



Registration of a Charge

Company name: **BELLWAY HOMES LIMITED**

Company number: **00670176**



X7DQCOK8

Received for Electronic Filing: **03/09/2018**

Details of Charge

Date of creation: **28/08/2018**

Charge code: **0067 0176 0489**

Persons entitled: **THE FOUNDATION OF SIR JOHN PERCYVALE IN MACCLESFIELD OF 1502 RE-FOUNDED BY KING EDWARD IN 1552**

Brief description: **ALL THAT FREEHOLD LAND AT WESTMINSTER ROAD, MACCLESFIELD AS SHOWN EDGED RED ON THE ATTACHED PLAN MARKED "PLAN 1" FOR IDENTIFICATION PURPOSES ONLY AND REGISTERED AT HM LAND REGISTRY AT THE DATE OF THE DEED UNDER TITLE NUMBERS CH542849 (PART), CH542852 (WHOLE) AND CH597137 (WHOLE)**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

GATELEY PLC



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 670176

Charge code: 0067 0176 0489

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th August 2018 and created by BELLWAY HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 3rd September 2018 .

Given at Companies House, Cardiff on 5th September 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

• Gateley Plc

DATED

28 August

2018

- (1) BELLWAY HOMES LIMITED
(2) THE FOUNDATION OF SIR JOHN PERCYVALE IN
MACCLESFIELD OF 1502, RE-FOUNDED BY KING
EDWARD VI IN 1552

LEGAL CHARGE

Contents

Clause	Page
1. DEFINITIONS AND INTERPRETATION	1
2. COVENANT TO PAY	5
3. CHARGING PROVISIONS	5
4. CONTINUING SECURITY	6
5. NEGATIVE PLEDGE	6
6. RESTRICTIONS ON DISPOSALS	6
7. FURTHER ASSURANCE	7
8. LAND REGISTRY	7
9. NOTICES OF ASSIGNMENTS AND CHARGES	8
10. SECURITY POWER OF ATTORNEY	8
11. ENFORCEMENT OF SECURITY	8
12. RECEIVER	10
13. DELEGATION	13
14. APPLICATION OF MONIES	13
15. REMEDIES AND WAIVERS	13
16. PROTECTION OF THIRD PARTIES	14
17. ADDITIONAL SECURITY	14
18. SETTLEMENTS CONDITIONAL	14
19. SUBSEQUENT SECURITY	14
20. SET-OFF	14
21. NOTICES	14
22. INVALIDITY	15
24. RELEASES	15
25. CURRENCY CLAUSES	15
26. CERTIFICATES AND DETERMINATIONS	16
27. EXCLUSION OF LIABILITY	16
28. FEES, COSTS AND EXPENSES	16
29. COUNTERPARTS	16
30. GOVERNING LAW	17
31. ENFORCEMENT	17

This Deed is made on

28 August

20[]

Between

- (1) **BELLWAY HOMES LIMITED** (Company No. 00670176) whose registered office is at Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle upon Tyne NE13 6BE (**Chargor**); and
- (2) **THE FOUNDATION OF SIR JOHN PERCYVALE IN MACCLESFIELD OF 1502, RE-FOUNDED BY KING EDWARD IN 1552** of King's School, Cumberland Street, Macclesfield, Cheshire SK10 1DA (**Chargee**).

It is agreed

1. **DEFINITIONS AND INTERPRETATION**

1.1 **Definitions**

In this Deed:

Accounting Principles means generally accepted accounting principles in the United Kingdom

Authorisation means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration, or any other similar permission

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London

Charged Property means the part of the Property shown edged red on the attached plan marked "Plan 2" less any parts which become the subject of a Release from time to time.

Contract means the contract dated 10 July 2018 for the sale and purchase of the freehold of the Property between the Chargor and the Chargee under which the Chargee agrees to defer part of the consideration to be paid for the purchase of the Property

Default Rate means 4% above the Royal Bank of Scotland plc's base lending rate from time to time

Deferred Consideration means the deferred consideration to be paid by the Chargor to the Chargee in connection with the Property in accordance with clause 16.1.2 of the Contract

Development means the development of the Property for the Permitted Use (as defined in the Contract)

Discharge Date means the first date on which all the Secured Obligations have been fully and finally discharged

Dispose or Disposal means any transfer or assent or a lease or the grant or reservation of an easement

Event of Default means a failure to pay the Deferred Consideration on the relevant date specified in clause 25 of the Contract

Fixtures means, in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this Deed on that Secured Property

Party means a party to this Deed

Permitted Disposal means

- (a) the Disposal dedication or adoption of any part of the Property or service within the Property and / or any rights over any part of the Property to or in favour of any statutory undertaking, utility company, local authority or similar body for the provision and adoption of services sewers or other infrastructure; and/or
- (b) the dedication / adoption and / or Disposal of any parts of the Property and / or the grant of rights or easements to the highway or other competent authority for roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works in relation to the adoption of such roads, footpaths, cycleways (together with

ancillary areas and rights) or other highway works including any agreement made under sections 38 or 278 of the Highways Act 1980; and / or

