

14 MARCH 2024

(1) CUSTODIAN PROPERTY INCOME REIT PLC

and

(2) CUSTODIAN CAPITAL LIMITED

SECOND AMENDED AND RESTATED INVESTMENT MANAGEMENT AGREEMENT

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THIS SECOND AMENDED AND RESTATED INVESTMENT MANAGEMENT AGREEMENT is dated
14 March 2024

BETWEEN:

- (1) **CUSTODIAN PROPERTY INCOME REIT PLC** (formerly Custodian REIT plc), a company registered in England and Wales with company number 08863271 whose registered office is at 1 New Walk Place, Leicester, United Kingdom, LE1 6RU (the "**REIT**"); and
- (2) **CUSTODIAN CAPITAL LIMITED**, a company registered in England and Wales with company number 06504305 whose registered office is at 1 New Walk Place, Leicester, United Kingdom, LE1 6RU (the "**Investment Manager**").

BACKGROUND:

- (A) The Investment Manager has agreed to provide the Investment Management Services the Asset Management Services and the Administrative Services (each as defined below) on the terms and subject to the conditions of this Agreement. The REIT has appointed the Investment Manager as its AIFM for the purposes of the AIFMD (as defined below).
- (B) This Agreement terminates both a prior agreement between the same parties entered into on 22 June 2020 and an amendment and restatement of that agreement entered into on 19 January 2024 (together the "**Original Agreement**").
- (C) The Investment Manager is authorised under FSMA to carry out regulated activities in the United Kingdom, is regulated by the FCA in the conduct of its regulated activities and is able to perform the activities of an AIFM. The Investment Manager has been appointed to provide the Administrative Services (as defined below) pursuant to the terms and conditions of this Agreement.
- (D) This Agreement is a terms of business letter for the purposes of the FCA Rules (as defined below).
- (E) This Parties wish to agree that the Investment Manager continues its appointment to provide the Services to the REIT on and subject to the terms set out in this Agreement with effect from the Effective Date.

TERMS AGREED

1. Definitions and Interpretation

1.1 The definitions and rules of interpretation set out in this Clause apply to this Agreement.

Accounting Date means 31 March each year or such other date as the Investment Manager (in consultation with the REIT Board) may determine and notify to the REIT or, in the case of the final Accounting Period, the date of the termination of the REIT;

Accounting Period	means a period ending on and including an Accounting Date and beginning on the day following the date on which the preceding Accounting Period ends;
Act	means the Companies Act 2006;
Administrative Fee	means the fees payable in respect of the Administrative Services, details of which are set out in paragraph 3 of Schedule 6 (Fees)
Administrative Services	means such company secretarial, financial and administrative services to the REIT as the REIT may reasonably require from time to time, details of which are set out in Part 3 of Schedule 1 (Services);
Affiliate	means any company which at the relevant time is a subsidiary or holding company of the party in question or any subsidiary of any such holding company and 'subsidiary' and 'holding company' shall have the meanings given to them by the Act, Section 1159;
Agreed Budget	means a budget for income and expenditure together with the other matters prepared by the Investment Manager pursuant to paragraph 10 of Part 3 of Schedule 1 (Services);
AIC Code	means the Code of Corporate Governance as issued and updated from time to time by the Association of Investment Companies or any successor body from time to time;
AIFM	has the meaning given to it under the UK AIFMD Laws;
AIFMD	means the EU AIFMD and UK AIFMD Laws;
Annual Report	means the annual report referred to in paragraph 11 of part 3 of Schedule 1 (Services);
Asset Management Services	means the asset management services detailed in Part 2 of Schedule 1 (Services);
Asset Management Fee	means the fees payable in respect of the Asset Management Services, details of which are set out in paragraph 2 of Schedule 6 (Fees);
Authority Matters	means any matters requiring the approval of the REIT as set out in Schedule 3 (Non-delegated authority);
Business Day	means a day (excluding Saturdays, Sundays and public holidays) on which banks in London are open for business;

Cause	means in relation to any person: (a) such person's fraud or gross negligence; (b) the withdrawal from that person of or failure to obtain any licence, consent, authorisation or permission required for the ongoing performance or requirement of the Services (as applicable); or the occurrence of an Insolvency Event;
Companies Law of Guernsey	means the Companies (Guernsey) Law, 2008 (as amended);
Costs	has the meaning given in Clause 15;
Depository Agreement	the agreement between the REIT and the REIT's depository for AIFMD purposes;
Disclosing Party	has the meaning given in Clause 24.2;
Effective Date	means the date on which the proposed acquisition by the REIT of the entire issued (and to be issued) share capital of abrdn Property Income Trust Limited to be implemented by means of a Court sanctioned scheme of arrangement in accordance with Part VIII of the Companies Law of Guernsey becomes effective in accordance with its terms;
ESG	has the meaning given in paragraph 8 pf Part 3 of Schedule 1 (Services);
EU AIFMD	means the EU's Alternative Investment Fund Managers Directive (No. 2011/61/EU) and all legislation made pursuant thereto, including, where applicable, the applicable implementing legislation and regulations in each member state of the European Union;
FCA	the Financial Conduct Authority of the United Kingdom;
FCA Handbook	means the handbook of rules and guidance made by the FCA (as amended from time to time);
FCA Rules	means the rules and guidance contained in the FCA Handbook and other such rules made by the FCA (or any duly authorised committee of the FCA) as altered, amended, added to or cancelled from time to time;
Fees	means the Investment Management Fee, the Asset Management Fee, the Administrative Fee and the Marketing Fee as set out in paragraphs 1, 2, 3 and 4 of Schedule 6 (Fees)

respectively and payable to the Investment Manager pursuant to the terms of this Agreement;

Finance	means any credit facility provided to the REIT by a Lender for the acquisition or re-financing of a Property or for general corporate purposes;
Financing Agreement	means any loan or facility agreement arranged or approved and entered into from time to time by the Investment Manager on behalf of the REIT and all documents, entered into pursuant or supplemental thereto or in replacement thereof or in relation to the refinancing of the whole or any part of the facilities thereunder;
Force Majeure Event	has the meaning given in Clause 25.2;
FSMA	means the Financial Services and Markets Act 2000 and all relevant rules, regulatory and mandatory guidance issued by the FCA thereunder, as amended or re-enacted from time to time;
HMRC	has the meaning given in paragraph 14.2 of Part 3 of Schedule 1 (Services);
Indemnified Persons	has the meaning given in Clause 15;
Insolvency Event	means an event whereby either party: <ul style="list-style-type: none">(a) suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts or (being a company) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (being a natural person) is deemed either unable to pay its debts or as having no reasonable prospect of so doing, in either case, within the meaning of section 268 of the Insolvency Act 1986 or (being a partnership) has any member to whom any of the foregoing apply;(b) commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with its creditors; or(c) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the relevant party; or(d) an application is made to court, or an order is made, for the appointment of an administrator or if a notice of

	intention to appoint an administrator is given or if an administrator is appointed over the relevant party; or
	(e) a floating charge holder over the assets of the relevant party has become entitled to appoint or has appointed an administrative receiver;
Interest	means interest at 2% over the base rate of Lloyds Bank PLC from time to time, as well after as before judgment, calculated on a daily basis and compounded on each Quarter Day;
Investment and Gearing Policy	means the Investment and Gearing Policy set out in Schedule 4 (Investment and Gearing Policy) as may be reviewed and amended from time to time;
Investment Management Services	means the services and management functions required in the operation of the investment portfolio of real estate assets held by the REIT as set out in Part 1 of Schedule 1 (Services);
Investment Management Fee	means the fees payable in respect of the Investment Management Services, details of which are set out in paragraph 1 of Schedule 6 (Fees);
Investor	means a person holding, for the time being, any quantity of shares in the capital of the REIT;
Key Director	means an employee of the Investment Manager who has been designated as a Key Director by the Investment Manager from time to time;
Key Manager	means an employee of the Investment Manager who has been designated as a Key Manager by the Investment Manager from time to time;
Lease	means any present or future lease, sub-lease, licence, agreement option, tenancy or right to occupy the Properties (including any holding over pursuant to statute or otherwise);
Lender	means any bank providing Finance to the REIT;
Listing Rules	means the listing rules made by the FCA under Part VI of the FSMA, as amended from time to time
Marketing Fee	means the fees payable in respect of the Marketing Services, details of which are set out in paragraph 4.1 of Schedule 6 (Fees);
Marketing Services	means the services relating to the direct marketing of the REIT as set out in Part 4 of Schedule 1 (Services);

Mattioli Woods	has the meaning given in paragraph 1 of Schedule 1 (Services);
Net Asset Value	means the net asset value of the REIT as a whole (including any assets of abrdn Property Income Trust Limited from the Effective Date) on the relevant date calculated in accordance with the REIT's normal accounting policies;
New Share Issue	means an issue of new shares in the capital of the REIT other than through a share-for-share exchange to enable a corporate acquisition;
Operating Account	means a separate interest bearing account in the name of the REIT to be held at Lloyds Bank PLC (or such other bank from time to time required by the REIT);
Original Agreement	has the meaning given in paragraph (B) of the Background to this Agreement;
Parties	means the parties to this Agreement;
Part IVA permission	authorisation under Part IVA of FSMA;
Portfolio	means all investments, money, Properties, assets or borrowings for the time being held by or to the order of the REIT as a whole (including any assets of abrdn Property Income Trust Limited from the Effective Date) and managed by the Investment Manager in accordance with this Agreement;
Professional Team	means all of the consultants appointed by or on behalf of the REIT (save and except any letting agents and the REIT's Legal Advisers);
Property	means any real property or interest in any real property which satisfies the Investment and Gearing Policy and is acquired by or on behalf of the REIT and the expression Properties shall be construed accordingly;
Quarter	means each successive period during this Agreement ending on a Quarter Day and the expression Quarterly shall be construed accordingly;
Quarter Day	means 31 March, 30 June, 30 September and 31 December;
Regulations	has the meaning given in paragraph 14.2 of Part 3 of Schedule 1 (Services);
REIT's Auditors and Accountants	means such persons as the REIT shall from time to time notify the Investment Manager have been appointed to such role by the REIT following a selection process in accordance with Part 3 of Schedule 1 (Services);

REIT Board	means the board of directors of the REIT appointed from time to time;
REIT's Legal Advisers	means such persons as the REIT shall from time to time notify the Investment Manager have been appointed to such role by the REIT;
REIT's Requirements	means collectively, adherence to the Investment and Gearing Policy, any strategy or proposal adopted by the REIT with a view to achieving the Investment and Gearing Policy;
REIT's Tax Advisers	means such persons as the REIT shall from time to time appoint as tax advisors to the REIT;
Services	means the Investment Management Services, the Asset Management Services, the Administrative Services and the Marketing Services or any one or part of them;
Tenant	means any occupant identified as the tenant under any Lease;
UK AIFMD Laws	means (a) the Alternative Investment Fund Managers Regulations 2013 (SI 2013/1773) and any other implementing measure which operated to transpose the EU AIFMD into UK law, as amended and supplemented from time to time including, without limit, the FCA Rules; and (b) the UK versions of the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 and any other delegated regulations in respect of the EU AIFMD, each being part of UK law by virtue of the European Union (Withdrawal) Act 2018, as further amended and supplemented from time to time; and
VAT	Means United Kingdom Value Added Tax and/or any other value added tax or sales tax applicable in the United Kingdom or any other country and VAT Invoice shall be construed accordingly.

