these would have no unusual or adverse effect on building costs, property values or viability of any development or existing buildings. C&W will make the Assumptions that there are no services on, or crossing the site in a position which would inhibit development or make it unduly expensive, and that the site has no archaeological significance, which might adversely affect the present or future occupation, development or value of the Property.

No tests will be carried out by C&W as to electrical, electronic, heating, plant and machinery equipment or any other services nor will the drains be tested. However, C&W will make an Assumption that all building services (including, but not limited to lifts, electrical, electronic, gas, plumbing, heating, drainage, sprinklers, ventilation, air conditioning and security systems) and property services (such as incoming mains, waste, drains, utility supplies etc.) are in good working order and without any defect whatsoever.

## 9. Statutory Requirements and Planning

Save as disclosed in a Certificate of Title, or unless otherwise advised, C&W shall make the Assumption that all of the buildings have been constructed in full compliance with valid town planning and building regulations approvals and that where necessary, they have the benefit of current Fire Risk Assessments compliant with the requirements of the Regulatory Reform (Fire Safety) Order 2005. Similarly, C&W shall also make the Assumption that the Property is not subject to any outstanding statutory notices as to construction, use or occupation and that all existing uses of the Property are duly authorised or established and that no adverse planning conditions or restrictions apply.

C&W shall make the Assumption that the Property complies with all relevant statutory requirements.

Energy Performance Certificates ("**EPC**") must be made available for all properties, when bought or sold, subject to certain exemptions. If the Property is not exempt from the requirements of this Directive C&W shall make an Assumption that an EPC is made available, free of charge, to a purchaser of all the interests which are the subject of the Valuation.

## 10. Information

Notwithstanding the Terms of Business, C&W will make an Assumption that the information provided by the Client and/or its professional advisers and/or by the Borrower and/or its professional advisers in respect of the Property to be valued is both full and correct. C&W will make an Assumption that details of all matters relevant to value within their collective knowledge, including but not limited to matters such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions, have been made available to it, and that such information is up to date.

If the Valuation is required for the purpose of purchase, loan security or other financial transaction, the Client accepts that full investigation of the legal title and any leases is the responsibility of its legal advisers.

Where comparable evidence is included in the Valuation Report, this information is often based on C&W's verbal enquiries and its accuracy cannot always be assured, or may be subject to undertakings as to confidentiality. However, such information would only be referred to where C&W had reason to believe its general accuracy or where it was in accordance with expectation. It is unlikely that C&W will have inspected comparable properties.

## 11. Properties to be Developed or in the Course of Development or Requiring Repair / Refurbishment and Recently Completed Developments

Where C&W undertake a Valuation of the completed Property this will be based on an Assumption that all works of construction have been satisfactorily carried out in accordance with the building contract and specification, current British Standards and any relevant codes of practice. C&W will also make an Assumption that a duty of care and all appropriate warranties will be available from the professional team and contractors, which will be assignable to third parties.

## Appendix 1 - Definitions Schedule

### 1. Bases of Valuation:

<b>Market Value</b>	<p>Market Value as referred to in VPS4, Item 4 of the current edition of the RICS Valuation - Global Standards which incorporate the International Valuation Standards ("<b>IVS</b>") and the RICS UK Valuation Standards (the "<b>RICS Red Book</b>"), and applying the conceptual framework which is set out in IVS104:</p> <p><i>"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion"</i></p>
<b>Market Rent</b>	<p>Market Rent as referred to in VPS 4 Item 5 of the RICS Red Book. Under VPS 4 Item 5 the term "<b>Market Rent</b>" is defined in IVS104 as: "The estimated amount for which an interest in real property should be leased on the valuation date between a willing lessor and a willing lessee on appropriate lease terms in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".</p> <p>Whenever Market Rent is provided the "appropriate lease terms" which it reflects should also be stated.</p> <p>The commentary from VPS4 Item 5 of the RICS Red Book is reproduced below:</p> <p><i>"5.1 <b>Market rent</b> will vary significantly according to the terms of the assumed lease contract. The appropriate lease terms will normally reflect current practice in the market in which the property is situated, although for certain purposes unusual terms may need to be stipulated. Matters such as the duration of the lease, the frequency of rent reviews and the responsibilities of the parties for maintenance and outgoings will all impact the <b>market rent</b>. In certain countries or states, statutory factors may either restrict the terms that may be agreed, or influence the impact of terms in the contract. These need to be taken into account where appropriate.</i></p> <p><i>5.2. <b>Market rent</b> will normally be used to indicate the amount for which a vacant property may be let, or for which a let property may be re-let when the existing lease terminates. <b>Market rent</b> is not a suitable basis for settling the amount of rent payable under a rent review provision in a lease, where the definitions and assumptions specified in the lease have to be used.</i></p> <p><i>5.3 Valuers must therefore take care to set out clearly the principal lease terms that are assumed when providing an opinion of <b>market rent</b>. If it is the market norm for lettings to include a payment or concession by one party to the other as an incentive to enter into a lease, and this is reflected in the general level of rents agreed, the <b>market rent</b> should also be expressed on this basis. The nature of the incentive assumed must be stated by the valuer, along with the assumed lease terms."</i></p>