- (c) the Disposal of any part of the Property which is required to comply with the requirements of any Works Agreement; and/or
- (d) the Disposal of land intended for use as an electricity substation, transformer chamber, gas governor, pumping station or similar infrastructure; and/or
- (e) the Disposal of any building or Unit on the Property in respect of which the Chargor has been given a Release in accordance with the provisions of clause 6;
- (f) the grant or reservation of any easement required for the Chargor's residential development of the Property;
- (g) the Disposal of any part of the Property to a registered provider as defined in the Housing and Regeneration Act 2008 or to any other affordable housing provider

Permitted Security means:

- (a) any Security arising under any Secured Document
- (b) any Security permitted by the Chargee in writing and
- (c) any Security granted to a bank, funder or financial institution funding the Development subject to entry by such person into priority arrangements with the Chargee in accordance with the provisions of the Contract

Property means the property described in schedule 1

Receiver means any receiver, manager or administrative receiver appointed by the Chargee in respect of the Chargor or any of the Secured Property

Release means a Land Registry form DS3 or form DS1 and / or a letter of consent where required and / or such other form as shall be appropriate to release (when dated) the Property or any interest in the Property or any part of parts of the Charged Property from this deed together (where required) with a Land Registry form RX4 to the relevant part or parts of the Charged Property from the restriction which is noted at clause 6.7 below

Release Fee means a sum per Unit in respect of which a Release has been requested pursuant to clause 6.2 calculated in accordance with the following formula:-

$$X = A \times (B \div C)$$

Where:

A is the balance of the Deferred Consideration which at the relevant time remains unpaid

B is the number of Units comprised in the part of the Charged Property in respect of which a Release is sought by the Chargor

C is the total number of Units permitted pursuant to the Planning Permission (as defined in the Contract) for the Property which at the relevant time remain part of the Charged Property

Relevant Agreement means any agreement designated as a Relevant Agreement by the Chargee and the Chargor in writing

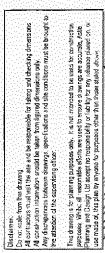
Relevant Policies means all policies of insurance present and future relating to the Secured Property in which the Chargor has an interest (other than policies in respect of third party liability) together with all monies payable in respect of those policies

Rights means those rights listed in Schedule 4 to this deed

Secured Document means

- (a) the Contract;
- (b) this Deed; and
- (c) any other deed or document designated a Secured Document by the Chargor and the Chargee in writing

Secured Obligations means



Uchida
Miyoshi

- (a) the Chargor's obligation to pay all outstanding amounts of the Deferred Consideration; and
- (b) all monies and liabilities due, owing or incurred to the Chargee by the Chargor pursuant to this Deed

Secured Property means, at any time, the Property and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to, this Deed

Security means a mortgage, charge, pledge, lien, assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

Security Period means the period beginning on the date of this Deed and ending on the date on which the Secured Obligations have been irrevocably and unconditionally satisfied in full

Supporting Documents means the Secured Documents and any legal or other opinion or other report held or obtained by the Chargee in connection with the Secured Documents

Uncharged Land means any part or parts of the Property not subject to this deed and/or which become the subject of a Release from time to time

Unit means a single dwelling (or the intended site of a single dwelling) including any curtilage together with associated private driveways, garage or access (being a house, flat, maisonette, bungalow or other construction intended for residential use) erected or to be erected on some part of the Property

Unpaid Sum means any sum due and payable but unpaid by the Chargor under the Secured Documents

Works Agreement means all or any of the following as the case may be;

- (a) an agreement in respect of and affecting the Property (whether or not also affecting other property) pursuant to the Local Government Miscellaneous Provisions) Act 1982 Section 33 and/or the Local Government Act 1972 Section 111 and/or the Highways Act 1980 Section(s) 38 and/or 278 and/or the Water Industry Act 1991 Section 104 or any provision to similar intent or an agreement with a water undertaker or a drainage undertaker (within the meaning of the Water Industry Act 1991) or the Environment Agency or an Internal Drainage Board (within the meaning of the Water Resources Act 1991 or the Land Drainage Act 1991) or other appropriate authority as to water supply or drainage of surface and/or foul water from the Property or an agreement with any competent authority or body relating to other services; and/or
- (b) a planning obligation (whether entered into by agreement or otherwise) in respect of and affecting the Property (whether or not also affecting other property) pursuant to Section 106 of the Town and County Planning Act 1990

VAT means value added tax as provided for in the Value Added Tax Act 1994 and any other tax of a similar nature