1.2 Any cognate words shall be construed accordingly.

1.3 In the interpretation of this Agreement, unless the context otherwise requires or indicates:

- (a) references to numbered Clauses, Schedules and paragraphs are references to clauses or schedules of or to this Agreement and paragraphs in the relevant Schedule;
- (b) **person** includes a company, a partnership or any other legal entity;
- (c) words denoting the singular include the plural and vice versa;
- (d) words importing any gender include every gender;
- (e) headings to Clauses, paragraphs and Schedules are for ease of reference only and are to be disregarded in the interpretation of the provisions to which they refer;

- (f) references in this Agreement to statutes or statutory instruments include any statute or statutory instrument amending, consolidating or replacing them respectively from time to time in force;
 - (g) references to a statute include statutory instruments and regulations made pursuant to it; and
 - (h) the words and phrases **other, including and in particular** shall not limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible.
- 1.4 Any approvals or consents of any party hereunder, in order to be binding on that party, shall be in writing.
2. **Commencement and duration**
- 2.1 With effect from the Effective Date, the REIT appoints the Investment Manager to be exclusively responsible for the provision to the REIT of the Services and the REIT delegates to the Investment Manager on an exclusive basis such of the powers and discretions of the REIT Board on behalf of the REIT as are necessary for these purposes and the Investment Manager accepts the appointment to provide the Services to the REIT, subject to and in accordance with the terms and conditions contained in this Agreement.
- 2.2 This Agreement takes effect from the Effective Date and, unless terminated in accordance with the terms of this Agreement, shall continue in force until it is terminated by either party serving at least one (1) year's prior written notice on the other party. The Parties agree that with effect from the Effective Date, the Original Agreement shall terminate and be of no further effect.
- 2.3 The REIT shall also be entitled to request the separate provision of the Investment Management Services, Asset Management Services and Administrative Services and may, by serving at least one (1) year's prior written notice to the Investment Manager, terminate the provision of each or any of the Investment Management Services, Asset Management Services and/or Administrative Services (and terminate the ongoing payment of the Investment Management Fee, Asset Management Fee and/or Administrative Fee (as applicable)) separately. Following any such separate termination of the different Services, the REIT and the Investment Manager shall cooperate in good faith and use reasonable efforts to ensure that the relevant terminated Services may be transitioned smoothly to a new services provider or the REIT itself (as the case may be).
- 2.4 The Investment Manager agrees that notwithstanding any other provision of this Agreement the REIT may at any time from time to time give directions to the Investment Manager as to the way in which the Services or any of them are to be performed or as to particular action to be taken by the Investment Manager in its performance of the Services and, providing such directions do not in the Investment Manager's reasonable opinion conflict with the Investment Manager's obligations under the AIFMD or FSMA, the Investment Manager shall use all reasonable endeavours to comply with such directions.
- 2.5 The REIT may, with the approval of the Investment Manager (which shall not be unreasonably withheld), vary the Services by addition to, omission from or alteration of the Services but, in

the case of additions to the Services only, the variation is subject to a good faith negotiation regarding the Fees, and the variation must fall reasonably within the scope of a competent fund and asset manager's duties.

- 2.6 The Investment Manager may at any time, without notifying the REIT in advance, make any changes to the Services which are necessary to comply with any applicable statutory requirements. Any such changes shall be promptly notified to the REIT in writing once the relevant changes have taken effect and the details of the Services as set out in Schedule 1 (Services) shall be amended accordingly.
- 2.7 The Investment Manager shall:
- (a) provide the Services to that standard of skill, care and diligence as may reasonably be expected of a competent person experienced in;
 - (i) advising on investment in, and managing, a portfolio of real estate interests; and
 - (ii) providing administrative support and services to a quoted investment fund; and
 - (b) generally act honestly, fairly and with due skill, care and diligence in conducting its activities;
 - (c) act in good faith and in the best interests of the REIT and the Investors;
 - (d) treat all Investors fairly and, so far as it is within the Investment Manager's control, not allow any Investor to obtain preferential treatment unless it is duly disclosed in a prospectus or other offering document;
 - (e) devote such time and efforts (and shall ensure that all appropriate personnel are deployed by the Investment Manager for this purpose) as shall be reasonably necessary for the efficient and diligent provision of the Services; and
 - (f) obtain and at all times maintain all necessary licences, consents and authorisations, and comply with all applicable laws and regulations in its provision of the Services including the AIFMD and the best practice recommendations in the AIC Code.
- 2.8 With effect from the Effective Date, but subject to the restrictions set out in this Agreement and/or any of the Authority Matters which are specifically reserved for the decision of the REIT and/or the REIT Board, the Investment Manager shall provide the Services. In performing the duties and exercising the powers and authorities referred to in this Agreement, the Investment Manager shall have the power to bind and commit the REIT to the extent necessary for it to perform the Services and the REIT shall not (whether acting by the REIT Board or otherwise) exercise any of the powers exercisable by the Investment Manager which have been entrusted to and conferred upon the Investment Manager pursuant to this Agreement.
- 2.9 The REIT and/or the REIT Board shall be entitled at any time, but no more frequently than once in each Accounting Period during the term of this Agreement, to require the Investment Manager to undergo an independent audit for the purposes of assisting the REIT and/or the REIT Board in its monitoring and reviewing of the Investment Manager's ongoing compliance

with the terms of this Agreement and all relevant regulatory requirements and the Investment Manager shall, on demand, provide the REIT and/or the REIT Board (and/or its agents or representatives for this purpose) with all reasonable co-operation and assistance in a timely manner in relation to each audit.

3. Representations and Undertakings

3.1 The REIT hereby represents and warrants that it has full power and authority to appoint the Investment Manager to provide the Services, to authorise the Investment Manager to carry out all functions contemplated by the Agreement and to enter into, perform and comply with this Agreement.

3.2 The Investment Manager hereby represents and warrants that it is authorised and regulated by the FCA and has the appropriate Part IVA permission to be appointed as an alternative investment fund manager within the meaning of the AIFMD and to carry on any other aspect or element of the Services which constitutes a regulated activity for the purposes of FSMA and as permitted under the AIFMD and has full power and authority to enter into, perform and comply with this Agreement.

3.3 The Investment Manager confirms that:

- (a) it will use all its reasonable endeavours to retain its required Part IVA permission during the term of this Agreement; and
- (b) it will promptly inform the REIT if any disciplinary or other proceedings are brought against or threatened by the FCA in respect of the authorised status of the Investment Manager under the FSMA and the AIFMD.

3.4 For the avoidance of doubt, the Investment Manager shall not perform (or be required to perform) any activities that amount to regulated activities as defined by FSMA which fall outside the scope of the Investment Manager's Part IVA permission, where such permission is required. The Investment Manager shall not perform (or be required to perform) any activities that an AIFM is not permitted to carry on under the AIFMD.

4. Fees

4.1 In consideration of the Investment Manager providing the Services, the REIT agrees to pay to the Investment Manager the following fees during the continuation of this Agreement (together, where applicable, with any appropriate VAT):

- (a) the Investment Management Fee payable Quarterly in arrears within ten (10) Business Days following the delivery of its invoice in accordance with Clause 4.2;
- (b) the Asset Management Fee payable Quarterly in arrears within ten (10) Business Days following the delivery of its invoice in accordance with Clause 4.2;
- (c) the Administrative Fee payable in advance in four (4) Quarterly instalments payable within ten (10) Business Days of the delivery of its invoice in accordance with Clause 4.2; and

- (d) the Marketing Fee payable within ten (10) Business Days of the delivery of its invoice, such invoice to be delivered to the REIT within fourteen (14) Business Days of the relevant New Share Issue.
 - (e) a corporate transaction fee, which shall be negotiated with the Investment Manager for any additional work involved in a corporate transaction outside the work associated with a direct property transaction.
- 4.2 The Investment Manager shall deliver an invoice or invoices as appropriate to the REIT within forty-five (45) days following each Quarter Day in respect of the Investment Management Fee, the Asset Management Fee and the Administrative Fee, in each case together with a statement showing its calculation of the Net Asset Value as at that Quarter Day.
- 4.3 On each anniversary of the Effective Date the Investment Manager and the REIT Board shall meet to review and discuss any adjustment to the Fees and any renewal or adjustment of the right of the Investment Manager to retain insurance commission pursuant to Clause 5.2 applicable to the next subsequent Accounting Period, such adjustments to only be applicable following agreement between the Investment Manager and the REIT Board both acting reasonably and subject to compliance with the Listing Rules. In the event that the Investment Manager and the REIT Board cannot reach agreement to any adjustment to the Fees or the right to retain insurance commissions, the existing level of Fees and right to retain insurance commissions shall remain applicable.
5. **The Operating Account**
- 5.1 The Investment Manager shall:
- (a) collect the rents in accordance with the provisions of the Leases and shall, on receipt, credit such rents (together with any interest due thereon) to the Operating Account;
 - (b) in the case of late payment, demand any interest due to the REIT under the terms of any Lease or other agreement;
 - (c) credit to the Operating Account on receipt all service charge and insurance payments (together with any interest due thereon) which are due from Tenants to the REIT and which are collected by the Investment Manager or its agents;
 - (d) credit all other receipts by the Investment Manager in respect of the Property to the Operating Account; and
 - (e) inform the REIT where there are balances from time to time in the Operating Account which do not comprise expenditure anticipated by an Agreed Budget and, if instructed by the REIT, arrange for distribution of such balances to the REIT.
- 5.2 Subject to agreement of any adjustment to this right pursuant to Clause 4.3, the Investment Manager shall retain the benefit of any insurance commissions (which are not payable to the Tenant) which are earned in respect of policies of insurance from time to time taken out or renewed on the Properties.

- 5.3 The Investment Manager shall use the Operating Account to pay for all costs and expenses relating to the insurance and management of the Property where the payment is in accordance with Schedule 1 (Services).
- 5.4 Subject to Clause 7.5, all costs and expenses (together with any applicable VAT) incurred by the Investment Manager in performing the Services on a day to day basis shall be borne by and be for the account of the Investment Manager (except for any fees of agents incurred and payable in connection with the sales and/or acquisitions of the Properties, the appointment or engagement of any third parties on behalf of or as agent of the REIT such as professional advisors, service providers or contractors of any kind which shall be borne by the REIT and paid for by the Investment Manager on the REIT's behalf using the Operating Account).
- 5.5 The Investment Manager shall provide the REIT and any depositary it appoints from time to time at appropriate regular intervals with a statement of the payments in and out of the Operating Account supported with copies of the relevant invoices evidencing the expenditure incurred and shall provide to the REIT any information relating to such payments required by the Depositary Agreement or otherwise as the REIT may reasonably require.
- 5.6 The REIT shall within ten (10) Business Days of receipt of the statement provided pursuant to this Clause 5 pay such sum as the Investment Manager shall from time to time reasonably require to meet outgoings in respect of a Property or any part thereof (acting by way of a float) due either to the fact that such outgoings cannot be recovered from a Tenant or that such outgoings are due prior to the date when reimbursement is received from the Tenants.

6. **Property Sourcing and Acquiring**

6.1 The Investment Manager shall, in accordance with the provisions of this Agreement, endeavour to source and acquire Properties for acquisition by the REIT.

6.2 If the Investment Manager identifies a Property which:

- (a) falls within the Investment and Gearing Policy; and
- (b) it judges is suitable for investment in by the REIT;

the Investment Manager shall have authority on behalf of the REIT to bid for the relevant Property and to negotiate the acquisition of the relevant Property on behalf of the REIT.

6.3 The Investment Manager shall:

- (a) procure that professional advisers appointed by the Investment Manager on behalf of the REIT carry out legal due diligence including:
 - (i) title which is deduced (including all searches and replies to enquiries);
 - (ii) a review of leases, licences, tenancy documentation and service contracts;
 - (iii) preparation of reports on title or certificates of title relating to the Property;
 - (iv) a review of any warranties, planning consents and ancillary information relating to the Property;

- (v) the review and negotiation of the purchase contract;
 - (vi) a review of any relevant building contracts and other key construction documentation; and
 - (vii) procure that its professional advisers carry out:
 - (1) a survey of the Property;
 - (2) a viability appraisal;
 - (3) a valuation; and
 - (4) market analysis of the Property; and
 - (b) investigate the availability of Finance.
- 6.4 The professional advisers shall owe a duty of care to the REIT and the Investment Manager shall procure that each professional adviser addresses all reports to the REIT and any Lender.
- 6.5 The Investment Manager shall keep the REIT reasonably informed of ongoing progress in relation to the acquisition and sales of any Properties on no less than a Quarterly basis.
- 6.6 A Property shall be acquired by the Investment Manager on behalf of or as agent of the REIT only after:
- (a) the applicable conditions set out in Schedule 5 (Pre-acquisition Conditions) have been satisfied;
 - (b) any required Finance is in place; and
 - (c) the relevant legal documentation relating to the acquisition of the Property has been agreed.