## 2. Special Assumptions:

<b>Special Assumptions</b>	The Glossary of the RICS Red Book states that an Assumption " <i>that either assumes facts that differ from the actual facts existing at the valuation date, or that would not be made by a typical market participant in a transaction on the valuation date</i> " is a Special Assumption.
----------------------------	--

## 1. Client Engagement

- 1.1 The Client appoints C&W to provide services on these Terms of Business and the terms set out in the Engagement Letter. Each Engagement Letter forms a discrete contract incorporating the latest version of these Terms of Business that have been provided to the Client (together an/the "**Engagement**").
- 1.2 The entire scope of the services to be provided as part of an Engagement ("**Services**") is set out in the Engagement Letter. Nothing shall bind C&W to perform any role or function other than as is documented in the Engagement Letter.
- 1.3 The Client shall provide all necessary co-operation to enable each member of the C&W Group to discharge its obligations in respect of all Applicable Laws, particularly those pertaining to 'know your client', anti-money laundering and the prevention of other financial crimes, and data protection. Each of the Client and C&W agrees that it shall comply with all Applicable Laws in performing its obligations in relation to the Engagement.
- 1.4 C&W may sometimes require input from third parties to perform all or part of the Services. Where C&W intends to subcontract to a third party, C&W will seek the Client's consent before so subcontracting. The Client consents to the use of other members of the C&W Group and C&W Affiliates to provide all or part of the Services, and no further notification need be given in relation to such use. Except where C&W contracts third parties directly (otherwise than as the Client's agent), in which case it shall be liable in particular for any breach of C&W's data protection obligations under Clause 7 that is caused by an act, error or omission of its sub-processor, C&W shall not be responsible for supervising or monitoring the performance of third parties.

## 2. Definitions and Interpretation

- 2.1 In an Engagement the following terms shall have the following meanings:
 

**"Applicable Law"** means all applicable laws, regulations, regulatory requirements and codes of practice of any relevant jurisdiction, as amended and in force from time to time;

**"C&W"** means the member of the C&W Group that is a party to the Engagement Letter;

**"C&W Affiliate"** means a third party licenced by a member of the C&W Group to trade using the Cushman & Wakefield brand;

**"C&W Group"** means DTZ Worldwide Limited (company number 9073572) and any of its subsidiaries (within the meaning of section 1159 of the Companies Act 2006);

**"C&W Materials"** means all those materials owned by C&W and its licensors, and all Intellectual Property Rights owned by C&W and its licensors, whether before or after the date of the Engagement, but excluding the Service Materials.

**"Client"** means the addressee(s) of the Engagement Letter and excludes any third party who pays or may be responsible for paying any part of the Fees;

**"Client Materials"** means all those materials owned by the Client and its licensors, and all Intellectual Property Rights owned by the Client and its licensors, but excluding the Service Materials.

**"Engagement Letter"** means the letter issued by C&W to the Client and identified as the engagement letter, which shall set out particular Services to be provided by C&W together with other terms and conditions that shall form part of the Engagement. Where the context permits, documents cross

referenced and/or attached to the Engagement Letter shall form part of it;

**"Fees"** means the amounts specified as payable in the Engagement Letter, or otherwise calculated in accordance with the Engagement Letter;

**"Intellectual Property Rights"** means patents, trade marks, design rights, applications for any of the foregoing, copyright, database rights, trade or business names, domain names, website addresses, whether registrable or otherwise, (including applications for and the right to apply for registration of any such rights), know how, methodologies, and any similar rights in any country whether currently existing or created in the future, in each case for their full term, together with any renewals or extensions;

**"Relief Event"** means: (i) any delay or failure by the Client or a person acting on its behalf to perform any obligation of the Client under an Engagement; (ii) the failure of any assumption set out in the Engagement Letter; and (iii) any other event specified in the Engagement Letter;

**"RICS"** means the Royal Institution of Chartered Surveyors;

**"Services"** means the services to be provided to the Client by C&W as part of the Engagement, as specified in the Engagement Letter;

**"Service Materials"** means all those works, and all Intellectual Property Rights in works, that are created, provided, or which arise exclusively in the course of the provision of the Services to the Client;

**"Terms of Business"** means the terms set out in this document; and

**"Value Added Tax"** means value added tax as provided for in the Value Added Taxes Act 1994 and subordinated legislation made under it, or any similar sales or turnover tax in any jurisdiction.

- 2.2 Unless the context otherwise requires or the contrary intention appears, any reference to an enactment includes that enactment as amended or replaced, together with any subordinate legislation made under that or any other applicable enactment; and any reference to an English legal term includes, in respect of any jurisdiction other than England, a reference to what most nearly approximates in that jurisdiction to the English legal term.
- 2.3 Other than for notices to be given, references to "written" or "in writing" include e-mail. The words "including" and "in particular" and any similar words or expressions are by way of illustration and emphasis only and do not operate to limit the generality or extent of any other words or expressions. The words "subsidiary" and "holding company" have the meanings given in Section 1159 of the Companies Act 2006 (and Clause 2.2 shall not apply in relation to this sentence). The headings in these Terms of Business are for convenience only and do not affect their interpretation.

## 3. Fees, Expenses, and Payments

### Fees

- 3.1 In consideration of the provision of the Services, the Client shall pay the Fees. The Fees, or the method of calculating them, shall be as set out in the Engagement Letter.
- 3.2 Fees stated shall be exclusive of Value Added Tax which, where applicable, shall be charged to the Client at the prevailing rate. The Client agrees to pay to C&W any Value Added Tax in relation to the provision of the Services provided that C&W has supplied a valid tax invoice as required by Applicable Law.