1.2 Interpretation

1.2.1 In this Deed the term **dispose** includes any sale, lease, licence, transfer or loan.

1.2.2 Unless a contrary indication appears, a reference in this Deed to:

- (a) the Chargee, the Chargor, any other Party or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
- (b) a document in agreed form is a document which is previously agreed in writing by or on behalf of the Chargee and the Chargor;
- (c) assets includes present and future properties, revenues and rights of every description (including any right to receive such revenues);

- (d) a Secured Document or any other agreement or instrument is a reference to that Secured Document or other agreement or instrument as amended, novated, supplemented or restated (however fundamentally);
- (e) guarantee means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness;
- (f) indebtedness includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (g) a person includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) of two or more of the foregoing or any other entity or body of any description;
- (h) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but if not having the force of law, then being a type with which persons to which it applies customarily comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (i) a provision of law is a reference to a provision, of any treaty, legislation, regulation, decree, order or by-law and any secondary legislation enacted under a power given by that provision, as amended, applied or re-enacted or replaced (whether with or without modification) whether before or after the date of this Deed;
- (j) a time of day is a reference to London time; and

1.2.3 Clause and schedule headings are for ease of reference only.

1.2.4 Unless a contrary indication appears, a term used in any other Secured Document or in any notice given under or in connection with any Secured Document has the same meaning in that Secured Document or notice as in this Deed.

1.2.5 Any word importing the singular shall include the plural and vice versa.

1.2.6 An Event of Default is continuing if it has not been waived.

1.3 **Third party rights**

1.3.1 Unless expressly provided to the contrary in any Secured Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other Secured Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.

1.3.2 Unless expressly provided to the contrary in any Secured Document the consent of any person who is not a Party is not required to rescind or vary this Deed or any other Finance Document entered into under or in connection with it.

1.4 **Administration**

1.4.1 Any reference in this Deed, or any other Secured Document entered into or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of the Chargor's

assets) or 22 (by the Chargor or the directors of the Chargor) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.

- 1.4.2 Any reference in this Deed or any other Secured Document entered into or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

1.5 Incorporated terms

The terms of the Secured Documents and of any side letters relating to the Secured Documents and the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of any Secured Property contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

2. COVENANT TO PAY

The Chargor covenants with the Chargee to pay and discharge the Secured Obligations when they become due for payment and discharge in accordance with the terms of the Contract.

3. CHARGING PROVISIONS

3.1 General

3.1.1 All Security created by the Chargor under clauses 3.2 to 3.4 inclusive is:

- (a) a continuing security for the payment and discharge of the Secured Obligations;
- (b) granted with full title guarantee;
- (c) granted in respect of all the right, title and interest (if any), present and future, of the Chargor in and to the Secured Property and
- (d) granted in favour of the Chargee.

3.2 First legal mortgages

The Chargor charges by way of first legal mortgage the Property and all Fixtures on such property for the time being.

3.3 Assignments

3.3.1 The Chargor assigns:

- (a) the Relevant Agreements; and
- (b) the Relevant Policies.

3.4 First fixed charges

3.4.1 The Chargor charges by way of first fixed charge:

- (a) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (b) the benefit of all other agreements, instruments and rights relating to its Secured Property; and
- (c) to the extent that any legal mortgage in clause 3.2 or any assignment in clause 3.3 is ineffective as a legal mortgage or assignment (as applicable), the assets referred to in that clause.

3.5 Documents of title

The Chargor shall immediately upon request by the Chargee deposit with the Chargee all deeds, certificates and other documents in its possession constituting or evidencing title to the Secured Property.

3.6 Small company moratorium

Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Chargor.

4. CONTINUING SECURITY

4.1 Continuing security

The Security constituted by this Deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Chargor or any other person of any part of the Secured Obligations.

4.2 Recourse

4.2.1 The Security constituted by this Deed:

- (a) is in addition to any other Security which the Chargee may hold at any time for the Secured Obligations (or any of them); and
- (b) may be enforced without first having recourse to any other rights of the Chargee.

5. NEGATIVE PLEDGE

5.1 The Chargor shall not create or permit to subsist any Security over any of the Secured Property except with the Chargee's prior consent.

5.2 Clause 5.1 does not apply to any Security or arrangement which is Permitted Security.

6. RESTRICTIONS ON DISPOSALS

6.1 Within 10 Business Days after receipt by the Chargee of the Deferred Consideration (or such sum as shall remain outstanding and also taking into account any Release Fee payable by the Chargor) the Chargee will give to the Chargor a Release to release the Charged Property from the security created pursuant to this deed and the restriction created pursuant to Clause 6.7 of this deed and reassign the Charged Property to the Chargor.