7. **Investment Manager's Obligations**

- 7.1 In providing the Asset Management Services, the Investment Manager agrees with the REIT that it will:
- (a) comply with all proper and reasonable instructions and directions given to it by the REIT Board on any matter connected with the proper performance of the Asset Management Services;
 - (b) keep the REIT Board reasonably informed of the progress of any of the Asset Management Services and advise it of any matter known to the Investment Manager which is likely to have a material adverse affect on the REIT;
 - (c) work with and co-operate with the REIT's Professional Team and any depositary appointed by the REIT from time to time;
 - (d) not make any profit or commission out of the provision of the Services, other than the Fees or the retention of insurance commission pursuant to Clause 5.2, without the prior written consent of the REIT Board;

- (e) comply with and observe the terms of any Financing Agreement which affects any Property;
 - (f) in relation to each or any aspects of the Services, adhere to and comply with the Investment and Gearing Policy and conduct itself at all times in a manner designed to aid the delivery of the Investment and Gearing Policy expeditiously and cost effectively; and
 - (g) in respect of any element of any Services which requires the appointment of a third party by the REIT (whether by way of a consultant, a contractor, a sub-contractor or otherwise) take reasonable steps to procure that the terms of such appointment are competitive.
- 7.2 The Investment Manager will enter into any duty of care deeds that the Lender may reasonably request.
- 7.3 The REIT (whether acting by the REIT Board or otherwise) will co-operate with the Investment Manager and any depositary appointed by the REIT from time to time and respond properly and promptly to the request of the Investment Manager for approvals, instructions, authorisations and assistance.
- 7.4 If the Investment Manager seeks or is obliged to seek the REIT's approval or agreement to any matter under this Agreement, any such approval or agreement shall not (save to the extent otherwise expressly provided in such approval) derogate from the Investment Manager's obligations under this Agreement or diminish its liability for breach of any of those obligations.
- 7.5 The Investment Manager shall not exceed the expenditure limitations set out in Schedule 2 (Limits on Expenditure) without the prior written consent of the REIT.
- 8. REIT Obligations**
- 8.1 The REIT agrees with the Investment Manager:
- (a) to supply the Investment Manager, in such time as may be reasonable having regard to the timing and nature of any request for the same, with any necessary information, approvals and data in its possession or which may readily be obtained by it, but not by the Investment Manager, and which is reasonably required by the Investment Manager to enable the Investment Manager to provide the Services;
 - (b) so far as it is reasonable for it to do so, to do all lawful acts, matters and things as shall be necessary to enable the Investment Manager to perform the Services;
 - (c) to co-operate with the Investment Manager to enable the Investment Manager to discharge its duties and perform the Services and to respond promptly, where reasonably practicable to do so having regard to the nature of the requests, and in writing to requests properly made by the Investment Manager for approvals, consents, instructions, information and assistance;
 - (d) to receive and consider the advice of the Investment Manager but so that it shall not be bound by such advice;

(e) not without reasonable cause and without first notifying the Investment Manager in writing of the same, to alter any authority or instruction formerly given to the Investment Manager and on which the Investment Manager has acted or relied in good faith. If any authority or instruction shall be altered, then the Investment Manager shall not, subject to using reasonable endeavours to mitigate the same, be liable for any cost, claim, liability, expense, matter or thing which may arise as a consequence of having acted or relied on the former authority or instruction; and

(f) to pay the Fees to the Investment Manager.

9. **Scope of Authority**

9.1 Subject to Clause 9.2, the Investment Manager shall have such fully delegated authority to act on behalf of the REIT as is necessary to perform the Services.

9.2 The Investment Manager agrees with the REIT that it shall obtain the written consent of the REIT Board for all Authority Matters and shall have no authority to act on behalf of the REIT without the prior approval of the REIT Board in respect of those Authority Matters.

10. **Meetings and Reporting**

10.1 The Investment Manager and the REIT Board shall hold Quarterly meetings and each of them shall be entitled to call meetings at other times on reasonable prior written notice, where necessary, in connection with the proper provision of the Services. The Investment Manager may determine who shall represent the Investment Manager at such meetings in addition to the Key Director and Key Managers from time to time.

10.2 The Investment Manager agrees with the REIT that it shall comply with the reporting procedures in Schedule 1 (Services).

10.3 The Investment Manager shall provide the REIT Board with any other information reasonably requested by the REIT Board in respect of any meetings to be held between the Investment Manager and the REIT Board pursuant to Clause 10.1.

11. **Third Party Standard of Performance and Liability**

11.1 Without limiting Clause 2.7, the Investment Manager undertakes to the REIT that it shall use reasonable skill, care and diligence as may be expected of a competent person experienced to the extent described in Clause 2.7 to ensure that any third party engaged by the Investment Manager to provide advice to the Investment Manager in order to enable the Services to be carried out or provided or to whom the Investment Manager lawfully sub-contracts any of the Services shall be reputable and shall use such reasonable skill, care and diligence as may be expected of a competent person experienced in carrying out or providing the relevant Services in relation to an investment fund of a size, scope, type and complexity comparable with the REIT and/or in relation to properties of a size, scope, type and complexity comparable with the properties to be sourced pursuant to this Agreement (as applicable).

11.2 Without limiting Clause 2.7, the Investment Manager undertakes to the REIT that it shall use such reasonable skill, care and diligence as may be expected of a competent person

experienced to the extent described in Clause 2.7 to ensure that any third party whose appointment the Investment Manager shall recommend to the REIT or make on the behalf of or as agent of the REIT shall be reputable and shall use such reasonable skill, care and diligence as may be expected of a competent person experienced in carrying out or undertaking the relevant Services to be provided under the appointment.

12. **Copyright Licence**

Copyright in any drawings, plans, reports, specifications and calculations produced by or on behalf of the Investment Manager, if any, will remain vested in the Investment Manager but the REIT shall have an irrevocable, non-exclusive, royalty free licence to use any such materials or documents for all purposes connected with any Property.

13. **Assignment and Sub-Contracting**

13.1 Save for charging its interest under this Agreement, the REIT may not assign or deal with its benefit under this Agreement, either in whole or in part.

13.2 The Investment Manager shall not assign, charge or otherwise deal with its benefit under this Agreement, either in whole or in part.

13.3 Subject to Clauses 13.4 and 13.5, the Investment Manager shall not, without the prior written consent of the REIT (such consent not to be unreasonably withheld or delayed), delegate or subcontract to any person the performance of powers, duties and obligations otherwise than where the use of external professional advice is required because the relevant expertise is not of the kind possessed or available to those persons engaged or employed by the Investment Manager (including in relation to legal and accounting matters, rating appeals, rent reviews and taxation matters).

13.4 With the prior written consent of the REIT Board (such consent not to be unreasonably or delayed), the Investment Manager may sub-contract some or all of its rights and duties under this Agreement to an Affiliate provided:

(a) such Affiliate is competent to provide the Services so sub-contracted and has the necessary licences, consent, authorisation or permissions (if any) to provide the Services including where necessary such authorisation as may be required pursuant to the AIFMD;

(b) the Investment Manager shall be responsible for any fees paid to such Affiliate; and

(c) such sub-contract ceases to take effect immediately upon the sub-contractor ceasing to be the Investment Manager's Affiliate.

13.5 With the prior written consent of the REIT Board (such consent not to be unreasonably withheld or delayed), the Investment Manager may sub-contract some or all of its rights and duties under this Agreement to a firm of managing agents, provided that:

(a) the firm of managing agents is widely recognised within the real estate industry as being expert in the services to be sub-contracted and having the capability to provide those services; and

- (b) such firm of managing agents shall enter into a duty of care agreement in favour of the REIT and any Lender in a form approved of by the REIT, such approval not to be unreasonably withheld; and
 - (c) the Investment Manager shall be responsible for paying the fees of such managing agents.
- 13.6 The Investment Manager may appoint on behalf of the REIT and at the cost of the REIT the following specialists in connection with the performance of the Services:
- (a) letting agents for the purpose of letting and marketing the Property, conducting rent reviews and lease renewals;
 - (b) rating advisers, insurance valuers, loss adjusters and capital allowance specialists;
 - (c) maintenance and works contractors, surveyors, engineers, architects, landscaping specialists, security operators, facilities managers, mechanical and electrical engineers, party wall surveyors, right of light surveyors, quantity surveyors and such other persons experienced in the carrying out of works or services;
 - (d) analysts and market research companies;
 - (e) debt collecting agents; and/or
 - (f) lawyers.
- 13.7 All appointments made pursuant to Clause 13.6:
- (a) shall be entered into on behalf of the REIT and where appropriate shall include an express acknowledgement of a duty of care from the relevant contracting party to the REIT and, if required, the Lender; and
 - (b) shall contain provisions enabling the appointment to be terminated or continued at the option of the REIT Board on behalf of the REIT in the event that this Agreement shall be terminated (for whatever reason); and
 - (c) shall be notified by the Investment Manager to the REIT in writing and a certified copy of the same shall be provided by the Investment Manager to the REIT Board on behalf of the REIT as soon as reasonably practicable after they have been entered into;
- but the Investment Manager shall not be relieved of liability for breach of its obligations by any such appointment and shall be responsible for the acts and omissions of each such appointee.
- 13.8 The Investment Manager will not delegate or sub-contract the performance of the Services under this Clause 13 to the extent that, in essence, it can no longer be considered to be the AIFM of the REIT and may be considered to be a "letter-box entity" as described in the AIFMD and the FCA Rules.
- 13.9 The Investment Manager will ensure that it notifies the FCA when required of any delegation relating to the Services and will ensure that any delegation complies with the AIFMD and the FCA Rules.

14. **Investment Manager's Personnel**

- 14.1 The Investment Manager shall appoint the Key Director and the Key Managers as responsible for the delivery by the Investment Manager of the Services. The Key Director shall devote no less than 75% (seventy-five per cent) of his working time to his or her role as Key Director of the Investment Manager for an on behalf of the REIT and the Key Managers shall each devote as much time as is reasonably considered necessary to fulfil their respective roles as Key Managers of the Investment Manager acting for and on behalf of the REIT.
- 14.2 The Key Director and Key Managers shall have full authority to act on behalf of the Investment Manager for all purposes in connection with this Agreement.
- 14.3 If the Key Director or any of the Key Managers resigns from the Investment Manager or their membership of or employment by the Investment Manager is terminated, the Investment Manager shall immediately notify the REIT.
- 14.4 The REIT Board shall have the right in any event and at any time, provided the REIT Board is acting reasonably after consultation with and having due regard to the representations of the Investment Manager, to request the removal of any person engaged in the performance of the Services if, in the REIT Board's reasonable opinion, that person's performance or conduct is or has been unsatisfactory and the Investment Manager shall promptly remove such person and replace him with a suitable person.