## Expenses

- 3.3 The Client shall reimburse all out of pocket expenses and disbursements properly incurred by or on behalf of C&W in the performance of the Services ("**Expenses**") up to five hundred pounds (£500) per quarter. Before incurring any Expenses that would result in that limit being exceeded, C&W shall seek the Client's consent, in which case those further Expenses shall also be payable. Expenses may be invoiced at the same time as the Fees, or quarterly in arrears, at C&W's discretion.
- 3.4 The Client shall reimburse all marketing costs which shall, where relevant, be handled as follows:
- (a) C&W will inform the Client of any marketing costs proposed to be incurred on its behalf. C&W will provide cost estimates for any initial marketing campaign in the Engagement Letter, and further proposals if additional marketing is required.
  - (b) Cost estimates will be best estimates or based on actual quotations from suppliers. Final costs may differ from estimates provided. Advertising and printing rates provided will be from the publishers' rate cards current at the date of the marketing proposals. The Client shall pay any additional sum charged by the suppliers for the correction of mistakes in artwork or other advertising material not caused by the suppliers. The individual printer or supplier's terms will apply to all Client work placed with it. All costs are gross and C&W will retain the usual trade discounts offered by newspapers, periodicals or other media suppliers.
  - (c) The Client shall instruct all suppliers directly. In the event that C&W agrees to instruct any such supplier, C&W may require advance payment of anticipated costs to be incurred on the Client's behalf. Where the sum paid on account exceeds the actual costs incurred, such excess shall be repaid to the Client without interest once all invoices and accounts have been finalised and settled. Where the marketing costs exceed the sum paid, the Client shall pay the amount of any difference to C&W immediately on request.
  - (d) The Client shall reimburse all marketing costs incurred on its behalf as and when the costs are incurred, irrespective of completion of the transaction to which the Services relate.

## Payment

- 3.5 C&W's invoices are payable from the date of each invoice, and are due for payment within fourteen (14) days. C&W may charge the Client interest on any amounts due but which have not been paid within this period (whether before or after judgment) at three percent (3%) per annum above the Bank of England base rate from time to time. Interest shall run from the date of the invoice until all outstanding sums have been paid in full in cleared funds.
- 3.6 The Client shall pay all sums by electronic bank transfer to the C&W bank account detailed in an invoice. C&W is unable to accept payment by cash or cheque.
- 3.7 The Client shall pay all sums payable to C&W in relation to the Engagement without set-off and free of any deduction.
- 3.8 If the Client is required by Applicable Law to make any deduction from any payment then it shall increase such payment to ensure that C&W receives the same amount as it would have received if no deduction were required.

- 3.9 C&W may require payments to be made on account before commencing or completing all or part of the Services. In specifying on-account payments C&W may have regard to the nature and context of Services to be performed, and the likely timing and amounts of Expenses to be incurred.
- 3.10 C&W may, by giving written notice to the Client, suspend Service provision if any sum is not paid to C&W within the period specified at Clause 3.5, until all outstanding sums have been paid in full in cleared funds.
- 3.11 After completing an Engagement, C&W shall be entitled to keep any Client materials held by it while sums payable to it by the Client remain outstanding.
- 3.12 C&W may search the Client's record at credit reference agencies for the purposes of verifying the Client's identity and to assess whether the Client is able to fulfil its payment obligations in relation to the Engagement.

## Client Monies

- 3.13 C&W handles client monies in accordance with RICS rules and regulations.

## **4. Client Obligations**

- 4.1 The Client shall, as soon as reasonably practicable following a request, provide all information, assistance, approvals, and consents reasonably requested by C&W in relation to the performance of C&W's obligations in connection with the Engagement. The Client shall ensure that all information provided by or on behalf of the Client shall be complete and accurate in all material respects, and notify C&W as soon as reasonably possible on becoming aware that any information is incomplete, inaccurate or misleading.
- 4.2 The Client acknowledges that C&W: (i) is entitled to rely upon the completeness, accuracy, sufficiency and consistency of any information supplied to it by or on behalf of the Client; and (ii) shall have no liability for any inaccuracies contained in any information provided by or on behalf of the Client unless otherwise stated.
- 4.3 All estimations made by C&W are based on depth and quality of information provided by the Client and the Client shall not be entitled to assume that C&W has performed an inspection. The Client must take this into account in relation to all figures, calculations, and advice.
- 4.4 The Client shall check and confirm the accuracy and completeness of any property particulars prepared by C&W, and shall confirm that they are not misleading. The Client undertakes to notify C&W immediately if any particulars are or become inaccurate or incomplete.

## **5. Measurements**

- 5.1 Where C&W is required to measure a property, it will do so in accordance with applicable measuring practices relevant to the property. If the Client requires C&W to adopt a particular measuring practice, it shall specify the same in writing before work starts. The Client acknowledges that the floor areas contained in any report are approximate and if measured by C&W will be within a two percent (2%) tolerance either way. In cases where the configuration of the floor plate is unusually irregular or obstructed, this tolerance may be exceeded.
- 5.2 C&W is unable to measure areas to which it does not have access, in which cases floor area may be estimated from plans or by extrapolation. Where land or site areas are measured, all areas will be approximate and will be measured from plans supplied or Ordnance Survey plans, rather than being checked on site.

