



Registration of a Charge

Company name: **HIGGINS HOMES PLC**

Company number: **00843093**



X74XUMK8

Received for Electronic Filing: **30/04/2018**

Details of Charge

Date of creation: **27/04/2018**

Charge code: **0084 3093 0254**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description:

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: **DWF LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 843093

Charge code: 0084 3093 0254

The Registrar of Companies for England and Wales hereby certifies that a charge dated 27th April 2018 and created by HIGGINS HOMES PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th April 2018 .

Given at Companies House, Cardiff on 2nd May 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**

Execution version

DATED

27 April

2018

(1) HIGGINS HOMES PLC

- and -

(2) NATIONAL WESTMINSTER BANK PLC

SHARE CHARGE

DWF LLP

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THIS DEED is dated 27 April 2018 and is made

BETWEEN:

- (1) **HIGGINS HOMES PLC** (company number 00843093) whose registered office is One Langston Road, Loughton, Essex, IG10 3SD (the "**Chargor**"); and
- (2) **NATIONAL WESTMINSTER BANK PLC** (as security trustee for the Secured Parties (as defined in the Facility Agreement, as defined below) (in such capacity, the **Security Agent**).

TERMS AGREED

1. Definitions and interpretation

1.1 Definitions

In this Deed:

1.1.1 Terms defined in, or construed for the purposes of, the Facility Agreement (as defined below) have the same meanings when used in this Deed (unless the same are otherwise defined in this Deed); and

1.1.2 The following terms have the following meanings:

"Borrower"	Higgins Homes (Chobham Farm) Limited, a company incorporated in England and Wales with registered number 01377977;
"Business Day"	a day (other than a Saturday or a Sunday) on which banks are open for general business in London;
"Charged Assets"	the Shares and the Related Rights;
"Deed"	this share charge;
"Default Rate"	any rate of interest specified in the Finance Documents as the rate applicable to unpaid sums under the Finance Documents;
"Encumbrance"	any standard security, mortgage, charge, assignation, pledge, lien or other security right whatsoever;
"Event of Default"	any event, howsoever described, which entitles the Security Agent to accelerate, demand repayment or the delivery of cash collateral in respect of any financial indebtedness of the Borrower to the Security Agent;
"Facility Agreement"	the loan facility agreement dated on or around the date hereof between the Borrower, the Guarantor, National Westminster Bank plc (as Agent, Arranger, Security Agent, Original Lender and Account Bank) and The Royal Bank of Scotland plc (as Hedging Counterparty),

	as may be amended, supplemented, restated and/or novated from time to time;
"Insolvency Act"	the Insolvency Act 1986;
"LPA"	the Law of Property Act 1925;
"Receiver"	a receiver or receiver and manager or an administrative receiver of the whole or any part of the Charged Assets, which term will include joint receivers and any substitute receiver, receiver and manager or administrative receiver whether appointed under this Deed or pursuant to the statute;
"Related Rights"	all rights derived from the Shares including rights to dividends and other distributions paid or payable after the date of this Deed on all or any of the Shares and all stocks, shares or other securities (and dividends, interest and other distributions thereon) or other rights accruing or offered at any time by way of redemption, bonus, pre-emption or otherwise to or in respect of all or any of the Shares or in substitution or exchange for all or any of the Shares;
"Shares"	the entire share capital of the Borrower;
"Secured Liabilities"	all present and future obligations and liabilities (whether actual or contingent, whether owed jointly or severally, as principal or surety or in any other capacity whatsoever) of the Borrower or the Chargor to the Secured Parties under or in connection with the Finance Documents or this Deed or otherwise, together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities;

1.2 Implied covenants for title

The obligations of the Chargor under this Deed shall be in addition to the covenants for title deemed to be included in this Deed by virtue of Part I of the Law of Property (Miscellaneous Provisions) Act 1994.

1.3 Modification of Law of Property (Miscellaneous Provisions) Act 1994

The following provisions of the Law of Property (Miscellaneous Provisions) Act 1994 will not apply to Clause 4, being:

- 1.3.1 the words "other than any charges, encumbrances or rights which that person does not and would not reasonably be expected to know about" in Section 3(1);

1.3.2 the words "except to the extent that" and all the words thereafter in Section 3(2); and

1.3.3 Section 6(2).

1.4 Effect as a deed

This Deed is intended to take effect as a deed notwithstanding that the Security Agent may have executed it under hand only.