6.2 Provided that sufficient land is at all times retained to provide adequate security (as reasonably and properly determined by the Chargor) for the Deferred Consideration (or such amount as shall remain outstanding) ,the Chargor may at any time or times in advance of payment of the Deferred Consideration by not less than 10 Business Days' notice to the Chargee request the issue of Releases executed by the Chargee, at the cost of the Chargor (such costs to be reasonable and proper and not to exceed £250 plus VAT per request), for a Unit(s) on such parts of the Charged Property as the Chargor may require, such request to be accompanied by the Release Fee by way of cleared funds. Each payment of a Release Fee shall be treated as part payment of the Deferred Consideration and reduce the amount due to the Chargee on the date for payment of the Deferred Consideration in accordance with the Contract.

6.3 The Chargee agrees, at the cost of the Chargor (such costs to be reasonable and proper and not to exceed £250 plus VAT per request), to provide Releases for Permitted Disposals and agrees to deliver the same within 10 Business Days of receipt of request from the Chargor provided that promptly upon request all details as are necessary to allow the Chargee to establish that the request does relate to a Permitted Disposal are provided by the Chargor to the Chargee.

6.4 The Chargor agrees with the Chargee that it will not, without the Chargee's prior written consent Dispose or agree to Dispose of the Charged Property except to the extent that such

Disposal is a Permitted Disposal and on or before the date of any such Disposal (save in relation to Permitted Disposals):

6.4.1 to procure a deed of grant for the Rights over the "disposed property" for the benefit of the Charged Property; or

6.4.2 where the Disposal is by way of a grant of a legal mortgage to use reasonable endeavours to procure that the relevant legal mortgage or charge documentation contains an obligation on the party of the beneficiary of such charge or legal mortgage to comply with the provisions of this clause 6.4 and to consent to the grant of the deed of easement over the Uncharged Land for the benefit of the Charged Property and to provide all requisite Land Registry forms to procure the registration of the deed of easement.

6.5 The Chargor consents to the Chargee applying to the Land Registry in form RX1 to register the following restriction against the title to the Property:-

No disposition of the Property by the proprietor of the registered estate or by the proprietor of any registered charge, is to be registered without a certificate signed by the proprietor for the time being of the charge dated [28 August] 20[18] in favour of [●] referred to in the charges register (or their conveyancer) or, by a certificate given by a conveyancer stating that the disposition is a Permitted Disposal as defined by the Charge dated [28 August] 2018 in favour of [●] referred to in the charges register.

6.6 The Chargee shall, at the request of the Chargee, within 10 Business Days of request consent to and join in any Works Agreement and shall provide Releases of such parts of the Charged Property as are required to procure the adoption dedication or transfer of any land required under the Works Agreement or for the provision of infrastructure on the Property or for the grant of planning permission for the development of the Property and the Chargor and its successors in title shall indemnify and keep the Chargee indemnified against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liabilities whatsoever arising from complying with a request of the Chargee pursuant to this clause 6.6.

7. FURTHER ASSURANCE

7.1 The Chargor shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Chargee may reasonably specify (and in such form as the Chargee may reasonably require) in favour of the Chargee or its nominee(s):

7.1.1 to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this Deed or for the exercise of any rights, powers and remedies of the Chargee provided by or pursuant to this Deed or by law;

7.1.2 to confer on the Chargee Security over any of the Secured Property of the Chargor located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this Deed; and/or

7.1.3 (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this Deed.

7.2 The Chargor shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Chargee by or pursuant to this Deed.

7.3 Any document required to be executed by the Chargor under this clause 7 will be prepared at the cost of the Chargor.

8. LAND REGISTRY

8.1 Application for registration

8.1.1 In relation to land and buildings comprised within the Secured Property situated in England and Wales title to which is registered or is to be registered at the Land Registry, the Chargor consents to an application being made to the

Chief Land Registrar for registration of a restriction in the form prescribed at clause 6.7 of this Deed on the register of title of all such present and future registered freehold, leasehold or commonhold property (and any unregistered properties subject to compulsory first registration at the date of this Deed).

- 8.1.2 The Chargor confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

9. NOTICES OF ASSIGNMENTS AND CHARGES

9.1 Relevant Agreements

- 9.1.1 The Chargor shall give notice in the form specified in Part 1 (Form of notice of assignment) of schedule 2 to the other parties to each Relevant Agreement that the Chargor has assigned to the Chargee all its right, title and interest in that Relevant Agreement.
- 9.1.2 The Chargor shall give the notices referred to in clause 9.1.1 at the request of the Chargee following the occurrence of an Event of Default which is continuing.
- 9.1.3 The Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 (Form of acknowledgement) of schedule 2 within 5 Business Days of that notice being given.