## 6. Confidentiality

- 6.1 The Client consents to C&W announcing that it is providing or has provided the Services to the Client and using the Client's name in publicity. However, C&W shall not publish any details of any proposed or actual transaction (other than those which are publicly available) without prior consent, such consent not to be unreasonably withheld or delayed.
- 6.2 The Client shall keep confidential and not disclose to any other person (whether before or after termination or expiry of the Engagement): (i) any information received by it in respect of the methodologies and/or technologies used by C&W in providing the Services; (ii) the details of the terms on which C&W provides the Services; and (iii) any other information in respect of C&W's business activities which is not publicly available.
- 6.3 C&W shall, during the period commencing on the date of the Engagement and ending two (2) years following the earlier of the termination or completion of the Services, keep confidential and not disclose to any other person (whether before or after termination or expiry of the Engagement) any information in respect of the Client's business activities which comes into its possession as a consequence of C&W providing the Services and which is not publicly available.
- 6.4 A party shall not breach this Clause 6 by disclosing information, to the extent reasonably necessary:
- (a) where required to do so by Applicable Law or order of the courts, or by any securities exchange or regulatory or governmental body to which such party is subject or submits, wherever situated (whether or not the requirement for information has the force of Applicable Law); or
  - (b) to the professional advisers, insurers, auditors and bankers of such party.
- 6.5 C&W shall not breach this Clause 6 by disclosing information to members of the C&W Group or C&W Affiliates in connection with the Engagement.

## 7. Data Protection & Data Handling

### Data Protection

- 7.1 The Client appoints C&W as a data processor in relation to personal data which is the subject of each Engagement and in respect of which the Client is a data controller (the "Data").
- 7.2 In processing Data pursuant to an Engagement, C&W shall:
- (a) unless otherwise requested by the Client in writing, process the Data only to the extent, and in such manner, as is necessary for the provision of the Services, except where otherwise required by any EU (or any EU Member State) law;
  - (b) ensure that appropriate technical and organisational measures shall be taken to protect the Data from (i) accidental or unlawful destruction, and (ii) loss, alteration, unauthorised disclosure of, or access to, Data;
  - (c) ensure that any person whom it authorises to process the Data shall be subject to an actionable duty of confidence;
  - (d) only cause or permit Data processing to be sub-contracted to:
    - (i) sub-contractors in accordance with Clause 1.4;
    - (ii) members of the C&W Group and C&W Affiliates and each of their professional advisers, insurers, auditors and bankers; and/or

- (iii) service providers appointed by a member of the C&W Group to support C&W's business administration and infrastructure (as identified [here](#) and updated from time to time)

who are committed, by means of a written contract with C&W, to protect the Data to the standard required by this Clause 7.

If the Client objects to any sub-processor under Clause 7.2(d) on reasonable grounds relating to the protection of personal data, then either C&W will not appoint the sub-processor or the Client may elect to suspend or terminate the Engagement upon written notice to be given not later than thirty (30) days after such objection has been notified to C&W in writing;

- (e) only cause or permit Data to be transferred outside the European Economic Area:
  - (i) to those persons identified under Clause 7.2(d) or otherwise with the Client's prior consent (not to be unreasonably withheld or delayed); and
  - (ii) taking such measures as are necessary to ensure the transfer is in compliance with applicable data protection law (such as ascertaining that the recipient benefits from an EU Commission finding of adequacy of protection for personal data transferred from the European Union or has otherwise agreed European Union standard contractual clauses on data processing in countries outside the European Economic Area);
- (f) notify the Client without undue delay and provide reasonable information and cooperation on becoming aware of a breach of data security which would be notifiable under applicable data protection law;
- (g) notify the Client without undue delay (and in any event provide reasonable and timely assistance to the Client (at the Client's expense)) to enable the Client to respond to: (i) any request from a data subject to exercise any of its rights under applicable data protection law; and (ii) any other correspondence, enquiry or complaint received from a data subject, regulator, or other third party in connection with the processing of the Data.
- (h) C&W shall make available to the Client such information as is necessary to demonstrate its compliance with this Clause 7 and, if required, shall permit the Client (or its appointed third party auditors who are subject to strict obligations of confidentiality and whose identity has been agreed with C&W) to conduct an audit to confirm its compliance, provided that the Client gives reasonable notice of its intention to audit, conducts its audit during normal business hours, and takes all reasonable measures to prevent unnecessary disruption to C&W's operations. The Client may not exercise this right more than once in any twelve (12) month period except as required by instruction of a competent data protection authority.

- 7.3 Where the Client is a public authority for the purposes of the Freedom of Information Act 2000 ("FOIA") as amended from time to time, the Client shall notify C&W of that fact at the start

of the Engagement. The Client shall notify C&W within five (5) business days of receiving a request pursuant to the FOIA requesting information which relates to the business arrangements between C&W and the Client and/or any information C&W has provided to the Client at any time (whether or not in connection with the Engagement). In recognition of the fact that C&W may be providing the Client with confidential or commercially sensitive information, the Client agrees to consult with C&W and take into account C&W's views on all such requests, giving C&W reasonable notice to respond, before making any decision on whether any particular information should be disclosed.