1.5 Construction

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

1.5.1.1 the "**Borrower**", the "**Chargor**", the "**Security Agent**" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

1.5.1.2 a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as from time to time amended, novated, supplemented, replaced, extended or restated in whole or in part;

1.5.1.3 a "**person**" includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;

1.5.1.4 a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

1.5.1.5 a provision of law is a reference to that provision as from time to time amended or re-enacted;

1.5.1.6 "**disposal**" includes a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary (and "**dispose**" shall be construed accordingly);

1.5.1.7 "**document**" includes any deed, instrument (including negotiable instrument) or other document of any kind;

1.5.1.8 any matter "**including**" specific instances or examples of such matter shall be construed without limitation to the generality of that matter (and references to "**include**" shall be construed accordingly);

1.5.1.9 the "**winding-up**", "**dissolution**" or "**administration**" of a person shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which

such person is incorporated or established, or any jurisdiction in which such person carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors; and

1.5.1.10 Clauses and schedules are the clauses and schedules to this Deed.

1.5.2 Clause headings are for ease of reference only.

1.5.3 Words in the singular shall import the plural and vice versa.

1.5.4 Words defined in the Companies Act 2006 have the same meanings in this Deed.

1.5.5 An Event of Default is "continuing" if it has not been remedied or waived.

1.5.6 Terms defined in the Facility Agreement have, unless expressly defined in this Deed, the same meaning when used in this Deed.

2. Covenant to pay

2.1 General

Subject to Clause 2.2 below, the Chargor covenants with the Security Agent to pay, discharge and satisfy the Secured Liabilities when the same become due in terms of the Finance Documents whether by acceleration or otherwise.

2.2 Limited recourse

Notwithstanding any other provision of the Finance Documents, it is expressly agreed and understood that:

2.2.1 the sole recourse of the Security Agent to the Chargor under this Deed is to the Chargor's interest in the Charged Assets; and

2.2.2 the liability of the Chargor to the Security Agent pursuant to or otherwise in connection with the Finance Documents shall be:

2.2.2.1 limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to the Charged Assets; and

2.2.2.2 satisfied only from the proceeds of sale or other disposal or realisation of the Charged Assets pursuant to this Deed

3. Interest

The Chargor shall pay interest on any amount demanded from it in accordance with this Deed from the date of such demand until such amount is irrevocably discharged and paid in full (such interest to accrue on a daily basis after as well as before judgment or the liquidation or administration of the Chargor and to be payable on demand) at the Default Rate, save to the

extent that such interest is charged on such amount pursuant to the relevant Finance Document and itself constitutes a Secured Obligation.

4. Creation of security

4.1 General

All the security created under this Deed:

- 4.1.1 is created in favour of the Security Agent;
- 4.1.2 is security for the payment of all the Secured Liabilities; and
- 4.1.3 is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

4.2 Fixed Charge

The Chargor charges by way of first fixed charge all its right, title and interest in the Shares and the Related Rights.

5. Provisions as to security

5.1 Continuing security

- 5.1.1 The security from time to time created by this Deed is a continuing security and will remain in full force and effect as a continuing security until released or discharged by the Security Agent.
- 5.1.2 No part of the security from time to time created by this Deed will be considered satisfied or discharged by any intermediate payment, discharge or satisfaction of the whole or any part of the Secured Liabilities.

5.2 Additional security

This Deed shall be without prejudice and in addition to any other security which may at any time be held by the Security Agent from the Chargor or any other person in respect of the whole or any part of the Secured Liabilities and may be enforced independently of any such other security.

5.3 No obligation to take other enforcement proceedings

The Security Agent shall not be obliged before exercising any of the rights conferred on it by this Deed or by law:

- 5.3.1 to make any demand of the Chargor or any other person other than that required by the terms of the Finance Documents;
- 5.3.2 to take any action, enforce any security, exercise any right of compensation or set-off or to obtain or enforce any judgement, decree or order in any court against the Chargor or any other person;
- 5.3.3 to make or file any claim or proof in a winding up, liquidation, administration or other insolvency proceedings of the Chargor or any other person; or

- 5.3.4 to enforce or seek to enforce any other security taken in respect of any of the obligations of the Chargor or any other person under the Finance Documents.

