



Registration of a Charge

Company name: **VICTOR NEW HOMES LIMITED**

Company number: **01093541**



X5A7L05S

Received for Electronic Filing: **30/06/2016**

Details of Charge

Date of creation: **30/06/2016**

Charge code: **0109 3541 0028**

Persons entitled: **NATIONAL WESTMINSTER BANK PLC**

Brief description: **CLEVELANDS, CHORLEY NEW ROAD, BOLTON REGISTERED AT THE
LAND REGISTRY WITH TITLE NUMBER GM959293**

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:

SQUIRE PATTON BOGGS (UK) LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1093541

Charge code: 0109 3541 0028

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th June 2016 and created by VICTOR NEW HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 30th June 2016 .

Given at Companies House, Cardiff on 1st July 2016

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**

DATED

30 June

2016

THE COMPANIES IDENTIFIED IN SCHEDULE 1 as (1)
the Charging Companies

and

NATIONAL WESTMINSTER BANK PLC (2)

COMPOSITE THIRD PARTY LEGAL CHARGE

SQUIRE PATTON BOGGS (UK) LLP
Trinity Court
16 John Dalton Street
Manchester
M60 8HS
United Kingdom
DX 14347 Manchester 1

O +44 161 830 5000
F +44 161 830 5001

Reference CAS3/NAT.325-79

014-3155-5559/4/EUROPE

CONTENTS

1	DEFINITIONS AND INTERPRETATION	1
2	COVENANTS TO PAY	4
3	GRANT OF SECURITY	5
4	NO OTHER SECURITY OR DISPOSALS	5
5	COVENANTS RELATING TO INSURANCES	6
6	COVENANTS RELATING TO THE PROPERTIES	7
7	COVENANTS	9
8	POWER TO REMEDY	9
9	REPRESENTATIONS AND WARRANTIES	9
10	ENFORCEMENT	10
11	RECEIVER	11
12	POWERS OF RECEIVER	11
13	APPLICATION OF PROCEEDS	13
14	INDEMNITY	14
15	POWERS OF THE BANK	14
16	POWER OF ATTORNEY; CONFIRMATION	15
17	INDEPENDENT AND CONTINUING SECURITY	16
18	FURTHER ASSURANCE	16
19	INDULGENCE	17
20	COSTS	17
21	NEW ACCOUNTS; SET-OFF	17
22	MISCELLANEOUS	17
23	DEMANDS AND NOTICES	18
24	RIGHTS CUMULATIVE	19
25	CONSOLIDATION	19
26	NO SET-OFF	19

27	ASSIGNMENT AND TRANSFER	19
28	DISCLOSURE	20
29	SEVERABILITY	20
30	RELEASE	20
31	GOVERNING LAW	20
32	COUNTERPARTS	21
	SCHEDULE 1 CHARGING COMPANIES	22
	SCHEDULE 2 PROPERTIES	23

PARTIES

- (1) **THE COMPANIES** whose names, registered numbers and registered offices are set out in Schedule 1 the "**Charging Companies**" and each, a "**Charging Company**"; and
- (2) **NATIONAL WESTMINSTER BANK PLC** acting through its office at 1 Spinningfields Square, Manchester M3 3AP (the "**Bank**").

IT IS AGREED THAT:**OPERATIVE PROVISIONS****1 DEFINITIONS AND INTERPRETATION**

Unless otherwise provided in this Deed, terms defined in the Facility Agreement shall have the same meaning where used in this Deed.

1.1 Definitions

In this Deed, unless the context otherwise requires:

"Charged Assets" means all the assets for the time being subject to the Security created by this Deed (and references to the Charged Assets include references to any part of it).

"Facility Agreement" means the agreement dated 31 May 2011 between, inter alia, certain of the Charging Companies and the Bank, as amended and restated by an amendment and restatement deed dated 23 December 2013 and as further amended and restated by an amendment and restatement deed dated on or about the date of this Deed between the Parent and the Bank.

"Insurance Policies" means all contracts and policies of insurance or assurance relating to the Properties and all moneys payable under or pursuant to such policies and all rights and interests in such contracts and policies including the right to the refund of any premium, in each case, now or at any time hereafter (and from time to time) owned or taken out by any Charging Company or in which any Charging Company has an interest excluding in each case insurance policies maintained for the benefit of or payable to third parties.