- 7.4 The Client shall be responsible for C&W's reasonable and properly incurred charges in producing any documentation which the Client requires in order to comply with a request for disclosure under the FOIA. For the avoidance of doubt, the Client, not C&W, shall liaise with such third party.

## Data Handling

- 7.5 The Client shall use all reasonable procedures to seek to ensure that any materials provided to C&W in any electronic format are virus free, and shall be responsible for using appropriate firewalls and anti-virus software. The Client shall not disclose any special categories of data to C&W except by express written agreement.
- 7.6 Subject to the remainder of this Clause 7, the Client authorises C&W to communicate with any person C&W reasonably requires in providing the Services. C&W may release to such person any information reasonably necessary to perform the Services and which it has obtained during the Engagement. C&W shall not be liable for any use made of that information.
- 7.7 Unless otherwise instructed in writing by the Client to destroy or return the Data (or any copies thereof) on termination of the Engagement, C&W keeps its Engagement files, including the Data, for six (6) years after issue of C&W's final invoice. The Client consents to the deletion and destruction of all Engagement files upon the expiry of that period unless the Client has requested in writing the return of Client papers or documents during that period. C&W shall not be liable for any loss arising out of the destruction of documents occurring more than six (6) years after the date of final invoice. C&W shall be entitled to retain Data to the extent required by any EU (or any EU Member State) law.
- 7.8 If requested by Client, C&W shall provide reasonable cooperation to the Client (at Client's expense) in connection with any data protection impact assessment and any consultation with the Client's data protection authority that may be required under applicable data protection law.

In this Clause 7, "EU Member State" shall be deemed to include the United Kingdom.

- 7.9 A copy of C&W's Privacy Notice can be found [here](#).

## **8. Documents and Reliance**

- 8.1 C&W will take reasonable care in the preparation of any research, data, report or advice ("**Documents**") provided as part of the Services. Any opinions expressed in them constitute C&W's judgement, and data upon which this judgement is based are believed to be correct as at the date of the Documents (but may be subject to change during the life of the project and beyond and as new information becomes available). C&W reserves the right to change the underlying data, and its opinions, without prior notice in the light of revised market opinion and evidence, but shall not be required to update any Document already provided.

- 8.2 Subject to Clause 8.3, the provision of the Services is for the Client's benefit only and no part of any Document produced by C&W for the Client shall be reproduced, transmitted, copied or disclosed to any third party without the prior written consent of C&W. C&W shall not be liable to any third party placing reliance upon any such Document.

- 8.3 The Client may permit other persons to use C&W's Documents only with C&W's written consent and where such other persons have entered into a written agreement with C&W in relation to such use ("**Reliance Letter**"). C&W expressly disclaims any tortious duty of care (e.g., in negligence) to any third party in relation to any Document provided in connection with an Engagement, and the Client shall not permit any person to rely upon such Document unless that person has first entered into a Reliance Letter. Any limitation on C&W's liability set out in the Engagement shall apply in aggregate to the Client and any party entering into a Reliance Letter.

- 8.4 Where the Client provides a copy of a Document to another person, or permits a person to rely upon a Document, the Client indemnifies and holds harmless C&W from and against any liability arising out of that person's use or reliance on that Document except where a Reliance Letter has been entered into by such person.

- 8.5 Where the Client acts on behalf of a syndicate or in relation to a securitisation, the Client agrees that it is not entitled to pursue any greater claim on behalf of any other person than it would have been entitled to pursue on its own behalf had there been no syndication or securitisation.

## **9. Service Quality**

- 9.1 In carrying out the Services, C&W shall exercise the reasonable care and skill to be generally expected of a competent provider of services similar in scope, nature and complexity to the Services.
- 9.2 In the event that the Client is dissatisfied with the provision of the Services by C&W it must refer such complaint in the first instance to the C&W representative named in the Engagement Letter in accordance with the provisions of C&W's complaints procedure current at the time of the complaint. C&W shall supply to the Client a copy of the complaints procedure upon the request of the Client.
- 9.3 No implied terms shall apply under and/or in connection with the Engagement, and no other express warranties are given - all such terms are expressly excluded to the extent permitted by Applicable Law.
- 9.4 C&W is certified as ISO9001:2008, ISO14001, and OHSAS18001 compliant.

## **10. Conflicts of Interest and Anti-Corruption**

- 10.1 C&W maintains conflict management procedures designed to govern actual or potential conflicts of interest. If the Client becomes aware of a possible conflict, it shall inform C&W immediately. If a conflict arises, then C&W will decide, taking account of legal constraints, relevant regulatory rules and the clients' interests and wishes, whether it can continue to act for both parties (e.g., through the use of ethical walls), for one only, or for neither. Where C&W does not believe that any potential or actual conflict can be managed appropriately and in accordance with C&W policy (available upon request), it will inform all clients affected and consult with them as soon as reasonably practicable as to the steps to take.
- 10.2 The Client acknowledges that C&W may earn commissions and referral fees, and may charge handling fees connected to the services that it performs, and agrees that C&W shall be