9.2 Insurance policies

- 9.2.1 The Chargor shall give notice in the form specified in Part 1 (Form of notice of assignment) of schedule 3 to each insurer under each Relevant Policy that it has assigned to the Chargee all its right, title and interest in that Relevant Policy.
- 9.2.2 The Chargor shall give the notices referred to in clause 9.2.1 at the request of the Chargee following the occurrence of an Event of Default which is continuing.
- 9.2.3 The Chargor shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 (Form of acknowledgement) of schedule 3 within 5 Business Days of that notice being given.

10. SECURITY POWER OF ATTORNEY

Where an Event of Default occurs the Chargor, by way of security, irrevocably and severally appoints the Chargee, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Chargor is obliged to take under this Deed. The Chargor ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 10.

11. ENFORCEMENT OF SECURITY

11.1 When security is enforceable

On the occurrence of any Event of Default which is continuing, the Security created by and under this Deed is immediately enforceable.

11.2 Acts of enforcement

- 11.2.1 The Chargee may, at its absolute discretion, at any time after the Security created by or under this Deed is enforceable:
- (a) enforce all or any part of the Security created by or under this Deed in any manner it sees fit;
 - (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this Deed, and rights and powers conferred on a Receiver by this Deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Property;

- (c) appoint a Receiver to all or any part of the Secured Property;
- (d) if permitted by law, appoint an administrator in respect of the Chargor and take any steps to do so;
- (e) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this Deed);
- (f) if permitted by law, appoint an administrative receiver in respect of the Chargor; or
- (g) serve written notice on the Chargor requiring the Chargor to enter into a deed of grant of Rights in favour of the Charged Property over the Uncharged Land so far as such rights are necessary to enable the development and disposal of the Charged Property pursuant to any planning consent obtained in respect of the Charged Property and the Chargor shall enter into such deed of grant within 10 Working Days of service of written notice in accordance with this clause.

11.3 Statutory powers - general

- 11.3.1 For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this Deed.
- 11.3.2 Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this Deed.
- 11.3.3 The statutory powers of leasing conferred on the Chargee are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Chargee is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- 11.3.4 Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers when such Receivers have been duly appointed under the relevant Act.

11.4 Contingencies

If the Chargee enforces the Security constituted by or under this Deed at a time when no amounts are due to it under the Secured Documents but at a time when amounts may or will become so due, the Chargee (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

11.5 Mortgagee in possession - no liability

Neither the Chargee nor any Receiver will be liable, by reason of entering into possession of a Secured Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable.

11.6 Redemption of prior mortgages

- 11.6.1 At any time after the Security created by or under this Deed has become enforceable, the Chargee may, at the sole cost of the Chargor (payable to the Chargee on demand):
 - (a) redeem any prior form of Security over any Secured Property; and/or
 - (b) procure the transfer of that Security to itself; and/or
 - (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Chargor.

12. RECEIVER

12.1 Appointment of Receiver

12.1.1

- (a) At any time after any Security created by or under this Deed is enforceable, the Chargee may appoint a Receiver to all or any part of the Secured Property in accordance with clause 11.2.1(c) (Acts of enforcement).
- (b) At any time after any Security created by or under this Deed is enforceable, if so requested in writing by the Chargor, without further notice, the Chargee may appoint a Receiver to all or any part of the Secured Property as if the Chargee had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.

12.1.2 Any Receiver appointed under this Deed shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Chargee be in any way responsible for any misconduct, negligence or default of the Receiver.

12.1.3 Where the Chargor is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:

- (a) obtaining a moratorium, or
- (b) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

12.2 Removal

The Chargee may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

12.3 Powers of Receiver

12.3.1 General

- (a) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 12.3.
- (b) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this Deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (c) A Receiver who is an administrative receiver of the Chargor has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- (d) A Receiver may, in the name of the Chargor:
 - (A) do all other acts and things which he may consider expedient for realising any Secured Property; and
 - (B) exercise in relation to any Secured Property all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

12.3.2 Borrow money

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Property, either in priority to the security constituted by this Deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

12.3.3 Carry on business

A Receiver may carry on the business of the Chargor as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate.

12.3.4 Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating in any way to any Secured Property.

12.3.5 Delegation

A Receiver may delegate his powers in accordance with clause 13 (Delegation).

12.3.6 Employees

For the purposes of this Deed, a Receiver as he thinks appropriate, on behalf of the Chargor or for itself as Receiver, may:

- (a) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (b) discharge any such persons appointed by the Chargor.

12.3.7 Leases

A Receiver may let any Secured Asset for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Secured Property on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

12.3.8 Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Chargor in relation to any Secured Property as he considers expedient.

12.3.9 Possession

A Receiver may take immediate possession of, get in and collect any Secured Property.