"Parent" means Emerson Developments (Holdings) Limited, registered in England with number 1170304.

"Properties" means the properties described in Schedule 2 (*Properties*) owned by the Charging Company shown in Schedule 2 (*Properties*) and all buildings, structures and fixtures on those Properties and the proceeds of sale of all or any part thereof.

"Property Interests" means all interests in or over the Properties and all rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to

the Properties, in each case, now or at any time hereafter (and from time to time) owned or held by any Charging Company.

"Secured Liabilities" means all present and future moneys, obligations and liabilities owed by the Group to the Bank under or in connection with the Finance Documents, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity whatsoever and (for the avoidance of doubt) such monies, obligations and liabilities include all those which may arise pursuant to Clause 17.3(b)).

"Security Period" means the period starting on the date of this Deed and ending on the date on which the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full.

1.2 Construction

- (a) In this Deed (unless the context requires otherwise) any reference to:
- (i) each Charging Company, the Bank or any other person shall be construed so as to include their successors in title, permitted assigns and permitted transferees;
 - (ii) "assets" includes present and future properties, revenues and rights of every description;
 - (iii) an "amendment" includes a supplement, restatement, variation, novation or re-enactment (and "amended" is to be construed accordingly);
 - (iv) an "authorisation" includes an authorisation, consent, licence, approval, resolution, exemption, filing, registration and notarisation;
 - (v) a Finance Document or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended from time to time with the agreement of the relevant parties and (where such consent is, by the terms of this Deed or the relevant document, required to be obtained as a condition to such amendment being permitted) the prior consent of the Bank;
 - (vi) "including" means "including without limitation";
 - (vii) "Indebtedness" includes any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent;
 - (viii) "owned" includes having legal or equitable title to or a right to have legal or equitable title transferred;
 - (ix) a "person" includes any individual, 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;

- (x) a "regulation" includes any regulation, rule, official directive, request, guideline or concession (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;
- (xi) "law" includes a reference to the common law, any statute, bye-law, regulation or instrument and any kind of subordinate legislation, and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given pursuant to any of the foregoing;
- (xii) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (xiii) a time of day is a reference to London time;
- (xiv) any gender includes a reference to the other genders;
- (xv) the singular includes a reference to the plural and vice versa; and
- (xvi) a Clause or Schedule is to a Clause or Schedule (as the case may be) of or to this Deed.

(b) Clause and Schedule headings are for ease of reference only.

1.3 Clawback

If the Bank, acting reasonably, considers that an amount paid by a member of the Group in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of such member of the Group or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 Nature of security over real property

A reference in this Deed to any freehold, leasehold or commonhold property includes:

- (a) all buildings and fixtures (including trade and tenant's fixtures) which are at any time situated on that property;
- (b) the proceeds of sale of any part of that property; and
- (c) the benefit of any covenants for title given or entered into by any predecessor in title of any Charging Company in respect of that property or any monies paid or payable in respect of those covenants.

1.5 Section 2(1) Law of Property (Miscellaneous Provisions) Act 1989

The terms of the Finance Documents and of any side letters between any parties in relation to the Finance Documents are incorporated in this Deed to the extent required to ensure that any purported disposition of the Charged Assets contained in

this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Third party rights

Save as expressly provided to the contrary in a Finance Document, a third party (being any person other than the Charging Companies and the Bank and their permitted successors and assigns) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Deed.

1.7 Perpetuity period

The perpetuity period applicable to all trusts declared by this Deed shall be 125 years.

1.8 Secured Liabilities

References in this Deed to the Secured Liabilities shall be construed in relation to the Finance Documents so as to include (i) any increase or reduction in any amount made available thereunder and/or any alteration and/or addition to the purposes for which any such amount, or increased or reduced amount, may be used, (ii) any ancillary facilities provided in substitution for or in addition to the facilities originally made available thereunder, (iii) any rescheduling of the indebtedness incurred thereunder whether in isolation or in connection with any of the foregoing and (iv) any combination of any of the foregoing.

2 COVENANTS TO PAY

2.1 Covenant to pay

Subject to Clause 2.2, each Charging Company hereby covenants with the Bank that it will on demand pay and discharge the Secured Liabilities when the same become due, together with interest to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees and other charges and all legal and other costs, charges and expenses, on a full and unqualified indemnity basis, which may be incurred by the Bank in relation to any such Secured Liabilities.