15. **Indemnities**

- 15.1 The Investment Manager, its Affiliates, officers, directors, shareholders, members, agents, employees, advisers and consultants of such entities (together the "**Indemnified Persons**") shall be entitled to be indemnified out of the REIT's assets against any liabilities, costs or expenses (including reasonable legal fees) ("**Costs**") incurred or threatened by reason of such person being or having been the Investment Manager of the REIT or one of the Investment Manager's Affiliates or their being or having been an officer, director, shareholder, member, agent, employee, adviser or consultant of the Investment Manager or by reason of any arrangements made by the Investment Manager in pursuance of, or for the purpose of carrying out obligations under, this Agreement, provided that this indemnity shall not apply to an Indemnified Person:
- (a) where such person has been guilty of any breach of this Agreement, fraud, gross negligence, wilful misconduct, bad faith or any material breach of any duty it may have to the REIT (including, in the case of the Investment Manager, under FCA Rules);
 - (b) in respect of any economic loss incurred by such person arising as a result of such person holding an interest in any of the REIT's assets;
 - (c) in respect of any expenses of the REIT which such person has agreed to bear.
- 15.2 The Investment Manager shall indemnify and keep indemnified the REIT against all Costs incurred by the REIT in respect of or arising as a result of the Investment Manager's breach of this Agreement, fraud, gross negligence, wilful misconduct, bad faith or any material breach of any duty the Investment Manager may have to the REIT (including under FCA Rules).

15.3 The provisions of this Clause shall continue after the termination of this Agreement.

16. Liability Insurance

16.1 Subject to such insurance being available in the UK insurance market, the Investment Manager will maintain with insurers of repute professional indemnity insurance on standard market terms with a limit of not less than £10,000,000 per claim against all or any claims arising out of the negligent performance of the Services by the Investment Manager.

16.2 The Investment Manager will comply with all conditions and obligations of any such insurance policy.

16.3 The Investment Manager shall provide to the REIT documentary evidence (which may comprise a broker's or underwriter's confirmation) at least once a year that its professional indemnity insurance remains in existence and all premiums due have been fully paid and the Investment Manager will immediately inform the REIT on becoming aware that any such policy has become void or voidable or may not be renewed by the insurer.

16.4 The provisions of this Clause shall continue after the termination of this Agreement for a period of at least six (6) years.

17. Termination

17.1 The REIT (and, in the circumstances set out in Clause 17.1(e) below, the Investment Manager) may at any time terminate this Agreement by notice in writing to the Investment Manager (or to the REIT as the case may be) in the following circumstances:

- (a) if the Investment Manager is in material breach of its obligations hereunder and fails to remedy such breach within twenty (20) Business Days (or such longer period as may be agreed by both Parties acting reasonably in regard to the relevant breach and giving a reasonable period in which to remedy the same if not possible within twenty (20) Business Days) of such breach having been notified to the Investment Manager in writing by the REIT, which at the time of the giving of the notice was not of such seriousness as to fall within Clause 17.1(b);
- (b) if the Investment Manager has committed breaches of obligation under this Agreement which are individually or cumulatively of such seriousness as to permit the REIT as a matter of law to treat this Agreement as repudiated by breach;
- (c) if notifications under Clause 14.3 regarding two (2) Key Managers are issued and neither relevant Key Manager is replaced by an alternative employee within ninety (90) days of the relevant Key Manager ceasing to be employed;
- (d) if a notification under Clause 14.3 regarding the Key Director is issued and the relevant Key Director is not replaced by an alternative managing officer within one hundred and eighty (180) days of the Key Director ceasing to be employed;
- (e) if a Party decides to terminate the Agreement in accordance with Clause 25.1(e) in the event that a Force Majeure Event has continued for a continuous period of ninety (90) days; and/or

- (f) in the event of Cause on the part of the Investment Manager.
- 17.2 Unless the REIT and the Investment Manager agree otherwise, this Agreement shall automatically terminate with immediate effect upon an Insolvency Event of the REIT.
- 17.3 If the Investment Manager ceases, for any reason, to have the necessary Part IVA permission to act as AIFM to the REIT as permitted under the AIFMD so as to enable it to provide the Services as set out in this Agreement then:
- (a) it shall forthwith notify REIT in writing; and
 - (b) its appointment under this agreement as Investment Manager shall forthwith be suspended pending it obtaining the necessary Part IVA permission which it shall promptly use its best endeavours to obtain; and
 - (c) it shall, unless requested otherwise by the REIT, forthwith at its own cost use its best endeavours to find a suitable alternative person with the necessary Part IVA permission to act as an AIFM to act temporarily (or permanently) as AIFM to the REIT on the terms of this agreement or as otherwise agreed by the REIT and, at its own cost, to make such arrangements (including but limited to acting as a delegate on a basis permitted by the AIFMD and without the AIFM becoming a letter box entity within the meaning of the AIFMD) as will enable the REIT to obtain the full benefit of this agreement; and
 - (d) if the Investment Manager shall not have obtained the necessary Part IVA permission within three (3) months following such loss of the necessary Part IVA permission then the REIT shall be entitled by notice in writing to terminate this agreement with immediate effect provided that such termination shall be without prejudice to the right of the REIT to bring proceedings or otherwise claim loss or damage against the Investment Manager for breach of any provision of this Agreement which has been caused by or which arises by reason of such loss or cessation of authorisation or for any other antecedent breach.
- 17.4 The Investment Manager shall be entitled to terminate this Agreement immediately if there is a material breach of this Agreement by the REIT and the breach is not remedied on or before the date falling twenty (20) Business Days after notice in writing of the breach is served upon the REIT.
- 17.5 Upon termination of this Agreement under this Clause 17 (Termination) or Clause 2.2:
- (a) the Investment Manager will take immediate steps to bring to an end the Services in respect of the Properties or the relevant Property in an orderly manner and the Investment Manager shall use its reasonable endeavours (and to the extent that it is lawfully able to do so) to procure delivery to the REIT of all plans, schedules, reports, documents and other information (whether in electronic form or otherwise) in its possession relating to the Properties or the relevant part, whether in the course of preparation or complete at the date of termination;
 - (b) the Investment Manager will co-operate with any successor investment manager appointed by the REIT to enable the effective transfer of the Services to such person;

- (c) the REIT shall pay to the Investment Manager the amounts (if any) which have accrued and become payable under the terms of this Agreement up to and including the date of termination; and
- (d) the termination shall be without prejudice to the accrued rights of the Parties hereto in respect of any antecedent breach or otherwise.

18. Duty to REIT

The Investment Manager hereby undertakes that it shall have a duty of care and obligation to the REIT and any Lender in respect of each of its duties, obligations and other responsibilities under this Agreement and in respect of any warranty given by it under this Agreement, save that the Investment Manager shall not be liable more than once for the same loss or damage caused by any breach of that duty of care or obligation.

19. Conflict of interest

19.1 The Investment Manager shall not, and shall procure that none of the Key Managers or the Key Director shall, (without prior consent of the REIT Board) effect any transactions on behalf of the REIT, in which the Investment Manager, or any of the Key Managers or the Key Director or their respective Affiliates, has a direct or indirect material interest, or any relationship (of any description) with another party, which is likely to involve conflict with any duty or responsibility of the Investment Manager to the REIT.

19.2 In the event that the Investment Manager, or any of the Key Director, the Key Managers, or their respective Affiliates has a direct or indirect material interest in a transaction, or a relationship of any description with another party which may involve a conflict with the Investment Manager's duty to the REIT, the Investment Manager shall make full disclosure of the nature of the interest or relationship to the REIT Board.

19.3 The Investment Manager is entitled to carry on any business similar to, or in competition with, the REIT or to provide similar services or any other services whatsoever to any other customer without being liable to account to the REIT for its profits, provided its ability to perform its obligations under this Agreement is not impaired. However, the Investment Manager may not provide such services to any other company or other collective vehicle with a similar investment objective or policy to the REIT without first having received the prior written consent of the REIT.

20. Interest

Any payment of any type under this Agreement by any Party properly due shall bear Interest from the date the same fell due to the date of payment (as well before as after any judgment).

21. Value Added Tax

21.1 All sums payable or other consideration given for any supply under this Agreement by one party to another shall be deemed to be exclusive of VAT and each Party shall pay any VAT properly chargeable in respect of any supply made to it by any other Party in addition to any other consideration.

21.2 Each Party shall within the time limit relating to VAT laid down by statute supply a VAT Invoice to the Party making a payment of VAT.

21.3 The due date or period for payment of the Fees or other sums payable under this Agreement in respect of which VAT is chargeable by the Investment Manager shall be calculated from the date of receipt of a valid VAT Invoice addressed to the payer if the VAT Invoice is received by the payer after the date for payment or the commencement of the period for payment.

22. Miscellaneous

22.1 It is agreed between the Parties that:

- (a) no Party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other Party which is not expressly set out in this Agreement;
- (b) no Party shall have any remedy in respect of any misrepresentation or untrue statement made by any other Party which is not contained in this Agreement nor for breach of warranty which is not contained in this Agreement; and
- (c) nothing in this Clause 22 (Miscellaneous) shall exclude any liability for or remedy in respect of fraudulent misrepresentation.

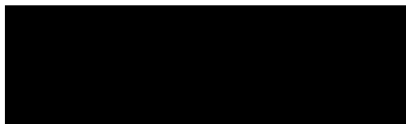
23. Notices

23.1 Any notice or other communication requiring to be given or served under or in connection with this Agreement shall be in writing and shall be sufficiently given or served if delivered or sent:

- (a) in the case of the REIT to the registered office of the REIT for the time being with a copy sent to the registered office of the REIT's Legal Advisors for the time being:

REIT's Legal Advisors:

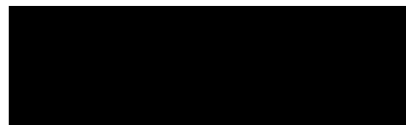
Facsimile/email:



For the Attention of:

- (b) In the case of the Investment Manager to its registered office for the time being:

Facsimile/email:



For the Attention of:

Any notice or other communication may be delivered by hand or sent by courier or prepaid first class post or facsimile. If delivered by hand or sent by courier such notice or communication shall conclusively be deemed to have been given or served at the time of receipt at the address for service stated above. If sent by post such notice or communication shall conclusively be deemed to have been received two (2) Business Days from the time of posting, in the case of inland mail in the United Kingdom or five (5) Business Days from the time of posting in the case of international mail. If sent by facsimile such notice or communication shall conclusively be deemed to have been received at the expiration of twelve (12) hours after the same was despatched, or, if the deemed delivery time is not on a Business Day, at 9.30 am on the

following Business Day (and for these purposes, despatch means the receipt by the sender of a clear transmission report).

24. **Confidentiality**

24.1 Subject to Clause 24.2 and save as otherwise agreed, each of the Parties shall hold in confidence and shall not, (and shall procure that its employees, officers, directors, agents and group companies shall not) except with the written consent of the other Parties, divulge to any third party any confidential information relating to any of the other Parties or the contents of this Agreement and any other agreement or arrangement contemplated by this Agreement.

24.2 The restrictions imposed by Clause 24.1 shall not apply to the disclosure of any information by a Party (the "**Disclosing Party**"):

- (a) which is required to be disclosed by the FCA Rules (including the Prospectus Rules and the Disclosure and Transparency Rules) and the regulations of any recognised exchange on which the share capital of the Disclosing Party is listed or dealt in; or
- (b) which is required by law to be disclosed to any person who is authorised by law to receive the same; or
- (c) to any advisers of the Disclosing Party who enter into a confidentiality undertaking on the terms of this Clause 24, where such disclosure is made expressly or impliedly on the terms that the information so disclosed is confidential and where such disclosure is strictly necessary for the purposes of enabling such advisers to carry out their professional duties; or
- (d) to any lender acting for any Party and its advisers who enters into a confidentiality undertaking on the terms of this Clause 24, where such disclosure is made expressly or impliedly on the terms that the information so disclosed is confidential information and where such disclosure is strictly necessary for the purposes of enabling such advisers to carry out their professional duties.