5.4 Waiver of defences

The obligations of the Chargor under this Deed will not be affected by any act, omission or circumstances which, but for this Clause 5.4 might operate to release, discharge, impair or otherwise affect any of the obligations of the Chargor under this Deed or any of the rights, powers or remedies conferred upon the Security Agent by the Finance Documents or by law including (but without limitation) and whether or not known to the Chargor or the Security Agent:

- 5.4.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 5.4.2 the release of any other Obligor or any other person from its obligations under any Finance Document or any security or guarantee granted in connection therewith;
- 5.4.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 5.4.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- 5.4.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 5.4.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 5.4.7 any insolvency or similar proceedings.

6. Perfection of security

6.1 Existing Shares

Immediately upon execution of this Deed the Chargor shall deliver to the Security Agent:

- 6.1.1 duly executed (and, if required, stamped) transfers of the Existing Shares (executed in blank and left undated) in favour of the Security Agent together with the certificates in respect of all the Existing Shares and such other

documents as the Security Agent shall require to enable it (or its nominee) to be registered as the owner of or otherwise acquire a legal title to the Existing Shares; and

- 6.1.2 a certified copy of the articles of association of the Borrower evidencing that there is no restriction on the transfer of the Existing Shares to the Security Agent pursuant to, or by the Security Agent in exercise of the security conferred by, this Deed.

6.2 Other Shares

The Chargor shall, promptly upon becoming entitled to any Charged Shares other than the Existing Shares immediately deposit with the Security Agent, or as the Security Agent may direct, all certificates and other documents of title or evidence of ownership in relation to those Charged Shares and execute and deliver to the Security Agent transfers (executed in blank and left undated and duly stamped if applicable) and such other documents as the Security Agent may reasonably require in order to enable the Security Agent (or its nominee) to be registered as the owner or otherwise obtain a legal title to those Charged Shares.

6.3 Further assurance

- 6.3.1 The Chargor will promptly do, or shall procure that the Borrower shall do, all such acts and execute all such documents as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require) to:

- 6.3.1.1 vest the Charged Assets (or any of them) in the name of the Security Agent or its nominee or otherwise perfect the security created or intended to be created by this Deed;
- 6.3.1.2 to enable the Security Agent to exercise the rights, powers and remedies vested in it by or pursuant to this Deed or by law; and/or
- 6.3.1.3 after the security created by this Deed has become enforceable pursuant to Clause 13 facilitate the realisation of the Charged Assets.

6.4 Obligations additional

The obligations of the Chargor under this Clause 6 are in addition to and not in substitution for the covenants for further assurance deemed to be included herein by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

7. Restriction on dealings

Save as permitted by the Finance Documents, the Chargor will not create or permit to subsist any Encumbrance on any part of the Charged Assets or dispose of or otherwise deal with any part of the Charged Assets.

8. Dividends

8.1 Dividends prior to default

Prior to the security created by this Deed becoming enforceable in accordance with Clause 13 the Chargor shall, save as may be otherwise agreed in writing between the Chargor and the Security Agent, be entitled to receive all dividends, interest and other monies arising from the Charged Assets.

8.2 Dividends during default

After the security created by this Deed has become enforceable in accordance with Clause 13:

8.2.1 the Security Agent shall be entitled to receive all dividends, interest and other monies arising from the Charged Assets and to apply the same in payment of the Secured Liabilities; and

8.2.2 the Chargor shall take all necessary steps to ensure that all dividends, interest and other monies arising from the Charged Assets are paid directly to the Security Agent and if the Chargor receives any dividends, interest and other monies arising from the Charged Assets it shall promptly pay the same to the Security Agent and pending such payment shall hold the same on trust for the Security Agent.

9. Exercise of rights

9.1 Rights prior to default

Prior to the security created by this Deed becoming enforceable in accordance with Clause 13 the Chargor shall have the sole right to exercise all voting rights in relation to the Charged Assets and, to the extent that such rights are exercisable by the Security Agent as a result of the registration of any of the Charged Assets in the name of the Security Agent or its nominee, the Security Agent shall, subject to the provisions of Clause 11, exercise them as directed in writing by the Chargor and if the Security Agent receives any notice or other communication in respect of the Charged Assets it shall promptly pass them on to the Chargor but shall not be liable for any failure to do so.

9.2 Rights during default

After the security created by this Deed has become enforceable in accordance with Clause 13, the Security Agent may, at its discretion (without any further consent or authority from the Chargor):

9.2.1 exercise (or refrain from exercising) or, as the case may be, require the Chargor to exercise (or refrain from exercising) any voting rights in respect of the Charged Assets; and

9.2.2 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets;

in such manner and on such terms as the Security Agent may think fit for the purpose of preserving the value of, or enforcing, the security created by this Deed.