12.3.10 Protection of assets

A Receiver may, in each case as he may think fit:

- (a) make and effect all repairs and insurances and do all other acts which the Chargor might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Property
- (b) commence and/or complete any building operations on the Secured Property; and
- (c) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

- 12.3.11 **Receipts**
- A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Property.
- 12.3.12 **Sale of assets**
- A Receiver may sell, exchange, convert into monies and realise any Secured Property by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the Chargor.
- 12.3.13 **Subsidiaries**
- A Receiver may form a Subsidiary of the Chargor and transfer to that Subsidiary any Secured Property.
- 12.3.14 **Deal with Secured Property**
- A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Property without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Property or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Property on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.
- 12.3.15 **Security**
- A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Chargor and the money so paid shall be deemed to be an expense properly incurred by the Receiver.
- 12.3.16 **Acquire land**
- The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.
- 12.3.17 **Development**
- A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.
- 12.3.18 **Landlord's obligations**
- A Receiver may on behalf of the Chargor and without consent of or notice to the Chargor exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

12.3.19 Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital.

12.3.20 Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Property and to use the name of the Chargor for all the purposes set out in this clause 12.

12.4 Remuneration

The Chargee may from time to time fix the remuneration of any Receiver appointed by it.

13. DELEGATION

13.1 The Chargee and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Chargee and the Receiver (as appropriate) under this Deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Chargee and Receiver (as appropriate) may think fit.

13.2 The Chargee and any Receiver will not be liable or responsible to the Chargor or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

14. APPLICATION OF MONIES

14.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

14.2 Law of Property Act 1925 shall not apply to a Receiver appointed under this Deed.

14.3 All monies received by the Chargee or any Receiver under this Deed shall be applied in the following order:

14.3.1 in discharging any sums owing to the Chargee or any Receiver;

14.3.2 in or toward payment of the Secured Obligations in such order as the Chargee may determine; and

14.3.3 the balance (if any) will be applied as required by law.

14.4 The Chargee and any Receiver may place any money received, recovered or realised pursuant to this Deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

15. REMEDIES AND WAIVERS

15.1 No failure to exercise, nor any delay in exercising, on the part of the Chargee or any Receiver, any right or remedy under this Deed shall operate as a waiver or any such right or remedy or constitute an election to affirm this Deed. No election to affirm this Deed on the part of the Chargee or any Receiver shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights or remedies provided by law.

15.2 A waiver given or consent granted by the Chargee or any Receiver under this Deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

16. PROTECTION OF THIRD PARTIES

16.1 No person (including a purchaser) dealing with the Chargee or a Receiver or its or his agents has an obligation to enquire of the Chargee, Receiver or others:

- 16.1.1 whether the Secured Obligations have become payable;
- 16.1.2 whether any power purported to be exercised has become exercisable;
- 16.1.3 whether any Secured Obligations or other monies remain outstanding;
- 16.1.4 how any monies paid to the Chargee or to the Receiver shall be applied; or
- 16.1.5 the status, propriety or validity of the acts of the Receiver or Chargee.

16.2 The receipt by the Chargee or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Chargee or any Receiver.

16.3 In clauses 16.1 and 16.2 **purchaser** includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Property or any of them.

17. ADDITIONAL SECURITY

The Security created by or under this Deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by the Chargee.

18. SETTLEMENTS CONDITIONAL

18.1 If the Chargee (acting reasonably) believes that any amount paid by the Chargor or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this Deed, such amount shall not be considered to have been paid.

18.2 Any settlement, discharge or release between the Chargor and the Chargee shall be conditional upon no Security or payment to or for the Chargee by the Chargor or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

19. SUBSEQUENT SECURITY

If the Chargee receives notice of any other subsequent Security or other interest affecting all or any of the Secured Property it may open a new account or accounts for the Chargor in its books. If it does not do so then, unless it gives express written notice to the contrary to the Chargor, as from the time of receipt of such notice by the Chargee, all payments made by the Chargor to the Chargee shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations.

20. SET-OFF

The Chargee may, set off any matured obligation due from the Chargor under the Secured Documents (to the extent beneficially owned by the Chargee) against any matured obligation owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

21. NOTICES

21.1 Communications in writing

Any communication to be made under or in connection with the Secured Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

21.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Secured Documents is that set out in the particulars above or

any substitute address or department or officer as it may notify to the other by not less than 5 Business Days' notice.

21.3 Delivery

21.3.1 Any communication or document made or delivered by one person to another under or in connection with the Secured Documents will only be effective if by way of letter, when it has been left at the relevant address or 3 Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address and, if a particular department or officer is specified as part of its address details provided under clause 21.2 (Addresses), if addressed to that department or officer.

21.3.2 Any communication or document which becomes effective in accordance with clause 21.3.1 after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day.

22. INVALIDITY

If, at any time, any provision of the Secured Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

23. ASSIGNMENT

The Chargee may assign or otherwise transfer all or any part of its rights under this Deed or any Security created by or under it in accordance with the terms of the Secured Documents.