25. **Force Majeure**

25.1 If either Party is prevented from performing any of its obligations under this Agreement by a Force Majeure Event then:

- (a) that Party's obligations under this Agreement shall be suspended while the Force Majeure Event continues to the extent that the Force Majeure Event prevents or delays the performance of those obligations;
- (b) as soon as reasonably possible after commencement of the Force Majeure Event that Party shall notify the other Party in writing of the occurrence of the Force Majeure Event, the date of commencement and the estimated duration of the Force Majeure Event, the effects of the Force Majeure Event on its ability to perform its obligations under this Agreement and the efforts being made or proposed by that Party to remove or avoid such Force Majeure Event;

- (c) that Party shall use its reasonable endeavours to mitigate the effects of the Force Majeure Event upon the performance of its obligations under this Agreement; and
- (d) as soon as reasonably possible after the cessation of the Force Majeure Event that Party shall notify the other party in writing of the cessation of the Force Majeure Event and shall resume performance of its obligations under this Agreement; and
- (e) if such Force Majeure Event continues for a continuous period of ninety (90) days, either Party may terminate this Agreement immediately.

25.2 For the purposes of this Clause 25, **Force Majeure Event** means any event beyond the reasonable control of a Party including acts of God, war, riot, civil commotion, malicious damage, compliance with any applicable law or governmental order, rule, regulation, or direction or any overriding emergency procedures, accident, breakdown of plant or machinery, fire, flood and storm or strikes, lock-outs or other industrial disputes (whether or not involving that party's employees).

26. **Alteration to terms**

26.1 All additions, amendments and variations to the terms of this Agreement shall be binding only if set out in writing and signed by the duly authorised representatives of each of the Parties.

26.2 This Agreement supersedes any other previous contracts, agreements, appointments or arrangements between the Parties in respect of the Services whether oral or written.

27. **No partnership**

27.1 Each Party to this Agreement shall owe a duty of good faith to the other Parties in relation to the performance of its obligations under this Agreement.

27.2 Nothing in this Agreement shall be deemed to be a partnership between the Parties.

28. **Waivers**

28.1 A failure by any Party to exercise and any delay, forbearance or indulgence by any party in exercising any right, power or remedy under this Agreement shall not operate as a waiver of that right, power or remedy or preclude its exercise at any subsequent time or on any subsequent occasion. The single or partial exercise of any right, power or remedy shall not preclude any other or further exercise of that right, power or remedy or the exercise of any other right, power or remedy.

28.2 No custom or practice of the Parties at variance with the terms of this Agreement shall constitute a waiver of the rights of any Party under this Agreement.

28.3 The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers or remedies provided by law.

29. **Counterparts**

This Agreement may be executed in counterparts, each of which shall be deemed to be an original of this Agreement and all of which when duly executed will form one and the same instrument.

30. **Contracts (Rights of Third Parties) Act 1999**

30.1 Unless the right of enforcement is expressly provided, it is not intended that any third party should have the right to enforce a provision of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999.

30.2 The Parties may rescind or vary this Agreement without the consent of a third party to whom a right of enforcement has been expressly provided.

31. **Governing Law and Jurisdiction and Regulatory Requirements**

31.1 This Agreement is governed by and to be construed in accordance with the laws of England.

31.2 Each of the Parties irrevocably agrees that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes which may arise out of or in connection with this Agreement and, for such purposes, irrevocably submit to the jurisdiction of such courts.

31.3 The Investment Manager shall provide the Services on the basis that the REIT is a Professional Client, as such term is defined in and, for the purposes of FCA Rules. The REIT is entitled to request a different classification but the Investment Manager is not required to provide the Services on that basis.

31.4 As a Professional Client the REIT is not entitled to complain to the Financial Ombudsman in the event of dissatisfaction with the Investment Manager's provision of the Services. Any such complaint should be directed to the Investment Manager in accordance with Clause 23.

31.5 As an alternative investment fund the REIT is not entitled to compensation from the Financial Services Compensation Scheme in the event of default by the Investment Manager. Persons that are so entitled would be covered for the first £50,000. Further information is available from the Financial Services Compensation Scheme,

This Agreement has been entered into as a deed by the Parties on the date stated at the beginning of this Agreement and the Parties agree that it is to take effect from the Effective Date.

SCHEDULE 1

Services

Part 1

Investment Management Services

1. General

- 1.1 The Investment Manager shall provide investment management services in relation to the management functions required in the management of the investment portfolio of property assets held by the REIT, including advising on investments to be made by the REIT, dealing in such investment assets as agent of the REIT, managing, arranging the safeguarding and administration of such investments, and to include all such related matters as set out in this Part 1 of Schedule 1 (Services).
- 1.2 The Investment Manager shall use reasonable endeavours to enhance the performance of the Property by recommending specific opportunities for active asset management consistent with the objective of maximising the income from and the value of the Properties in accordance with the strategy referred to in Part 1 of this Schedule 1 (Services).
- 1.3 The Investment Manager shall also:
- (a) attend such meetings as the REIT shall reasonably require;
 - (b) co-operate where necessary with the REIT's Auditors and Accountants, the REIT's Legal Advisers and other professional advisers appointed by the REIT and provide proper supervision of any appointed sub-contractors;
 - (c) ensure that the REIT is adequately informed in relation to the matters the subject of this Agreement and provide such other information as the REIT may reasonably require;
 - (d) comply with the reporting and accounting obligations set out in this Agreement;
 - (e) comply with the cash management obligations set out in the Depositary Agreement;
 - (f) carry out such other services as the Investment Manager and the REIT may from time to time agree in writing on such terms and conditions as to remuneration and otherwise as the Investment Manager and REIT shall agree in writing; and
 - (g) attend Quarterly meetings (and additional specific meetings, if reasonably requested) with the REIT and/or Lender and provide such reports as are requested by the REIT and attend each annual meeting of the REIT to discuss the Services provided.

2. Investment strategy and planning

The Investment Manager shall:

- 2.1 formulate, recommend and periodically review the investment strategy of the REIT in relation to the Property;
- 2.2 execute the investment strategy (so far as it relates to the Property) referred to in paragraph 2.1 above;
- 2.3 advise on a continuing basis on appropriate opportunities to add value to the Properties;
- 2.4 facilitate and arrange a Quarterly valuation of the Properties by independent valuers (whose appointment shall be recommended by the Investment Manager); and
- 2.5 monitor and report on the performance of each Property, collectively or individually as the situation might require, including:
 - (a) obtaining the information required to ascertain both the progress of the activity or other matter, including the performance by a third party of its duties, to which the Service in question relates and that such activity or other matter (including the performance by a third party of its duties) is proceeding in accordance with the REIT's Requirements;
 - (b) notifying the REIT if, in the Investment Manager's view, that activity is not proceeding in accordance with the REIT's Requirements;
 - (c) making recommendations to the REIT as to the action necessary to achieve the REIT's Requirements; and
 - (a) keeping the REIT informed of the subsequent progress of such activity or other matter, including performance by a third party of its duties.

3. Financial and banking management

The Investment Manager shall:

- 3.1 source and negotiate Finance on competitive terms being commercially available, whether on a secured or unsecured basis, and where on a secured basis, grant any required security;
- 3.2 execute and perform any and all compliance certificates, contracts, deeds, cheques, mandates, instruments or documents which the Investment Manager is required to execute or perform in connection with its duties concerning the operation of the REIT's bank accounts and Finance; and
- 3.3 subject to compliance with the terms of any Depositary Agreement to which it is a party in connection with its authorisation to act as an AIFM, approve and control all withdrawals from any bank account of the REIT held in the UK, including acting as authorised signatory in respect of any cheques drawn on any such bank account and to ensure that its instruction is a necessary pre-condition for any other withdrawal from any such bank account.

4. Marketing

- 4.1 In the event that the REIT undertakes a capital raise or is otherwise marketed to potential investors in the European Economic Area, the Investment Manager will ensure that all information required by the AIFMD, the FCA Rules or any other applicable law or regulation is

disclosed to potential investors prior to their investment in the REIT along with any material changes to that information. The information shall include, but not be limited to:

- (a) a description of the investment strategy and objectives of the REIT;
- (b) a description of the types of assets in which the REIT may invest;
- (c) the investment techniques that the Investment Manager, on behalf of the REIT may employ and all associated risks;
- (d) any applicable investment restrictions;
- (e) the circumstances in which the REIT may use leverage;
- (f) the types and sources of leverage permitted and the associated risks;
- (g) any restrictions on the use of leverage and any collateral and asset reuse arrangements;
- (h) the maximum level of leverage which the Investment Manager is entitled to employ on behalf of the REIT;
- (i) a description of the procedures by which the REIT may change its Investment and Gearing Policy, or both;
- (j) a description of the main legal implications of the contractual relationship entered into for the purpose of investment, including information on jurisdiction, the applicable law and the existence or absence of any legal instruments providing for the recognition and enforcement of judgments in the territory where the REIT is established;
- (k) the identity of the Investment Manager, the depositary, the auditor and any other service providers and a description of their duties and the Investors' rights;
- (l) a description of how the Investment Manager complies with FCA requirements relating to professional liability risk;
- (m) a description of:
 - (i) any services delegated by the Investment Manager;
 - (ii) any safe-keeping function delegated by the depositary;
 - (iii) the identity of each delegate appointed in accordance with FCA requirements; and
 - (iv) any conflicts of interest that may arise from such delegations;
- (n) a description of the REIT's valuation procedure and of the pricing methodology for valuing assets, including the methods used in valuing any hard-to-value assets;
- (o) a description of the REIT's liquidity risk management, including the redemption rights of Investors in normal and exceptional circumstances, and the existing redemption arrangements with Investors;

- (p) a description of all fees, charges and expenses, and the maximum amounts directly or indirectly borne by Investors;
 - (q) a description of how the Investment Manager ensures a fair treatment of Investors;
 - (r) whenever an Investor obtains preferential treatment or the right to obtain preferential treatment, a description of:
 - (i) that preferential treatment;
 - (ii) the type of Investors who obtain such preferential treatment; and
 - (iii) where relevant, their legal or economic links with the REIT or the Investment Manager;
 - (s) the procedure and conditions for the issue and sale of shares;
 - (t) the latest Net Asset Value of the REIT or the latest market price of the share of the REIT;
 - (u) the latest annual report in accordance with the requirements of paragraph 11 of Part 3 of Schedule 1 (Services);
 - (v) where available, the historical performance of the REIT;
 - (w) the identity of the prime brokerage firm;
 - (x) a description of any material arrangements of the REIT with any prime brokerage firm and the way any conflicts of interest are managed;
 - (y) the provision in the Depositary Agreement on the possibility of transfer and reuse of the REIT's assets;
 - (z) information about any transfer of liability to any prime brokerage firm that may exist; and
 - (aa) a description of how and when the information required under paragraph 12 of Part 3 of Schedule 1 (Services) will be disclosed.
- 4.2 The Investment Manager shall be available for meetings with Investors or to provide written updates on the performance of the REIT or both at least Quarterly and at any other time as is reasonably requested by the REIT Board.
- 4.3 In the event that the Investment Manager elects to use the services of a prime brokerage firm on behalf of the REIT, it will exercise due skill care and diligence in the selection and appointment of such firm and will ensure a written contract is in place and that the depositary is notified of the existence of the contract.
- 4.4 The Investment Manager shall arrange as appropriate the 'REIT's contracts with outside marketing agencies to write and distribute research and will liaise with those agencies as necessary to ensure the terms of the contracts are satisfied.

Part 2

Asset Management Services

1. General

1.1 The Investment Manager shall (subject to the provisions of any Lease under which the REIT directly or indirectly (through a nominee company holding on trust, or otherwise) holds any legal and/or beneficial interest in a Property) provide property management services in relation to any Property to include the matters set out in this Part 2 of Schedule 1 (Services).