9.3 Security Agent as proxy

The Chargor hereby irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of the Shares (so long as those shares remain registered in the name of the Chargor) which the Security Agent is or becomes entitled at such time to exercise in accordance with the terms of this Deed.

10. Representations and warranties

The Chargor represents and warrants to the Security Agent that:

- 10.1 it is duly incorporated and validly existing under the laws of its place of incorporation;
- 10.2 it has the power to grant this Deed and to perform its obligations hereunder;
- 10.3 it has taken all necessary corporate action to authorise the execution and delivery of this Deed and to authorise the performance of its obligations hereunder;
- 10.4 subject to the presentation for registration of this Deed to the Registrar of Companies in accordance with section 860/878 of the Companies Act 2006, this Deed constitutes a legal, valid, binding and enforceable obligation of the Chargor;
- 10.5 neither the granting of this Deed by the Chargor nor the performance of its obligations hereunder will contravene any law or regulation or any agreement to which the Chargor is a party or by which it is bound nor will it cause any limitation of any of the powers of the Chargor however imposed or the right or ability of the directors to exercise any such powers to be exceeded;
- 10.6 it is the sole legal and beneficial owner of the Existing Shares all of which are fully paid;
- 10.7 it has not granted or created, nor is there outstanding, any option, right of pre-emption, assignment or Encumbrance over any of the Shares or the Related Rights save for any Encumbrance in favour of the Security Agent;
- 10.8 there are no agreements or other arrangements in place which provide for the issue or allotment of, or grant any person the right to call for the issue or allotment of, the share or loan capital of the Borrower (including any option or right of pre-emption or conversion);
- 10.9 the particulars contained in the schedule are complete and accurate in all respects;
- 10.10 it has delivered to the Security Agent a complete and up to date copy of the articles of association of the Borrower together with any resolution varying or amending the rights attaching to the Shares and there are no agreements or arrangements relating to the Shares which have not been disclosed to the Security Agent;
- 10.11 all authorisations required for the entry into, performance, validity and enforceability of this Deed by the Chargor have been obtained and are in full force and effect; and

10.12 this Deed creates those security interests it purports to create and is not liable to be avoided or otherwise set aside on its liquidation or administration or otherwise.

The representations and warranties set out in Clause 10 shall be granted on the execution of this Deed and shall be deemed to be repeated in accordance with Clause 18.22 of the Facility Agreement.

11. Undertakings

11.1 General undertakings

The Chargor shall:

11.1.1 provide the Security Agent with such information relating to the business of the Chargor, its financial condition and the Charged Assets as the Security Agent may reasonably require from time to time; and

11.1.2 comply with all laws, statutes and regulations (including those relating to the environment) which are applicable to it and obtain, effect, comply with and maintain in full force and effect all registrations, licences, consents, authorisations and exemptions required for the conduct of its business and the performance, validity and enforceability of this Deed and any document entered into pursuant to this Deed.

11.2 Undertakings relating to Charged Assets

The Chargor shall:

11.2.1 observe and perform all of the conditions and obligations relating to the Charged Assets;

11.2.2 promptly deliver to the Security Agent a copy of every circular, notice, resolution, minutes or other documents received by it in respect of any of the Charged Assets;

11.2.3 not take or omit to take any action which, in the opinion of the Security Agent, would prejudice the security conferred by this Deed, impair the value of any of the Charged Assets or adversely affect the ability of the Security Agent to realise the security conferred by this Deed and shall, at its own cost, promptly take all action which is at any time necessary to protect the value of the interests of the Chargor and the Security Agent in, and their rights to, the Charged Assets;

11.2.4 not vary or abrogate all or any of the rights attached to any of the Charged Assets or take or omit to take any steps which would result in such a change;

11.2.5 pay when due all calls or other payments which may be or become due in respect of any of the Charged Assets;

11.2.6 not permit the Borrower to issue any shares (or securities convertible into shares) or grant any option over or right to subscribe for any shares to any person other than the Chargor;

11.2.7 without prejudice to Clause 6.3 promptly sign, execute, deliver and complete all transfers, renunciations, proxies, mandates, assignments, deeds and documents and do all acts and things which the Security Agent may request in exercise of its powers under this Deed; and

11.2.8 take such action as the Security Agent may in its absolute discretion direct (but acting in good faith) in respect of any vote concerning a members voluntary winding up or any proposed compromise, arrangement, capital reorganisation, conversion, exchange, repayment or takeover offer affecting or in respect of any of the Charged Assets or any proposal made for varying or abrogating any rights attaching to any of the Charged Assets.