24. RELEASES

24.1 Upon the expiry of the Security Period, the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary (including providing any relevant Land Registry form(s)) to release and reassign to the Chargor:

24.1.1 its rights arising under this Deed;

24.1.2 the Secured Property from the Security created by and under this Deed, including Land Registry form DS1 and together (where required) with a Land Registry form RX4 to release the Charged Property from the restriction which is noted at clause 6.7 above and return all documents or deeds of title delivered to it under this Deed.

25. CURRENCY CLAUSES

25.1 Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

25.1.1 any reference in this Deed to, and any obligations arising under this Deed in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Chargee (after consultation with the Chargor); and

25.1.2 any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Chargee (acting reasonably).

25.2 If a payment is made to the Chargee under this Deed in a currency (**Payment Currency**) other than the currency in which it is expressed to be payable (**Contractual Currency**), the Chargee may convert that payment into the Contractual Currency at the rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Chargor will remain liable for such shortfall.

26. CERTIFICATES AND DETERMINATIONS

26.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Secured Document, the entries made in the accounts maintained by the Chargee are prima facie evidence of the matters to which they relate.

26.2 Certificates and determinations

Any certification or determination by the Chargee of a rate or amount under any Secured Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

27. EXCLUSION OF LIABILITY

27.1 No liability

27.1.1 The Chargee will not be liable for any action taken by it (or any omission to take action) under or in connection with any Supporting Document unless directly caused by its gross negligence or wilful misconduct.

27.1.2 Neither the Chargee nor any Receiver shall be liable in respect of all or any part of the Secured Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers unless such loss or damage is caused by its gross negligence or wilful acts of default and recklessness.

27.2 Officers and agents

The Chargor may not take proceedings against any officer, employee or agent of the Chargee in respect of any claim it might have against the Chargee or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Supporting Document and any officer, employee or agent of the Chargee may rely on this clause.

28. FEES, COSTS AND EXPENSES

28.1 Amendment costs

If the Chargor requests an amendment, waiver or consent of this Deed or any other Secured Documents and/or the Supporting Documents, the Chargor shall, within 3 Business Days of demand, reimburse the Chargee for the amount of all costs and expenses (including legal fees) together with any associated VAT reasonably incurred by the Chargee in responding to, evaluating, negotiating or complying with the request or requirement.

28.2 Enforcement and preservation costs

The Chargor shall, within 3 Business Days of demand, pay to the Chargee the amount of all costs, fees and expenses (including legal fees) together with any associated VAT reasonably incurred by the Chargee in connection with the enforcement of or the preservation of any rights under any Secured Documents and/or the Supporting Documents and proceedings instituted by or against the Chargee as a consequence of taking or holding the Secured Document and/or Supporting Documents or enforcing these rights.

28.3 Interest on late payments

28.2.1 If the Chargor fails to pay any amount payable by it under the Secured Documents on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at the Default Rate (**Default Interest**). Any interest accruing under this clause 28.3 shall be immediately payable by the Chargor on demand by the Chargee.

28.2.2 Default Interest (if unpaid) arising on Unpaid Sums will be compounded with the overdue amount.

29. COUNTERPARTS

This Deed or any Secured Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts.

Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed or any such Secured Document entered into under or in connection with this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

30. GOVERNING LAW

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

31. ENFORCEMENT

31.1 Jurisdiction of English courts

31.1.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute relating to the existence, validity or termination of this Deed or any non-contractual obligation arising out of or in connection with this Deed) (a **Dispute**).

31.1.2 The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

31.1.3 This clause 31 is for the benefit of the Chargee. As a result, the Chargee shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Chargee may take concurrent proceedings in any number of jurisdictions.

This Deed has been entered into as a deed on the date given at the beginning of this Deed.

SCHEDULE 1

Property

Registered Land

All that freehold land at Westminster Road, Macclesfield as shown edged red on the attached plan marked "Plan 1" for identification purposes only and registered at HM Land Registry at the date of this deed with under title numbers CH542849 (part), CH542852 (whole) and CH597137 (whole).

SCHEDULE 2
Relevant Agreements
Part 1- Form of notice of assignment

To: [●]

Dated: [●]

Dear Sirs

The agreement described in the attached schedule (Agreement)

We hereby notify you that we have assigned to [●] (**Chargee**) all our right, title and interest in and to the Agreement.