1.2 The Investment Manager shall also:

- (a) advise the REIT in relation to any problems or disputes which arise in connection with a Property and where possible resolve such problems or disputes;
- (b) visit and inspect the Properties as often as may be necessary to ensure compliance with its obligations in this Agreement;
- (c) a general review of the state of repair and condition of the plant and machinery at the Properties (including the mechanical electrical plumbing heating ventilation and air-conditioning systems) indicating whether a technical review by outside consultants is recommended;
- (d) take all reasonable steps to ensure that any services due to be provided by the REIT as landlord pursuant to the terms of the Leases are so provided;
- (e) deal with such other matters in respect of the Properties as may be necessary or desirable in the interests of good estate management;

2. Property management

The Investment Manager shall:

- 2.1 manage relationships between the REIT and any Tenants;
- 2.2 manage rent reviews, lease renewals and letting strategy and on the refurbishment of vacant Properties;
- 2.3 manage the letting of vacant unoccupied or occupied Properties and where appropriate soliciting offers from or entering into negotiations with any third party in relation to the lease or licence of the whole or part of a Property;
- 2.4 advise on, arrange, monitor and oversee refurbishment, renovations and upgrading where necessary of any and all Properties and, as from time to time authorised by the REIT, on the basis of such authorisation, including works required to satisfy the REIT's ESG targets;
- 2.5 advise on compliance with the REIT's requirements in connection with the Property;
- 2.6 in relation to any Property carry out:

- (a) financial and performance reporting;
 - (b) analysis from time to time of options relating to retaining or selling the whole or part thereof of the Property; and
 - (c) financial administration and other regular management services relating to the Property;
- 2.7 provide any consultants, advisers or potential investors in the REIT and Lenders with all information reasonably required and deal with any enquiry reasonably raised by such party in relation to a Property where appropriate and oversee the provision of services provided by such consultants and advisers;
- 2.8 on the acquisition or sale of a Property, or any part thereof, recommend the appointment of such solicitors, surveyors, valuers or any other party required to effect the transaction, such third parties to be instructed in the name of the REIT;
- 2.9 manage all aspects of the process of acquisition or disposal in relation to a Property, or any part thereof, including negotiating and agreeing terms in respect of any such acquisition or disposal; and
- 2.10 supervise managing and other agents appointed by or on behalf of the REIT to provide property management services in relation to a Property.

3. **Property Records**

The Investment Manager shall:

- 3.1 prepare and maintain estate management records; and
- 3.2 maintain schedules detailing action dates in relation to rent reviews, lease renewals, break clauses and options; and
- 3.3 ensure that any notices required to be served on a Tenant are served by or on behalf of the REIT in conjunction with the REIT's Legal Advisers.

4. **Rent and Service Charge**

The Investment Manager shall:

- 4.1 collect the rents in accordance with Clause 5;
- 4.2 operate a credit control system devised by it and approved by the REIT in respect of payments due from Tenants and implement procedures to be agreed by the REIT for recovery of monies due to the REIT;
- 4.3 determine whether action should be threatened or commenced to forfeit a Lease and whether a Lease should be forfeited;
- 4.4 conduct general administration of the service charge and insurance arrangements provided for under the Leases and pursuant to such arrangements collect from the Tenants on account payments of the service charge and insurance contributions;

- 4.5 prepare annual budgets of expenditure and service charge accounts and adjust on account payments accordingly;
- 4.6 in the case of late payment of any service charge or insurance payments demand any interest due to the REIT under the terms of any Lease or other document;
- 4.7 calculate service charge reconciliations and debit or credit adjustments to the Tenants' accounts if required by the Leases; and
- 4.8 where so required by the Leases arrange for the annual service charges to be approved by the REIT's Auditors and Accountants.

5. **General Monitoring**

The Investment Manager shall:

- 5.1 regularly inspect the state of repair and condition of the Properties but without detailed or specialist inspection of the structure or other component parts of the building and where appropriate call upon the services of building surveying specialists (subject to the payment of additional fees to such specialists by the REIT);
- 5.2 instruct on any appropriate works or repair, if necessary in consultation with the REIT's Legal Advisers and any other necessary professional advisers, and act accordingly;
- 5.3 take all reasonable steps to ensure that all Tenants comply with their respective obligations under the Leases;
- 5.4 arrange for the monitoring and regular updating of all maintenance manuals and contracts and assist in the finalisation of such contracts; and
- 5.5 consider energy saving systems or procedures and administrative systems to ensure that the Properties adhere to all health and safety requirements and/or regulations, Control of Substances Hazardous to Health Regulations 2002 (as amended from time to time) and other relevant regulations.

6. **Repairs/Works**

The Investment Manager shall:

- 6.1 put in hand works of maintenance or repair of a day to day nature (following the procedure for placing contracts set out in paragraph 8 of Part 2 or Schedule 1 (Services)), where such matters are within the REIT's responsibility;
- 6.2 in respect of renovation or repair or decoration (including reinstatement after any damage or destruction), if necessary in consultation with any other necessary professional advisers, provide co-ordination services to the REIT; and
- 6.3 ensure the performance of any obligations the REIT may have in respect of such renovation or repairs or decoration whether pursuant to any Lease or otherwise.

7. **Administration of Services**

The Investment Manager shall:

- 7.1 supervise and administer non-technical services which are the responsibility of the REIT including the ordering of appropriate supplies and replacement of expendable items; and
- 7.2 arrange for the transfer or disconnection of utilities when the Property (or any part thereof) becomes occupied or vacant and for meters to be read.

8. Service Contracts

The Investment Manager shall:

- 8.1 obtain at least two (2) competitive tenders for and negotiate the terms of all appropriate engineering, security, cleaning, handymen, landscaping and other building services contracts that are the responsibility of the REIT;
- 8.2 obtain the REIT's consent to the terms of any such contract which is capable of exceeding the duration of this Agreement as a result of its termination or cancellation without cause provisions;
- 8.3 whenever requested by the REIT produce copies of tenders or bids and details of price negotiations;
- 8.4 provide engrossments of the agreed forms of such contracts to the REIT for execution by the REIT and thereafter (on instructions from the REIT) arrange for completion of such contracts or (if authorised in writing by the REIT) the Investment Manager may enter into such contracts as agent for the REIT;
- 8.5 monitor and supervise the performance of all engineering, security, cleaning, landscaping, handymen and other building services contractors, to ensure compliance with their contracts and advise and consult with the REIT in relation to any non-compliance; and
- 8.6 arrange for the payments due under such contracts in accordance with the Agreed Budget.

9. Tenant liaison and applications for consent

The Investment Manager shall:

- 9.1 liaise with the Tenants to ensure the proper running of the Properties and the compliance by the Tenants with their obligations;
- 9.2 keep the Tenants informed of all rules and regulations affecting the Properties;
- 9.3 receive and consider any queries or complaints and where necessary take the REIT's instructions and act accordingly;
- 9.4 receive applications from Tenants for minor works or alterations that do not in the opinion of the Investment Manager require consideration by other technical or expert disciplines, consider such applications, recommend an appropriate course of action to the REIT and process such matters through to completion including monitoring the carrying out of any such works or alterations;

- 9.5 receive applications from Tenants for landlord's consent to assign, to sublet or other matters requiring consent under the terms of any Lease;
- 9.6 obtain all necessary references, drawings, specifications and other relevant information and advise the REIT concerning such applications and agree upon an appropriate course of action;
- 9.7 negotiate with the Tenant and process matters through to a satisfactory conclusion having regard (inter alia) to the REIT's duties and liabilities under the Landlord and Tenant Act 1988; and
- 9.8 if it receives from any Tenant an offer to surrender, immediately inform the REIT and supply copies thereof to the REIT.

10. Unlet property

The Investment Manager shall take all steps reasonably necessary for the security, cleaning and supervision of any unlet parts of the Properties and, if so instructed by the REIT, co-ordinate the carrying out of any works necessary to facilitate the letting thereof.

11. Insurance

The Investment Manager shall:

- 11.1 advise the REIT with regard to insurance of the Properties including liaising with brokers and loss-adjusters, calculating building reinstatement costs, loss of rent, consequential loss and the insurance of plant and machinery and annual revisions of the reinstatement values and shall also advise the REIT as to whether the insurance for the Properties is standard and customary for similar buildings similarly situated;
- 11.2 effect proper insurance cover in the REIT's name in respect of the Properties with an insurance company or underwriter approved by the REIT and in accordance with the provisions of any Lease or other document and to make payments of the relevant premiums out of the Operating Account;
- 11.3 deal with any queries raised by a Tenant in respect of any such insurance cover and arrange for collection from Tenants of all appropriate contributions to such insurance cover and on receipt to pay such sums into the Operating Account;
- 11.4 make and pursue insurance claims and apply insurance monies in procuring repairs and reinstatement (the receipt and application of such insurance monies to be made via the Operating Account with the exception of loss of rent insurance which shall be credited on receipt to the Rent Account);
- 11.5 in cases where Leases provide that Tenants are to be responsible for effecting insurance cover and provide also for the minimum amount of such cover to be specified by or on behalf of the landlord, notify the relevant Tenants in writing of the minimum sums to be insured and, where Leases allow, obtain evidence that the Tenants are adequately insured;
- 11.6 notify the REIT's insurer where any risk is varied, for example, by reason of occupation, change of user or the carrying out of alterations;

- 11.7 inform the REIT's insurer of any potential claims upon the Properties' insurance policies; and
- 11.8 to the extent that it is aware of the same, keep the REIT's insurers informed at all times of all matters about which the insurers ought to be informed.

12. Maintenance of plant and machinery

The Investment Manager shall:

- 12.1 arrange the appropriate periodic testing and inspection of mechanical and electrical installations such as lifts, hoists, heating, cooling and air-conditioning plant and equipment, fire alarm, sprinkler and associated fire prevention equipment, intruder alarms, window cleaning cradles and safety bolts and maintain proper records in respect of such testing and inspection;
- 12.2 when necessary, instruct specialist consultants (mechanical and electrical engineers, structural engineers, architects, building surveyors, etc.), liaise with the consultants where necessary; and
- 12.3 comply or procure compliance with all relevant legislation and any licences, permissions and consents relating to the Properties and in particular, but without prejudice to the generality of the foregoing, arrange for compliance with health and safety legislation including inspection and testing of boilers, mechanical plant, lifts, lifting gear and window cleaning cradles and arrange also for compliance with statutory and local authority requirements in respect of legionella and other potential hazards.

13. Lettings and Rent Reviews

The Investment Manager shall:

- 13.1 endeavour to procure tenants for any areas which become vacant in the Properties in liaison with letting agents and/or letting consultants appointed in the name of the REIT on the Investment Manager's recommendation and shall co-ordinate the activities of such letting agents and/or letting consultants; any recommendations on new lettings by the Investment Manager shall be accompanied by suitable references (financial and otherwise) for the proposed tenants;
- 13.2 assist the REIT and the REIT's Legal Advisers with the preparation and negotiation of legal documentation in relation to any new lettings; and
- 13.3 arrange promptly to implement and document any rent reviews in the Leases and implement renewals of the Leases where appropriate and arrange the engagement in the name of the REIT on the Investment Manager's recommendation of appropriate consultants to assist in that regard.

14. Enquiries before lease

The Investment Manager shall assist in providing replies to any enquiry before contract raised by any prospective tenant or purchaser of the Properties.

Part 3

Administrative Services

1. General

- 1.1 The Investment Manager shall provide such company secretarial, financial, administrative and corporate services to the REIT as the REIT may reasonably require from time to time including the matters set out in this Part 3 of Schedule 1 (Services).