- entitled to retain them without specific disclosure. C&W will not accept any commissions or referral fees in circumstances where it is of the reasonable belief that they would compromise the independence of any advice that it provides.
- 10.3 It is not C&W policy to provide any services for financial gain either directly or through connected persons, to a prospective purchaser or tenant in respect of a property for which C&W is instructed as agents by the seller/owner, until unconditional contracts have been exchanged. C&W will notify the Client if it is instructed by a prospective purchaser or tenant to provide such services where the Client is the seller/owner.
- 10.4 C&W and the Client each confirms that it will not, and will procure that its employees will not, knowingly engage in any activity which would constitute a breach of applicable Anti-Bribery & Corruption Laws. C&W confirms that it has in place a compliance and training programme designed to ensure compliance with the terms of applicable Anti-Bribery & Corruption Laws.
- 10.5 For the purposes of this Clause 10, "**Anti-Bribery & Corruption Laws**" means the Bribery Act 2010, the US Foreign Corrupt Practices Act 1977 and any other applicable legislation prohibiting bribery and corruption involving public or private persons.
- 11. Liability and Insurance**
- 11.1 Notwithstanding any contrary provision, neither party limits or excludes its liability in respect of:
- (a) any death or personal injury caused by its negligence;
  - (b) any fraud or fraudulent misrepresentation; or
  - (c) any statutory or other liability which cannot be limited or excluded under Applicable Law.
- 11.2 C&W shall not be liable for any:
- (a) indirect or consequential loss (even where the parties are aware of the possibility of any such loss at the date of the Engagement);
  - (b) loss of profits or revenue of the Client generally;
  - (c) loss of goodwill, reputation or opportunity;
  - (d) loss of or corruption of data, or loss resulting from the Client's receipt of information, data, or communications supplied or sent by C&W electronically;
  - (e) pure economic loss suffered by the Client or persons other than the Client arising out of a tortious duty of care, whether in negligence or otherwise;
  - (f) acts or omissions of third parties (other than where contracted directly by C&W otherwise than as the Client's agent); or
  - (g) delay caused by its duty to comply with legal and regulatory requirements (such as anti-money laundering checks),
- in each case arising out of or in connection with an Engagement or any breach or non-performance of it no matter how fundamental (including by reason of negligence or breach of statutory duty). The parties agree that each of sub-clauses (a) to (g) (inclusive) above are separate terms and are intended to be severable.
- 11.3 C&W's total aggregate liability arising under or in connection with an Engagement or any breach or non-performance no matter how fundamental (including by reason of negligence or breach of statutory duty) in contract, tort or otherwise shall
- be limited in all circumstances to an amount equal to the lesser of:
- (a) five (5) times the Fees paid or payable by or on behalf of the Client to C&W in relation to the Engagement; or
  - (b) two million pounds sterling (£2,000,000).
- 11.4 Subject always to Clauses 11.2 and 11.3, where an Engagement involves C&W being appointed as part of a project team, liability for loss and/or damage arising under or in connection with the Engagement shall be limited to that proportion of the Client's loss and/or damage which it would be just and equitable to require C&W to pay having regard to the extent of C&W's responsibility for the same and on the basis that:
- (a) all other Client consultants and contractors shall be deemed to have provided contractual undertakings, on terms no less onerous than those set out in the Engagement, to the Client in respect of the performance of their services in connection with the project;
  - (b) there are no exclusions of or limitation of liability nor joint insurance or co-insurance provisions between the Client and any other party referred to above; and
  - (c) they shall be deemed to have paid to the Client such proportion which would be just and equitable for them to pay having regard to the extent of their responsibility.
- 11.5 No actions or proceedings arising under or in respect of the Engagement or documents signed in connection with it shall be commenced against C&W after six (6) years after the date of the final invoice in relation to the Engagement.
- 11.6 C&W shall effect and maintain, during the Engagement and for a period of six (6) years after issue of C&W's final invoice, professional indemnity insurance with a limit of indemnity of £10 million provided always that such insurance remains available at commercially reasonable rates, together with such other insurance as is required to be maintained in accordance with Applicable Law.
- 11.7 Further to Clause 1.2, nothing appoints or obliges C&W to act as an External Valuer as defined under the Alternative Investment Fund Managers Directive ("**AIFMD**") legislation, or its equivalent under local law. C&W expressly disclaims any responsibility or obligations under AIFMD and/or its equivalent unless expressly agreed in writing by C&W. Where C&W provides valuation advice to an entity that falls within the scope of AIFMD ("**Fund**"), its role will be limited solely to providing valuations of property assets held by the Fund. Responsibility for the valuation function for the Fund and the setting of the net asset value of the Fund will remain with others. C&W's Document will be addressed to the Fund for internal purposes and third parties may not rely on it. C&W's aggregate liability howsoever arising out of such instruction is limited in accordance with these Terms of Business.
- 11.8 C&W shall not be responsible for the management of any property the subject of an Engagement, and shall have no other responsibility (such as for maintenance or repair) in relation to nor shall C&W be liable for any damage occurring to any such property.