2.2 Limited Recourse

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

- (a) the sole recourse of the Bank to a Charging Company under this Deed is to that Charging Company's interest in its Charged Assets; and
- (b) the liability of each Charging Company to the Bank pursuant to or otherwise in connection with the Finance Documents shall be:
 - (i) limited in aggregate to an amount equal to that recovered as a result of enforcement of this Deed with respect to that Charging Company's Charged Assets; and

- (ii) satisfied only from the proceeds of sale or other disposal or realisation of that Charging Company's Charged Assets pursuant to this Deed.

2.3 Statement of account

Any statement of account of a Charging Company, signed as correct by the Bank showing the amount of the Secured Liabilities shall, in the absence of manifest error, be binding and conclusive.

2.4 Further advances

This Deed secures further advances made under or pursuant to the terms of the Finance Documents and the Bank is, subject to and upon the terms and conditions of the Finance Documents, under an obligation to make further advances.

3 GRANT OF SECURITY

3.1 Charging clause

As a continuing security for the payment or discharge of the Secured Liabilities, each Charging Company with full title guarantee hereby:

- (a) charges to the Bank, by way of first legal mortgage, all its Properties which are listed in Schedule 2 (*Properties*);
- (b) charges to the Bank, by way of first fixed charge, all its Property Interests;
- (c) assigns to the Bank by way of first fixed mortgage all of its right, title and interest in and to the Insurance Policies.

3.2 Title documents

Each Charging Company shall on the execution of this Deed (or, if later, the date of acquisition of the relevant Charged Assets) deposit with the Bank (and the Bank shall during the continuance of this security be entitled to hold):

- (a) to the extent available, all deeds and documents of title relating to the Charged Assets which are in its possession or control (and, if not within its possession and/or control, such Charging Company hereby undertakes to obtain possession of such deeds and documents of title); and
- (b) copies of all insurance policies relating to any of the Charged Assets to which policies it is entitled to possession.

4 NO OTHER SECURITY OR DISPOSALS

4.1 Negative pledge and disposal restrictions

Each Charging Company hereby covenants with the Bank that it will not at any time, except with the prior consent of the Bank or in accordance with the terms of the Facility Agreement:

- (a) create or purport to create or permit to subsist any Security on or in relation to the Charged Assets other than this Deed; or
- (b) sell, assign, transfer, lease, licence, share occupation of, part with possession or otherwise dispose of (or purport to sell, assign, transfer, lease, licence, share occupation of, part with possession or otherwise dispose of) all or any part of the Charged Assets or of the equity of redemption of any such Charged Assets or any interest in any such Charged Assets other than in the ordinary course of its business and for the purpose of carrying on that business; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Assets in favour of a third party.

The Bank confirms that it will not unreasonably withhold or delay its consent to the grant of a lease or other right of occupation of any part or parts of a Property at open market value and on institutionally acceptable terms.

4.2 Disposal restriction

- (a) In respect of any Property or part of or interest in any Property title to which is registered at the Land Registry each Charging Company hereby consents to the entry of the following restriction on the register of its title to such Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2016 in favour of National Westminster Bank plc referred to in the charges register".

- (b) Each Charging Company authorises the Bank to make any application which the Bank deems appropriate for the designation of this Deed, the Facility Agreement or any other Finance Document as an exempt information document under rule 136 of the Land Registration Rules 2003 and will use its reasonable endeavours to assist with any such application made by or on behalf of the Bank. Each Charging Company will notify the Bank in writing as soon as it receives notice of any person's application under rule 137 of the Land Registration Rules 2003 for the disclosure of this Deed, the Facility Agreement or any other Finance Document, following its designation as an exempt information document and will not make any application under rule 138 of the Land Registration Rules 2003 for the removal of the designation of any such document as an exempt information document.

5 COVENANTS RELATING TO INSURANCES

5.1 Insurance covenant

Each Charging Company hereby covenants with the Bank that it will:

- (a) promptly pay all premiums and do all other things necessary to keep all of the Insurance Policies in force; and
- (b) following the security constituted by this Deed becoming enforceable, pay all sums at any time payable under any of the Insurance Policies to the Bank

(and if the same are not paid directly to the Bank by the insurers then the relevant Charging Company shall be trustee of the same for the benefit of the Bank and shall account to the Bank accordingly) and shall at the option of the Bank be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or (but subject to Clause 15.4 (Suspense account)) in or towards discharge or reduction of any of the Secured Liabilities.