11.3 Performance by Security Agent

If the Chargor fails to perform any of the obligations relating to the Charged Assets (including the payment of any call or other payment due in respect of any of the Charged Assets), the Security Agent may, at its sole discretion, do so on its behalf and any cost or expenses incurred by the Security Agent in so doing shall be repaid by the Chargor to the Security Agent on demand together with accrued interest thereon at the Default Rate from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgement).

12. No liability for Security Agent

Notwithstanding the provisions of Clause 11.3 the Security Agent shall not be obliged to perform any of the obligations of the Chargor in relation to the Charged Assets nor shall it have any liability in respect of the Charged Assets as a result of the grant of this Deed, the transfer of any of Charged Assets to it or its nominee or as a result of the performance or non-performance of any such obligation.

13. When security becomes enforceable

13.1 The security created by this Deed will become immediately enforceable if:

13.2 an Event of Default has occurred which is continuing;

13.3 the Borrower has failed to pay all or any of the Secured Liabilities following a demand for payment by the Security Agent;

13.4 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Borrower or by any other person to appoint an administrator in respect of the Borrower;

13.5 any step is taken (including, without limitation, the making of an application or the giving of any notice) by the Borrower or by any other person to wind up or dissolve the Borrower or to appoint a liquidator (whether provisional, interim or otherwise), trustee, receiver, administrative receiver or similar officer of the Borrower or any part of its undertaking or assets;

13.6 a request is made by the Borrower for the appointment of a Receiver or administrator;

13.7 the Chargor breaches any of the provisions of this Deed.

14. Enforcement of security

14.1 Enforcement

After the security created by this Deed has become enforceable in accordance with Clause 13 the Security Agent may in its absolute discretion without prior notice to the Chargor enforce all or any part of the security created by this Deed in any manner it sees fit and may:

14.1.1 transfer all or any of the Charged Assets into the name of the Security Agent or its nominee;

14.1.2 sell, transfer or otherwise dispose of all or any of the Charged Assets on such terms as the Security Agent may in its absolute discretion determine; and

14.1.3 exercise all the rights and powers attached to the Charged Assets and generally act in relation to the Charged Assets in such manner as the Security Agent may determine as if it were the absolute owner thereof.

14.2 Additional powers of the Security Agent

In addition to the powers conferred on the Security Agent pursuant to Clause 14 (*Enforcement*), any right, power or discretion conferred by this Deed or by law on a Receiver may, after the security created by this Deed has become enforceable, to the extent permitted by law, be exercised by the Security Agent in relation to any Charged Asset without first appointing a Receiver or notwithstanding the appointment of a Receiver.

14.3 Statutory provisions

14.3.1 The rights, powers, privileges and immunities conferred on mortgagees or receivers by the LPA, the Insolvency Act, the Insolvency Rules 1986, the Insolvency (Scotland) Rules 1986 or by any other enactment now or at any time in force shall apply to the Security Agent and any Receiver except in so far as they are expressly or impliedly excluded and where there is any ambiguity or conflict between powers conferred by that legislation and those contained in this Deed the terms of this Deed shall prevail.

14.3.2 Section 93 of the LPA shall not apply to this Deed or to any sale made under it. The Security Agent shall have the right after the security created by this Deed has become enforceable in accordance with Clause 13 to consolidate all or any of the security created by or pursuant to this Deed with any other security in existence at any time.

14.3.3 The Secured Liabilities shall be deemed to have become due and payable on the date of this Deed for the purposes of section 101 of the LPA and the power of sale and other powers conferred by section 101 of the LPA (as varied or extended by this Deed) and all other powers shall be deemed to arise immediately after execution of this Deed.

- 1.1.1 Section 103 of the LPA (restricting the exercise of the power of sale) shall not apply to this Deed.

14.4 Protection of third parties

14.4.1 No purchaser from, or other person dealing with, the Security Agent or a Receiver shall be concerned to enquire whether any of the powers exercised or purported to be exercised has arisen or become exercisable, whether any of the Secured Liabilities remains outstanding, whether the Security Agent or a Receiver is authorised to act or as to the propriety or validity of the exercise or purported exercise of any power and a certificate in writing by an officer or agent of the Security Agent or any Receiver that the power of sale or other disposal has arisen and is exercisable shall be conclusive evidence of that fact in favour of a purchaser of all or any of the Charged Assets.