## 12. Termination

- 12.1 Either party may terminate the Engagement upon not less than thirty (30) days written notice, for convenience without cause
- 12.2 Either party may terminate the Engagement at any time on written notice, either immediately or following such notice period as it shall see fit if the other party:
- (a) is in material breach of the Engagement, and such breach is irremediable;
  - (b) commits any remediable material breach of the Engagement and fails to remedy such breach within a period of thirty (30) days from the service on it of a notice specifying the material breach and requiring it to be remedied (or, having so remedied, subsequently commits a similar breach within the next thirty (30) days); or
  - (c) ceases or threatens to cease to carry on business, is found unable to pay its debts within the meaning of the Insolvency Act 1986 section 123, has an administrator, receiver, administrative receiver or manager appointed over the whole or any part of its assets, enters any composition with creditors generally, or has an order made or resolution passed for it to be wound up (otherwise than in furtherance of any scheme for solvent amalgamation or solvent reconstruction) or undergoes any similar or equivalent process in any jurisdiction.
- 12.3 C&W may terminate the Engagement immediately upon written notice if the Client has failed to pay an invoice within thirty (30) days of the date of such invoice.
- 12.4 On termination of the Engagement, the Client shall pay to C&W:
- (a) Fees for the Services it has performed (on a pro rata basis having regard to the Fees payable for the completion of the Engagement, the expected duration of the entire Engagement and the Services performed prior to termination, unless otherwise specified);
  - (b) any Expenses properly incurred in accordance with Clause 3.3, and marketing costs incurred in accordance with Clause 3.4, on or before the effective date of the termination; and
  - (c) where the right is exercised by the Client, any additional sums set out in the Engagement Letter as being payable upon termination.
- 12.5 If a party, acting in good faith, exercises a right of termination, its subsequent failure or refusal to perform all or any of its current or future obligations in connection with an Engagement shall not be a breach of an Engagement (whether repudiatory or otherwise).

## 13. Intellectual Property

- 13.1 All Service Materials shall vest in the Client on creation. C&W hereby assigns the Service Materials to the Client together with the right to sue for and recover damages or other relief in respect of the infringement of any Service Materials by a third party. In relation to future copyright, this shall take effect as a present assignment of future rights.
- 13.2 The Client grants to C&W a worldwide, fully paid-up, non-exclusive, transferable (to a member of the C&W Group) licence to use, copy and modify the Client Materials and Service Materials to the extent necessary and for the purpose

of providing the Services to the Client and performing its other obligations in relation to an Engagement.

- 13.3 C&W and its licensors shall retain all right, title and interest in and to the C&W Materials. The Client and its licensors shall retain all right, title and interest in and to the Client Materials.

## 14. Non-Solicitation

- 14.1 Neither party shall (except with the other party's prior written consent) directly or indirectly solicit or entice away (or attempt to solicit or entice away) from the employment of the other, any employee or contractor working on an Engagement, and shall not offer employment to any employee working on an Engagement, for a period of six (6) months following the end of any involvement by that person with an Engagement. This shall not prohibit a party from offering employment to an employee or contractor of the other who has responded to an advertising campaign open to all comers and not specifically targeted at any of its employees or contractors.
- 14.2 In the event that a party breaches Clause 14.1, the other party shall be entitled to be paid compensation of six (6) months' salary or fees of the employee or contractor concerned. The parties agree that this is a genuine pre-estimate of loss taking into account the cost of recruitment and training of staff, and is agreed on a commercial basis between the parties.

## 15. Notices

- 15.1 Any notice or other information to be given by either party to the other under the terms of an Engagement shall be given by:
- (a) delivering it by hand; or
  - (b) sending it by pre-paid registered post,
- to the other party at the address given in Clause 15.3.
- 15.2 Any notice or information sent by post in the manner provided by Clause 15.1(b) which is not returned to the sender as undelivered shall be deemed to have been given on the second day after it was so posted; and proof that the notice or information was properly addressed, pre-paid, registered and posted, and that it has not been returned to the sender, shall be sufficient evidence that the notice or information has been duly given.
- 15.3 The address of either party for service for the purposes of this Clause 15 (but excluding legal proceedings) shall be that of its registered or principal office, or such other address as it may last have notified to the other party in writing from time to time. Notices to C&W must be addressed to EMEA General Counsel to be valid.

## 16. No Waiver, Partnership or Joint Venture

- 16.1 No waiver of any right in connection with an Engagement (including rights to sue for breach) shall operate or be construed as a waiver of any other or further right whether of a like or different character, or be effective unless in writing duly executed by an authorised representative of the affected party. The failure to insist upon the performance of the terms, conditions and provisions of the Engagement, or time or other indulgence granted by one party to another, shall not act as a waiver of any breach, as acceptance of any variation, or as the relinquishment of any right in connection with the Engagement, which shall remain in full force and effect.
- 16.2 Each right or remedy of a party to an Engagement is without prejudice to any other right or remedy of that party.
- 16.3 The Engagement shall not be interpreted or construed to create an association, joint venture or partnership between

the parties, or to impose any partnership obligation or liability upon either party.

## 17. Force Majeure and Relief

17.1 If either party is prevented or hindered from performing any of its obligations in connection with an Engagement by reason of circumstances outside its reasonable control, that party ("**Claiming Party**") shall as soon as reasonably possible serve notice in writing on the other party specifying the nature and extent of the circumstances preventing or hindering it from performing its obligations.

17.2 Subject to the Claiming Party serving notice in accordance with Clause 17.1, the Claiming Party shall have no liability in respect of any delay in performance or any non-performance of any such obligation (save for any payment obligation which shall continue in full force and effect), and the time for performance shall be extended accordingly to the extent that the delay or non-performance is due to such circumstances.