We hereby irrevocably and unconditionally authorise and instruct you:

1. without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Chargee relating to the Agreement and any rights arising under or in connection with the Agreement; and
2. to pay all sums payable by you under the Agreement directly to the Chargee at any such account as the Chargee may specify from time to time.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Chargee and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

Yours faithfully

.....
for and on behalf of

[●]

The Schedule

Date	Parties	Description
[•]	[•]	[•]

[Attach form of acknowledgment]

Part 2- Form of acknowledgement

To: [name of Chargee]
[address]

To: [name of Chargor] (**Chargor**)
[address]

We acknowledge receipt of the notice of assignment (**Notice**) of which the above is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

1. there has been no amendment, waiver or release of any rights or interests in the Agreement since the date of the Agreement;
2. we will not agree to any amendment, waiver or release of any provision of the Agreement without the prior written consent of the Chargee;
3. we shall act in accordance with the Notice;
4. as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Agreement in favour of any other person;
5. as at the date of this acknowledgement, we are not aware of any breach by the Chargor of the terms of the Agreement; and
6. we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Agreement.

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

For and on behalf of

[•]

SCHEDULE 3

Relevant Policies

Part 1- Form of notice of assignment

To: [insurer]

Dated: [●]

Dear Sirs

The insurance policies described in the attached schedule (Relevant Policies)

We hereby notify you that we have assigned to [●] (Chargee) all our right, title and interest in and to the Relevant Policies.

We hereby irrevocably and unconditionally authorise and instruct you:

1. without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Chargee relating to the Relevant Policies (or any of them); and
2. to pay all sums payable by you under the Relevant Policies (or any of them) directly to the Chargee at any such account as the Chargee may specify from time to time.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Chargee and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

Yours faithfully

.....

for and on behalf of

[●]

The Schedule

Date of policy	Insured	Policy type	Policy number
[•]	[•]	[•]	[•]

[Attach form of acknowledgment]

Part 2- Form of acknowledgement

To: [name of Chargee]
[address]

To: [name of Chargor] (**Chargor**)
[address]

We acknowledge receipt of the notice of assignment (**Notice**) of which the above is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

1. there has been no amendment, waiver or release of any rights or interests in any Relevant Policy since the date of such policy;
2. we have noted the Chargee's interest as mortgagee and first loss payee on each Relevant Policy;
3. we will not agree to any amendment, waiver or release of any provision of any Relevant Policy without the prior written consent of the Chargee;
4. we shall act in accordance with the Notice;
5. as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in any Relevant Policy or the proceeds of any Relevant Policy in favour of any other person; and
6. we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to any Relevant Policy.

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

For and on behalf of
[insurance company]

SCHEDULE 4

Rights

Mean the following rights for the benefit of the Charged Property which may be exercised if necessary in connection with the enforcement of or exercise of any powers under this Deed:

1. a pedestrian and vehicular right of way over any estate roads on the Uncharged Land at all times and for all purposes to gain access to and from the Charged Property until such time as such roads are adopted;
2. a right to enter onto the Uncharged Land to make connections to and use (including the supply of utilities to the Charged Property) any estate roads and/or service media in relation to the development of Charged Property in accordance with any planning permission relating to the Charged Property;
3. a right to enter upon such unbuilt parts of the Uncharged Land in order to carry out the development of the Charged Property (including constructing the estate roads and/or service media required to provide access and services to such development) to the extent and only insofar as such development is not reasonably practicably capable of being undertaken without effecting such entry;
4. a right to keep and use any projections incidental to any building erected on the Charged Property;
5. a right of support and protection afforded by the Uncharged Land (as at the date of the grant of Rights) for any buildings erected on the Charged Property (subject to a reciprocal right of support and protection afforded by the Charged Property for any buildings erected on the Charged Property

If any right of access on to the Uncharged Land is included in any Right then the person exercising such right and any ancillary rights shall:-

6. exercise such rights in a reasonable and responsible manner causing as little damage as reasonably possible and promptly making good any damage caused to the reasonable satisfaction of the other party;
7. give reasonable prior written notice of the intention to exercise such rights (save in the case of emergency when as much notice (if any) as is reasonably practicable shall be given);
8. not be permitted entry into any buildings or curtilage of any dwelling or any part of the Uncharged Land;
9. not be exercisable unless the person intending to exercise such rights has obtained any necessary consents from any competent authority or other third parties and complies with any necessary consents and/or regulations relating to the exercise of such rights.

SIGNATORIES TO THE DEED

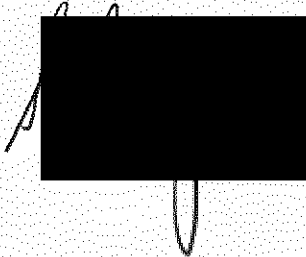
Signed as a deed by)

Bellway Homes Limited)

acting by:)



Director



Director/Secretary

Address: Seaton Burn House, Dudley Lane, Seaton Burn, Newcastle upon Tyne NE13 6BE

Telephone: 0191 217 0717

Attention: Group Legal Advisor

Executed as a
deed by
affixing the
common seal of
**The Kings School
in Macclesfield**
in the presence of:

Authorised
signatory

.....
.....

Authorised
signatory

.....
.....