14.4.2 The receipt of the Security Agent or a Receiver shall be an absolute discharge to a purchaser from, or other person dealing with, the Security Agent or a Receiver and shall relieve that purchaser of any obligation to see to the application of any monies paid to or at the discretion of Security Agent or a Receiver and in making any sale or disposal the Security Agent or a Receiver may do so for such consideration, in such manner and on such terms (including payment by instalments) as it thinks fit.

14.5 Protection of the Security Agent and Receiver

Neither the Security Agent nor any Receiver shall be liable to account to the Chargor as mortgagee in possession in respect of any Charged Asset or be liable to the Chargor in respect of any loss or damage which arises out of the exercise, the attempted or purported exercise or the failure to exercise any of their respective powers or for any other loss of any nature whatsoever.

14.6 Delegation

14.6.1 The Security Agent and any Receiver may from time to time delegate by power of attorney or otherwise to any person or corporation any of the powers and discretions of the Security Agent or the Receiver under this Deed whether arising by statute, the provisions hereof or otherwise upon such terms and for such periods of time as it may think fit and may determine any such delegation.

14.6.2 Neither the Security Agent nor any Receiver will be liable to the Chargor for any loss or damage arising from any act, default, omission or misconduct of any such delegate, and references in this Deed to the Security Agent or to any Receiver will, where the context so admits, include references to any delegates so appointed.

14.7 Prior charges

14.7.1 In the event of any action, proceeding or step being taken to exercise any powers or remedies conferred by any prior ranking security in case of

exercise by the Security Agent or any Receiver of any power of sale under this Deed the Security Agent may redeem such prior security or procure the transfer thereof to itself.

14.7.2 The Security Agent may settle and pass the accounts of the prior mortgagee, chargee or encumbrancer and any accounts so settled and passed will be conclusive and binding on the Chargor.

14.7.3 All principal monies, interest, costs, charges and expenses of and incidental to any redemption or transfer will be paid by the Chargor to the Security Agent on demand together with accrued interest thereon at the Default Rate from the time or respective times of the same having been paid or incurred until payment thereof (as well as after as before judgement).

15. Receivers

15.1 Appointment and Removal

Without prejudice to the provisions of the Insolvency Act, at any time after having been requested to do so by the Chargor or after the security created by this Deed has become enforceable in accordance with Clause 13 the Security Agent may by instrument in writing (under seal, by deed or otherwise under hand), without prior notice to the Chargor:

15.1.1 appoint one or more persons to be a Receiver of the whole or any part of the Charged Assets;

15.1.2 remove (so far as it is lawfully able) any Receiver so appointed; and

15.1.3 appoint another person(s) as an additional or replacement Receiver(s).

15.2 Receiver as agent of the Chargor

A Receiver shall be the agent of the Chargor and, except as otherwise required by the Insolvency Act, the Chargor shall be solely responsible for his acts and defaults and liable on any contract or engagements made or entered into or adopted by him.

15.3 Remuneration of Receiver

The Security Agent may fix the remuneration of any Receiver appointed by it and any maximum rate imposed by law (including Section 109(6) of the LPA) shall not apply.

15.4 Powers of Receiver

A Receiver shall have (and be entitled to exercise) in relation to the Charged Assets over which he is appointed the following powers (as the same may be varied or extended by the provisions of this Deed):

15.4.1 all of the powers of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986 (whether or not the Receiver is an administrative receiver);

15.4.2 all of the powers conferred from time to time on receivers, mortgagors and mortgagees in possession by the LPA;

15.4.3 all the powers and rights of a legal and beneficial owner and the power to do or omit to do anything which the Chargor itself could do or omit to do; and

15.4.4 the power to do all things which, in the opinion of the Receiver, are incidental to any of the powers, functions, authorities or discretions conferred or vested in the Receiver pursuant to this Deed or upon receivers by statute or law generally (including the bringing or defending of proceedings in the name of, or on behalf of, the Chargor; the collection and/or realisation of Charged Assets in such manner and on such terms as the Receiver sees fit; and the execution of documents in the name of the Chargor (whether under hand, or by way of deed or by utilisation of the seal of the Chargor).