17.3 The Client agrees that C&W shall be excused from its failure to perform or delay in performing any affected obligation in connection with the Engagement to the extent that such failure results from a Relief Event. C&W shall be entitled to a reasonable extension of time in relation to any affected obligation, and to recover reasonable additional costs incurred by it, as a result of a Relief Event.

## 18. Illegality/Severance

If any provision is declared by any competent court or body to be illegal, invalid or unenforceable under the law of any jurisdiction, or if any enactment is passed that renders any provision illegal, invalid or unenforceable under the law of any jurisdiction, this shall not affect or impair the legality, validity or enforceability of the remaining provisions relating to an Engagement, nor the legality, validity or enforceability of such provision under the law of any other jurisdiction.

## 19. Assignment and Novation

19.1 Neither party may at any time, without the prior written consent of the other party (such consent not to be unreasonably withheld or delayed), assign all or any part of its rights and/or obligations relating to an Engagement. Notwithstanding the previous sentence, C&W may assign/novate (as applicable) all or any part of its rights and/or obligations in connection with an Engagement to any other member of the C&W Group, without the Client's prior written consent.

19.2 Each Engagement shall inure to the benefit of, and be binding upon, the parties' successors and permitted assignees.

## 20. Further Assurance

Each party shall at all times from the date of the Engagement Letter, on being required to do so, at its own expense do or use reasonable endeavours to procure the doing by any necessary third parties of all such acts as may be required to give full effect to the terms of the Engagement including the execution and delivery of all deeds and documents.

## 21. Governing Law and Dispute Resolution

21.1 In the event of a dispute arising out of or connection with an Engagement, a party contemplating instigating legal proceedings shall notify the other party of that fact not less than fourteen (14) days before issuing such proceedings. Either party may, upon receipt of notice or otherwise, apply to the President or the Vice President, for the time being, of the Chartered Institute of Arbitrators, for the appointment of a single arbitrator, for final resolution. The arbitration shall be

governed by both the Arbitration Act 1996 and the Rules of Controlled-Cost Arbitration of the Chartered Institute of Arbitrators (2014 Edition), or any amendments thereof, which Rules are deemed to be incorporated by reference into this clause. The seat of the arbitration shall be England.

21.2 Clause 21.1 shall not prohibit a party from applying to the court, and shall not require such party to serve notice prior to applying, for interim injunctive relief.

21.3 Each Engagement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) are governed by and shall be construed in accordance with English law. The parties submit to the non-exclusive jurisdiction of the English courts for all purposes relating to and in connection with each Engagement and any such dispute or claim.

## 22. Third Party Rights

22.1 To the extent that any loss, damage or expense is suffered or incurred by a member of the C&W Group, the parties agree that such loss, damage or expense shall be deemed to be the loss, damage or expense of C&W, and such loss shall be fully recoverable from the Client as if the loss, damage or expense was suffered or incurred by C&W directly.

22.2 Provided that Clause 22.1 remains valid and in full force and effect, no term of the Engagement is intended for the benefit of a third party and the parties do not intend that any term of the Engagement shall be enforceable by a third party either under the Contracts (Rights of Third Parties) Act 1999 or otherwise. If Clause 22.1 for any reason is or becomes illegal, invalid or unenforceable, then the rights under each Engagement shall be enforceable by any member of the C&W Group.

## 23. Entire Agreement

23.1 The Engagement constitutes the entire agreement and understanding between the parties relating to the transactions contemplated by or in connection with it and the other matters referred to in the Engagement and supersedes and extinguishes any other agreement or understanding (written or oral) between the parties or any of them relating to the same.

23.2 Each party acknowledges and agrees that it does not rely on, and shall have no remedy in respect of, any promise, assurance, statement, warranty, undertaking or representation made (whether innocently or negligently) by any other party or any other person except as expressly set out in the Engagement. The Client's sole remedy in relation to any act or omission of C&W relating to or in connection with the Engagement shall be for breach of contract.

## 24. Miscellaneous Terms

24.1 Each party warrants and represents that it has power to enter into the Engagement and that it has obtained all necessary consents and/or approvals to do so.

24.2 The Client agrees that C&W shall be entitled to rely upon instructions given by any employee or other representative of the Client, and any person holding themselves out as having the authority to give such instructions.

24.3 Where the Client comprises two or more persons their liability in relation to the Engagement shall be joint and several.

24.4 Clauses 1.1, 2, 3, 4.2, 4.3, 6, 7.6, 8, 9.3, 10.4, 11, 12.4, 12.5, 13 to 16 (inclusive), 18 and 20 to 24 (inclusive) of these Terms of Business shall survive termination of the Engagement.

- 24.5 The Client agrees and acknowledges that the Engagement is between the Client and C&W, and that the Client shall have no right to make any claim against any member (partner), director, employee, agent, or contractor of C&W or any member of the C&W Group or any C&W Affiliate.
- 24.6 In accordance with the Provision of Services Regulations 2009, C&W is required to make available certain information to Clients which can be found [here](#).
- 24.7 In accordance with Section 54, Part 6 of the Modern Slavery Act 2015, details of the measures C&W has taken to ensure that slavery and human trafficking is not taking place in its supply chains or in any part of its business can be found [here](#).

Cushman & Wakefield Terms of Business (UK)  
(Version 2.01 – May 2018)