2. Financial Administration

The Investment Manager shall:

- 2.1 prepare the monthly management accounts of the REIT and shall submit to the REIT Board within two (2) months of each Quarter Day a summary of last Quarter's monthly management accounts prepared for the REIT and/or Lender in relation to all Properties;
- 2.2 keep and ensure proper records and books of account relating to all transactions of the REIT are maintained at all times on behalf of the REIT in accordance with proper accounting practices together with all necessary receipts and outgoings;
- 2.3 ensure that such records and books of account are at all reasonable times on notice available for inspection by the officials and auditors (if an audit is required by law or by the REIT Board) of the REIT; and
- 2.4 calculate on a Quarterly basis the Net Asset Value of the REIT and arrange for the Net Asset Value to be disclosed to Investors or as otherwise requested by the REIT Board. The Investment Manager shall ensure that the Net Asset Value of the REIT is calculated impartially and with all due skill, care and diligence and that appropriate and consistent procedures are established to allow for a proper and independent valuation of the assets of the REIT. The Investment Manager will keep the task of calculating the Net Asset Value of the REIT functionally independent from the performance of the Investment Management Services and the Asset Management Services and will ensure that its remuneration policy and other measures ensure that conflicts of interest are mitigated and that undue influence upon employees involved is prevented.

3. Company secretarial and administrative matters

- 3.1 The Investment Manager shall, subject to paragraphs 3.2, 3.3 and 3.4 below, undertake or arrange (at its own cost, save to the extent expressly indicated) all secretarial, administrative and corporate governance matters involved in the management of the REIT, including:
- (a) the appointment and/or removal of any auditors to be appointed in the name of or on behalf of the REIT from time to time as required (such appointment or removal being on the Investment Manager's recommendation and as approved by the REIT);
- (b) the negotiation and fixing the remuneration of any auditors appointed in the name of or on behalf of the REIT

- (c) the instruction, briefing of and dealing with the auditors (if an audit is required by law or by the REIT Board) in preparation of the REIT's accounts;
 - (d) the preparation of financial information for the annual audit, interim financial statements and interim management statement (if required by law or by the REIT Board) the preparation, completion and delivery of all returns (including annual returns), and the preparation of all minutes;
 - (e) the convening of meetings of the Investors of the REIT, maintaining the statutory books and carrying out the statutory duties and other responsibilities of the REIT;
 - (f) the instruction of, briefing of, fixing the fees of, and liaising with the REIT's depository, registrar, legal and other advisers;
 - (g) the provision of secretarial services to the REIT;
 - (h) assisting the Nominations Committee with Director succession and recruitment, including liaison with recruitment consultants, participation in interviews and arranging Director training and induction;
 - (i) assisting the Management Engagement Committee by facilitating the process of feedback from the REIT's key service providers; and
 - (j) providing such advice, support and assistance as required by the REIT to maintain compliance with applicable corporate governance standards applicable to the REIT from time to time (including in particular the UK Corporate Governance Code and AIC Code).
- 3.2 In the performance of the Administrative Services under this Agreement the Investment Manager shall not be entitled to incur any liability or expense on the part of the REIT in respect of a single amount or series of related transactions exceeding £10,000, in each contractual year of this Agreement without the prior approval of the REIT, such approval not to be unreasonably withheld or delayed.
- 3.3 The Investment Manager shall assist the REIT in arranging all communications with Investors on such occasions as the REIT may reasonably require, save that the Investment Manager shall not be responsible for any costs of printing and postage of such communications or other marketing and public relations costs and expenses.
- 3.4 Notwithstanding the provisions of paragraph 3.1 (d) and (j) above, the Investment Manager shall be entitled to engage, on behalf of and at the cost of the REIT, a professional services firm to provide company secretarial consultancy services to the REIT and the Investment Manager (as investment manager of the REIT) including in respect of advice and support to the REIT Board, the preparation, completion and delivery of all corporate returns (including confirmation statements), the preparation of all minutes, maintaining the 'REIT's persons discharging management responsibilities register, maintaining Matters reserved for the REIT Board and Board Committee Terms of Reference in line with the prevailing UK Corporate Governance Code and AIC Code and general corporate actions. The Investment Manager shall supervise and take responsibility for the services provided by any such firm.

4. Liquidity

- 4.1 The Investment Manager will ensure that the investment strategy, liquidity profile and redemption policy of the REIT are consistent and comply with the requirements of the AIFMD and applicable FCA Rules.
- 4.2 The Investment Manager will employ an appropriate liquidity management system and adopt procedures which:
- (a) enable it to monitor the liquidity risk of the REIT; and
 - (b) ensure that the liquidity profile of the investments of the REIT complies with the REIT's underlying obligations.
- 4.3 The Investment Manager will regularly conduct stress tests, under normal and exceptional liquidity conditions, which enable it to assess the liquidity risk of the REIT and monitor that risk.

5. Risk Management

- 5.1 The Investment Manager will implement adequate risk management systems in compliance with the AIFMD and applicable FCA Rules.
- 5.2 In order to comply with paragraph 5.1 above, the Investment Manager will:
- (a) implement and maintain an appropriate, documented and regularly updated due diligence process when investing on behalf of the REIT, according to the investment strategy, objectives and risk profile of the REIT;
 - (b) ensure that the risks associated with each investment position of the REIT and their overall effect on the REIT's portfolio can be properly identified, measured, managed and monitored on an ongoing basis, including through the use of appropriate stress testing procedures; and
 - (c) ensure that the risk profile of the REIT corresponds to the size, portfolio structure and investment strategies and objectives of the REIT as set out in the articles of association of the REIT and any prospectus or other offering document of the REIT, as in force from time to time.
- 5.3 The Investment Manager will:
- (a) review the risk management systems with appropriate frequency and, in any event, at least once a year; and
 - (b) adapt them whenever necessary.
- 5.4 The Investment Manager will, in consultation with the REIT Board:
- (a) set a maximum and/or target level of leveraging (as appropriate) which it may employ on behalf of the REIT; and
 - (b) where the leverage arrangement allows the right to reuse collateral or the granting of a guarantee, set out the extent of that right or guarantee.

6. **Depository**

- 6.1 The Investment Manager will ensure that the REIT has an appointed depository at all times and that the assets of the REIT are entrusted to the depository in accordance with the requirements of the AIFMD and the FCA Rules.
- 6.2 The Investment Manager will inform potential investors before they invest in the REIT of any arrangement made by the depository to contractually discharge itself of liability.
- 6.3 The Investment Manager will inform Investors without delay of any changes with respect to the liability of the depository.

7. **Reporting to the FCA**

The Investment Manager will comply with all reporting obligations to the FCA in relation to the REIT as required by the AIFMD and the FCA Rules including regularly reporting on:

- (a) the main instruments in which the REIT is trading;
- (b) the principal markets of which the REIT is a member or where it actively trades;
- (c) the principal exposures and most important concentrations of the REIT; and
- (d) the liquidity profile of the REIT.

8. **Environmental, Social and Governance ("ESG")**

8.1 The Investment Manager shall:

- (a) engage, on behalf of and at the cost of the REIT, a professional services firm (the "**ESG Adviser**") to provide environmental consultancy services to the REIT and the Investment Manager (as investment manager of the REIT) including in respect of advice and support to the REIT Board, the preparation and maintenance of the Investment Manager's ESG policy, preparation and implementation of the REIT's net zero carbon strategy, the REIT's submissions and disclosures required to satisfy the Global Real Estate Sustainability Benchmark, EPRA Sustainability Best Practice Recommendations, Streamlined Energy and Carbon Reporting, the Task Force on Climate-related Disclosures and any other similar ESG frameworks. The Investment Manager shall supervise and take responsibility for the services provided by any such consultant; and
- (b) Liaise with the ESG Adviser and provide support, assistance and information as required to:
 - (i) maintain compliance with applicable ESG legislation and best practice;
 - (ii) seek to deliver the REIT's ESG policy and net zero carbon strategy, including associated frameworks as required; and
 - (iii) achieve key ESG performance targets set by the REIT.

9. **Quarterly reports**

Within sixty (60) days of each Quarter Day the Investment Manager shall provide to the REIT the following information which shall comprise a Quarterly report:

- (a) an **Income Statement** comprising details of rent received, rent arrears, expenditure, service charge payments, service charge arrears, sinking fund contributions, service charge account balances and income earned thereon, other outgoings (including the Fees) and receipts and a budget comparing actual expenditure (both operating expenditure and capital) all in respect of both the preceding Quarter and the year to-date including details of variations and explanations of significant variations from an Agreed Budget;
- (b) a balance sheet for the REIT for the year to-date with a comparison with the balance sheet prepared for the previous year;
- (c) a statement of cash-flow for the REIT for the preceding Quarter and the year to-date;
- (d) projected expenditure (both operating expenditure and capital) in the forthcoming Quarter and in respect of capital issues detailing expected timing of such expenditure;
- (e) a schedule of vacancies as at the date of the respective Quarterly report and the position as to any proposed letting of any vacant space;
- (f) a schedule of Tenants' complaints and action taken in respect thereof during the relevant Quarter; and
- (g) other financial and operating information in relation to the Property that may be requested by the REIT from time to time.

10. **Agreed budget**

10.1 Within thirty (30) days of the start of each Accounting Period or such other date specified by the REIT in each year the Investment Manager shall provide to the REIT a proposed Agreed Budget comprising:

- (a) budget for the next Accounting Period detailing anticipated service charge and other income from the Properties, categories and levels of projected expenditure (both operating expenditure and capital) in connection with the provision of the Services and other outgoings, projected sinking fund and service charge account balances, income to be earned thereon for the next calendar year;
- (b) other financial and operating information in relation to the Properties that may be requested by the REIT from time to time;
- (c) advising on any appropriate changes to the management procedures then in place in respect of the Properties;
- (d) details of any Leases (or any other income producing arrangement) due to expire or otherwise expected to terminate or become non-income or reduced-income producing during the next calendar year;

- (e) a marketing plan and proposed leasing guidelines in respect of vacant space or space expected to become vacant during the next calendar year; and
 - (f) projected cost of works or improvements which may not form part of the Services.
- 10.2 If the REIT approves the Agreed Budget prior to the commencement of the Accounting Period to which it relates the Investment Manager shall manage the Properties in accordance therewith as from the commencement of such Accounting Period. If the REIT has not approved the entire Agreed Budget by the commencement of the relevant Accounting Period the Investment Manager shall manage the Properties pursuant to the portions of the Agreed Budget which have been approved by the REIT and pursuant to the previous Accounting Period's Agreed Budget with respect to those portions which have not been agreed by the REIT.
- 10.3 The Investment Manager may propose changes to an Agreed Budget during the course of the relevant Accounting Period from time to time as circumstances dictate. Such changes shall only be effective when approved in writing by the REIT.
- 10.4 The Investment Manager shall prepare all Quarterly reports and Agreed Budgets in connection with the Properties in accordance with generally accepted accounting principles consistently applied.
- 11. **Annual Report**
- 11.1 The Investment Manager shall prepare an Annual Report for each Accounting Period in accordance with the Listing Rules and applicable regulatory requirements including AIFMD and the FCA Rules.
- 11.2 The Investment Manager will ensure that all information required by the AIFMD and the FCA Rules or any other applicable law or regulation is included in the Annual Report.
- 11.3 Each Annual Report shall be audited by the REIT's Auditors and Accountants at the cost of the REIT with the intent that such an Annual Report shall comprise audited annual accounts for each Accounting Period.
- 11.4 A draft Annual Report shall be provided by the Investment Manager to the REIT within two (2) months of the Accounting Date. The Annual Report shall be published no later than four (4) months after the Accounting Date. The Investment Manager will make the Annual Report available to Investors and provide it to Investors on request.
- 11.5 The Investment Manager will make the Annual Report available to the FCA.
- 12. **Ongoing Disclosure to Investors**
- 12.1 The Investment Manager will disclose to Investors periodically:
 - (a) the percentage of the REIT's assets which are subject to special arrangements arising from their illiquid nature;
 - (b) any new arrangements for managing the liquidity of the REIT;