15.5 Powers may be restricted

The powers granted to a Receiver pursuant to this Deed may be restricted by the instrument (signed by the Security Agent) appointing him but they shall not be restricted by any winding-up or dissolution of the Chargor.

16. Expenses and indemnity

16.1 Expenses

The Chargor shall pay to the Security Agent and each Receiver, attorney or delegate duly appointed by the Security Agent under this Deed the amount of all costs and expenses (including legal fees and together with any applicable value added tax) incurred by it in connection with:

16.1.1 the perfection of any security created or purported to be created pursuant to this Deed; and

16.1.2 the enforcement and preservation of its rights under this Deed.

16.2 Indemnity

The Chargor shall indemnify the Security Agent and each Receiver from and against all losses, costs, expenses, claims, demands and liabilities whether in contract, delict, tort or otherwise (together with any applicable value added tax) incurred by the Security Agent or that Receiver or by any employee, agent or delegate of the Security Agent or any Receiver in connection with anything done or omitted under this Deed or any other document relating to it, or in the exercise or attempted or purported exercise of the powers contained in this Deed or occasioned by any breach by the Chargor of any of its undertakings or other obligations to the Security Agent, or in consequence of any payment in respect of the Secured Liabilities (whether made by the Chargor or a third person) being declared void or impeached for any reason. The Security Agent and any Receiver may retain and pay all sums in respect of which it is indemnified out of any monies received by it under the powers conferred by this Deed.

17. Release of security

17.1 Obligation to release

When the Secured Liabilities have been irrevocably paid or discharged in full to the satisfaction of the Security Agent and the Security Agent has no further obligation to provide credit facilities or other accommodation to any Obligor or, if the Security Agent so agrees, at any other time, the Security Agent shall, subject to the provisions of Clause 18 at the request and cost of the Chargor, execute such documents as may be required to release this Deed and any other security created over the Charged Assets by this Deed.

17.2 Entitlement to retain security

If any payment or discharge of the Secured Liabilities is, in the reasonable opinion of the Security Agent, liable to be avoided or invalidated under any enactment relating to bankruptcy or insolvency, the Security Agent may refuse to grant any release of the security created by this Deed for such further period as the risk of such avoidance or invalidity continues.

18. Avoidance of Payments

No assurance, security or payment which may be avoided or adjusted under the law, including under any statute relating to bankruptcy or insolvency and no release, settlement or discharge given or made by the Security Agent on the faith of any such assurance, security or payment, shall prejudice or affect the right of the Security Agent to recover the Secured Liabilities from the Chargor (including any monies which the Security Agent may be compelled to pay or refund under the provisions of the Insolvency Act and any costs payable by it pursuant to or otherwise incurred in connection therewith) or to appoint a Receiver and enforce the security conferred by this Deed to the full extent of the Secured Liabilities.

19. Cumulative remedies and waivers

The rights of the Security Agent and any Receiver may be exercised as often as necessary, are cumulative and are in addition to their respective rights under general law and may be waived only in writing and specifically. Delay in the exercise or non-exercise of any right shall not be a waiver of that right.

20. Severability

If any of the provisions of this Deed is or becomes invalid, illegal or unenforceable that shall not affect the validity, legality and enforceability of any other provision in this Deed.

21. Evidence and calculations

Any certificate or determination by the Security Agent as to the amount of the Secured Liabilities shall, in the absence of manifest error, be conclusive and binding on the Chargor for all purposes.

22. Application of proceeds

22.1 Any moneys received by the Security Agent or any Receiver after this Deed has become enforceable shall be applied in the following order of priority:

22.1.1 in or towards payment of or provision for all costs and expenses (including legal fees and any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise) incurred by the Security Agent or any Receiver under or in connection with this Deed and of all remuneration due to any Receiver under or in accordance with this Deed;

22.1.2 in or towards payment of or provision for the Secured Liabilities; and

22.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

22.2 The provisions of this Clause 22 are subject to the payment of any claims having priority over the security created by this Deed. This Clause does not prejudice the right of the Security Agent to recover any shortfall from the Chargor.

23. New accounts

If the Security Agent at any time becomes aware of any subsequent security or other like interest, matter, event or transaction affecting any Charged Asset, the Security Agent may open a new account or accounts for the Chargor in its books. If the Security Agent does not open any such new account then, unless it gives express written notice to the Chargor to the contrary, the Security Agent will be treated as if it had in fact opened such account or accounts at the time when it became so aware and as from that time all payments by or on behalf of the Chargor to the Security Agent will be credited or treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities then outstanding.