- (c) the current risk profile of the REIT and the risk management systems employed by the Investment Manager to manage those risks; and
 - (d) any other information required by the AIFMD, the FCA Rules or other applicable law or regulation to be disclosed to Investors periodically.
- 12.2 The Investment Manager will disclose to Investors on a regular basis:
- (a) any changes to:
 - (i) the maximum level of leverage that the Investment Manager may employ on behalf of the REIT;
 - (ii) Any right of reuse of collateral or any guarantee under any leveraging arrangement;
 - (b) the total amount of leverage employed by the REIT; and
 - (c) any other information required by the AIFMD, the FCA Rules or other applicable law or regulation to be disclosed to Investors on a regular basis.
- 12.3 The Investment Manager will establish and maintain a website for the REIT and will use its reasonable endeavours to ensure that the information contained on the website is accurate and updated regularly.
- 12.4 The Investment Manager will produce monthly fact sheets to be distributed to Investors and posted on the website.
13. **Outgoings**
- The Investment Manager shall:
- 13.1 check and pay all other disbursements and outgoings which are the responsibility of the REIT, including rents, rates, supply accounts, service accounts and, where directed by the REIT, insurance premiums; and
 - 13.2 pursue appeals against building rates' assessments where appropriate.
14. **Taxation**
- The Investment Manager shall:
- 14.1 provide reasonable assistance to the REIT's Tax Advisers in respect of any claims for capital allowances;
 - 14.2 make payments to contractors in accordance with the procedures laid down in Chapter 3 of the Finance Act 2004 and the Income Tax (Construction Industry Scheme) Regulations 2005 ("**Regulations**") and account to Her Majesty's Revenue and Customs ("**HMRC**") for all tax deducted and submit or procure the submission of all relevant returns to HMRC as required by the Regulations;

- 14.3 where the REIT has elected to opt to charge VAT, submit applications and tax receipts to the Tenants (or tax invoices if the REIT so requires). The Investment Manager shall act as the agent of the REIT in preparing and submitting prompt, accurate and proper VAT returns to HMRC and dealing (without being obliged to provide technical advice) with queries which may be raised by HMRC and shall keep the REIT fully and regularly informed of all relevant matters; and
- 14.4 ensure the REIT maintains its status as a real estate investment trust for tax purposes.

Part 4

Marketing Services

1. Direct marketing of the REIT to Mattioli Woods' wealth management consultants to enable advised clients of companies within the Mattioli Woods group ("**Mattioli Woods**") to participate in a New Share Issue by:
 - 1.1 regularly briefing the consultants on the latest performance of the REIT and on the details of any potential New Share Issue;
 - 1.2 responding to specific questions from individual consultants and their clients about performance, concerns or outlook;
 - 1.3 offering detailed explanatory sessions to new consultants; and
 - 1.4 holding direct meetings with potential new client investors.
2. The Marketing Services set out in this Part 4 shall be subject to Mattioli Woods being able to comply at all times with its own internal compliance procedures and regulatory requirements.

SCHEDULE 2

Limits on Expenditure

1. In fulfilling its obligations in this Agreement the Investment Manager is authorised to spend only:
 - 1.1 in relation to the categories of expenditure contained in the Agreed Budget;
 - 1.2 as is reasonable in the case of emergency for any one occurrence to do what in its reasonable judgment is necessary to protect and preserve both the Properties and the interests of the REIT in the Properties and the Investment Manager will as soon as possible thereafter advise the REIT of the action it has taken and the costs it has incurred; and
 - 1.3 as is otherwise expressly approved by the REIT in writing.
2. In circumstances where the Investment Manager anticipates the limit of expenditure for a category of expenditure in the Agreed Budget being exceeded and where it is actually exceeded the Investment Manager shall provide full written details to the REIT without delay.

SCHEDULE 3

Non-Delegated Authority

Notwithstanding anything to the contrary, the following items shall require the approval of the REIT Board:

1. any act, matter or thing in breach of the REIT's Requirements;
2. pledging the credit of the REIT in any manner other than in pursuit of activities which are within the scope of the Investment and Gearing Policy;
3. giving any guarantee on behalf of the REIT;
4. compromising, compounding, releasing or discharging or by any analogous process reducing or releasing any debt due to the REIT otherwise than in accordance with the instructions, either general or specific, of the REIT;
5. borrowing or lending any sum on behalf of the REIT, save for drawing down under a facility to acquire a Property being in accordance with the Investment and Gearing Policy; or
6. conducting litigation on behalf of the REIT except in the case of rent and debt collection in the usual course of the Asset Management Services.

SCHEDULE 4

Investment and Gearing Policy

1. Investment Policy

The REIT's investment objective is to provide shareholders with an attractive level of income together with the potential for capital growth from investing in a diversified portfolio of commercial real estate properties in the United Kingdom.

2. The REIT's investment policy is:

- 2.1 To invest in a diversified portfolio of UK commercial real estate principally characterised by smaller, regional, core/core-plus properties that provide enhanced income returns. Core real estate generally offers the lowest risk and target returns, requiring little asset management and fully let on long leases. Core-plus real estate generally offers low to moderate risk and target returns, typically high-quality and well-occupied properties but also providing asset management opportunities.
- 2.2 The property portfolio should not exceed a maximum weighting to any one property sector, or to any geographic region, of greater than 50%.
- 2.3 To focus on areas with high residual values, strong local economies and an imbalance between supply and demand. Within these locations the objective is to acquire modern buildings or those that are considered fit for purpose by occupiers.
- 2.4 No one tenant or property should account for more than 10% of the total rent roll of the REIT's portfolio at the time of purchase, except:
 - (a) in the case of a single tenant which is a governmental body or department for which no percentage limit to proportion of the total rent roll shall apply; or
 - (b) in the case of a single tenant rated by Dun & Bradstreet with a credit risk score higher than 2, in which case the exposure to such single tenant may not exceed 5% of the total rent roll (a risk score of 2 represents "lower than average risk").
- 2.5 The REIT will not undertake speculative development (that is, development of property which has not been leased or pre-leased), save for redevelopment and refurbishment of existing holdings, but may invest in forward funding agreements or forward commitments (these being, arrangements by which the REIT may acquire pre-development land under a structure designed to provide the REIT with investment rather than development risk) of pre-let developments where the REIT intends to own the completed development. Substantial redevelopments and refurbishments of existing properties which expose the REIT to development risk would not exceed 10% of the REIT's gross assets.
- 2.6 For the avoidance of doubt, the Company is committed to seeking further growth in the Company, which may involve strategic property portfolio acquisitions and corporate

consolidation, such transactions potentially including public and private companies, holding companies and special purpose vehicles.

3. **Gearing Policy**

- 3.1 The REIT may use gearing, including to fund the acquisition of property and cash flow requirements, provided that the maximum gearing shall not exceed 35% of the aggregate market value of all the properties of the REIT at the time of borrowing. Over the medium term the REIT is expected to target borrowings of 25% of the aggregate market value of all the properties of the REIT at the time of borrowing.
- 3.2 The REIT reserves the right to use efficient portfolio management techniques, such as interest rate hedging and credit default swaps, to mitigate market volatility.
- 3.3 Uninvested cash or surplus capital or assets may be invested on a temporary basis in:
 - (a) cash or cash equivalents, money market instruments, bonds, commercial paper or other debt obligations with banks or other counterparties having a single-A (or equivalent) or higher credit rating as determined by an internationally recognised rating agency; or
 - (b) any "government and public securities" as defined for the purposes of the FCA rules.
- 3.4 Gearing, calculated as borrowings as a percentage of the aggregate market value of all the properties of the REIT and its subsidiaries, may not exceed 35% at the time such borrowings are incurred

SCHEDULE 5

Pre-Acquisition Conditions

1. An agreed and signed off appraisal.
2. An agreed and signed off marketing strategy.
3. An acceptable valuation to be carried out in favour of the REIT and/or a Lender.
4. Finance and forms of documentation (if relevant) relating to the same to have been approved and settled by the REIT.
5. The REIT to have received confirmation in writing from the REIT's Legal Advisers that following completion of the purchase of the Property the REIT shall have good and marketable title to the Property.
6. All requisite consents relating to the completion of the purchase of the Property to have been obtained including detailed planning permission.
7. The Lender to have confirmed that all conditions precedent to first drawdown under a Financing Agreement have been satisfied.
8. Satisfactory site investigations/ground reports/environmental reports to have been carried out and addressed to the REIT and, where relevant, the Lender.

SCHEDULE 6

Fees

1. Investment Management Fee

1.1 On each Quarter Day the Net Asset Value of the REIT shall be determined by the Investment Manager and the Investment Management Fee, payable Quarterly in arrears, shall be calculated as:

- (a) 0.54% of the Net Asset Value of the REIT as at the relevant Quarter Day being less than or equal to £200 million (i.e. £1.08 million), divided by 4; plus
- (b) 0.45% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £200 million but lower than or equal to £500 million, divided by 4; plus
- (c) 0.39% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
- (d) 0.33% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.

2. Asset Management Fee

2.1 On each Quarter Day the Net Asset Value of the REIT shall be determined and the Asset Management Fee, payable Quarterly in arrears, shall be calculated as:

- (a) 0.36% of the Net Asset Value of the REIT as at the relevant Quarter Day being less than or equal to £200 million (i.e. £0.72 million), divided by 4; plus
- (b) 0.30% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £200 million but lower than or equal to £500 million, divided by 4; plus
- (c) 0.26% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus
- (d) 0.22% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4.

3. Administrative Fee

3.1 On each Quarter Day the Net Asset Value of the REIT shall be determined and the Administrative Fee, payable Quarterly in advance, shall be calculated as:

- (a) 0.125% of the Net Asset Value of the REIT as at the relevant Quarter Day being less than or equal to £200 million, divided by 4; plus
- (b) 0.115% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £200 million but lower than or equal to £500 million, divided by 4; plus
- (c) 0.02% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £500 million but lower than or equal to £750 million, divided by 4; plus

- (d) 0.015% of the Net Asset Value of the REIT as at the relevant Quarter Day to the extent it is in excess of £750 million, divided by 4,

provided that from the date of this Agreement the Administrative Fee shall never be less than £75,000 per Quarter and that such minimum amount will be increased each year in line with the retail price index.

4. **Marketing Fee**

- 4.1 The REIT shall pay the Investment Manager a fee (exclusive of any VAT) calculated as 0.25% of the aggregate gross proceeds, as calculated by the REIT's broker acting in connection with the relevant New Share Issue and reported to the REIT Board, of any relevant New Share Issue in respect of which the Marketing Services have been provided (the "**Marketing Fee**").
- 4.2 The REIT shall be under no obligation to pay any further marketing fee under this paragraph 4 after the termination of this Agreement.
- 4.3 This paragraph 4 supersedes any other arrangements or agreements between the Investment Manager and the REIT relating to the payment of any marketing fee to the Investment Manager by the REIT.

5. **Net Asset Value**

- 5.1 For the purposes of paragraphs 1, 2 and 3 of this Schedule 6 (Fees), the "Net Asset Value" of the REIT shall be the Net Asset Value reported to the REIT Board, including for the avoidance of doubt a reasonable accrual of the Asset Management Fee payable in respect of the relevant Quarter, as calculated by the Investment Manager in accordance with paragraph 2.4 of Part 3 of Schedule 1 (Services).
- 5.2 If the audited financial statements of the REIT in respect of any financial year show that the Net Asset Value in respect of that year is or was less than or more than that upon which the Investment Management Fee, Asset Management Fee and Administrative Fee has been calculated then the REIT Board and the Investment Manager shall meet to discuss the same and, acting reasonably and in good faith, shall agree a retrospective adjustment (if appropriate) to the Investment Management Fee, Asset Management Fee and Administrative Fee to reflect the same.

SIGNATURE PAGE

EXECUTED AS A DEED)
for and on behalf of CUSTODIAN PROPERTY)
INCOME REIT PLC)
acting by one director,)
in the presence of:)



EXECUTED AS A DEED)
for and on behalf of CUSTODIAN CAPITAL)
LIMITED, acting by one director,)
in the presence of:)