24. Suspense accounts

All monies received, recovered or realised by the Security Agent under this Deed (including the proceeds of any conversion of currency) may in the discretion of the Security Agent be credited to any interest bearing suspense or impersonal account maintained with any bank, building society or financial institution as it considers appropriate and may be held in such account for so long as the Security Agent may think fit pending their application from time to time (as the Security Agent is entitled to do in its discretion) in or towards the discharge of any of the Secured Liabilities and, save as provided herein, no party will be entitled to withdraw any amount at any time standing to the credit of any suspense or impersonal account referred to above.

25. Power of attorney

25.1 Appointment and powers

By way of security for the obligations of the Chargor under this Deed, the Chargor irrevocably appoints the Security Agent and every Receiver to be its attorney on its behalf or in its name or otherwise to execute and do all such assurances, acts and

things which the Chargor is required to do under this Deed and generally in its name and on its behalf to exercise all or any of the powers, conferred by or pursuant to this Deed or by statute on the Security Agent or any Receiver and to sign, execute, seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or act which it or he may reasonably deem proper in or for the purpose of exercising any such powers, authorities and discretions.

25.2 Ratification

The Chargor ratifies and confirms whatever any such attorney mentioned in Clause 25 shall do or purport to do in the exercise or purported exercise of all or any of the powers, authorities and discretions referred to in such clause.

26. Transfers

26.1 Transfer by Chargor

The Chargor may not assign or otherwise transfer its rights and obligations under this Deed.

26.2 Transfer by Security Agent

The Security Agent may assign and transfer all or any of its rights and obligations under this Deed to any person which becomes a new or additional Security Agent in accordance with the terms of the Finance Documents. The Security Agent shall be entitled to disclose such information concerning the Chargor and this Deed as the Security Agent considers appropriate to any actual or proposed direct or indirect successor or to any person to whom information may be required to be disclosed by any applicable law.

27. Notices

27.1 Communications in writing

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

27.2 Addresses

The address and fax number (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 this Deed is that identified with its name below or any substitute address or fax number or department or officer as either party may notify to the other by not less than five Business Days' notice.

27.3 Delivery

27.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:

27.3.1.1 if by way of fax, when received in legible form; or

27.3.1.2 If by way of letter, when it has been left at the relevant address or [five] Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address.

27.3.2 Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's signature below (or any substitute department or officer as the Security Agent shall specify for this purpose).

27.4 English language

Any notice given under or in connection with this Deed must be in English.

28. Third Parties

Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

29. Perpetuity period

The perpetuity period for the trusts in this Deed is 125 years.

30. Financial collateral

30.1 Right to appropriate

To the extent that the Charged Assets constitute "financial collateral" and this Deed and the obligations of the Chargor constitute a "security financial collateral arrangement" (in each case for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003 No. 3226) (the "Regulations")) the Security Agent shall have the right after the security created by this Deed has become enforceable to appropriate all or any part of that financial collateral in or towards the satisfaction of the Secured Liabilities.

30.2 Value of financial collateral

For the purpose of Clause 30 the value of the financial collateral appropriated shall be such amount as the Security Agent reasonably determines having taken into account advice obtained by it from an independent investment or accountancy firm of national standing selected by it. In each case, the parties agree that the method of valuation provided for in this Deed shall constitute a commercially reasonable method of valuation for the purposes of the Regulations.

31. Stamp duty

The Chargor shall pay all stamp duties and other similar taxes or duties payable on or arising out of or in consequence of:

31.1 the creation of the security constituted by this Deed; and

31.2 the execution and delivery of this Deed and any documents executed pursuant hereto.

32. Counterparts

This Deed may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.

33. Governing law and Jurisdiction

33.1 Governing law

This Deed shall be governed by, and construed in accordance with, the laws of England.

33.2 Jurisdiction

33.2.1 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a "Dispute").

33.2.2 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.

In witness whereof this Deed has been executed as a deed on the date stated at the beginning of this Deed.

DWF LUP

Homes plc acting by two directors

Director

Attention: Mark Francis

PHIL HOOPER for
and on behalf of
National Westminster Bank plc

Attorney

Attention: Lee Martin

Signature of Witness:

NATACHA CELINE KNIGHTON

280 Bishopsgate

London
EC2M 4RB