6 COVENANTS RELATING TO THE PROPERTIES

Each Charging Company hereby covenants with the Bank that it will:

6.1 Maintenance and insurance

Keep all buildings on each Property and all fixtures belonging to it thereon and therein in good and substantial repair and condition (to the extent that the construction of any building and any fixtures thereon have been completed) and insure and keep insured all such buildings and fixtures in accordance with the terms of the Facility Agreement.

6.2 Preservation of property, fixtures and equipment

Not without the prior consent of the Bank and other than as permitted pursuant to the terms of the Facility Agreement, pull down or remove the whole or any part of any buildings forming part of any Property make any alterations to any Property or sever or unfix or remove any of the fixtures thereto nor (except for the purpose of effecting necessary repairs thereto or of replacing the same with new or improved models or substitutes).

6.3 Information

Within five Business Days after becoming aware thereof give full particulars to the Bank of any notice, order, direction, designation, resolution or proposal having specific application to any Property or to the locality in which it is situated given or made by any planning authority or other public body or authority whatsoever and (if the Bank so requires after consulting with any Charging Company) forthwith and at the cost of such Charging Company take all reasonable and necessary steps to comply with any such notice, order, direction, designation or resolution and make or join with the Bank in making such objections or representations in respect of any such proposal as the Bank may reasonably require.

6.4 Compliance with covenants; payment of rent

Observe and perform all covenants, stipulations and conditions to which each Property or the user thereof is now or may hereafter be subjected and (if the Bank so requires) produce to the Bank evidence sufficient to satisfy the Bank that such covenants, stipulations and conditions have been observed and performed and (without prejudice to the generality of the foregoing) as regards any lease under which any Property or part of a Property is held duly and punctually pay all rents due or to become due thereunder and perform and observe all the covenants and conditions on the part of the tenant which are therein contained.

6.5 Maintenance of interests in Properties

Not without the prior consent of the Bank (such consent not to be unreasonably withheld or delayed) or as otherwise permitted pursuant to the terms of the Facility Agreement grant or agree to grant any licence or tenancy affecting any Property or part of a Property nor exercise the powers of leasing or agreeing to lease or of accepting or agreeing to accept surrenders conferred by Sections 99 or 100 of the Law of Property Act 1925 nor in any other way dispose or agree to dispose of or surrender or create any legal or equitable estate or interest in any Property or any part thereof.

6.6 Registration restrictions

Procure that no person shall be registered under the Land Registration Act 2002 as proprietor of any Property or any part thereof without the prior consent of the Bank and such Charging Company shall be liable for the costs incurred by the Bank in lodging from time to time cautions against first registration of the title to any Property or any part thereof.

6.7 Development restrictions

Not without the prior consent of the Bank or as otherwise permitted pursuant to the terms of the Facility Agreement carry out or permit or suffer to be carried out on any Property any development as defined in the Town and Country Planning Act 1990 or change or permit or suffer to be changed the user of any Property.

6.8 Environment

Properly discharge all duties of care and responsibility placed upon it by Environmental Law and observe and perform all the requirements of Environmental Law both in the conduct of its general business and in the management possession or occupation of each Property and apply for and obtain all authorisations necessary to ensure that it does not breach Environmental Law.

6.9 No Restrictive Obligations

Not without the prior consent of the Bank enter into any onerous or restrictive obligations affecting any Property or any part thereof or create or permit to arise any overriding interest or easement or right whatever in or over any Property or any part thereof.

6.10 Proprietary rights

Save as permitted pursuant to the terms of the Facility Agreement, procure that no person shall become entitled to assert any proprietary or other like right or interest over any Property or any part thereof without the prior consent of the Bank.

6.11 Payment of property taxes

Promptly pay all taxes, fees, duties, rates, charges and other outgoings in respect of the Properties and if so requested by the Bank produce evidence of payment to the Bank.

6.12 Inspection

Permit the Bank and any Receiver (as each of those terms is defined in Clause 11.1 (Appointment of Receiver)) and any person appointed by either of them to enter upon and inspect any Property upon reasonable prior notice and during normal business hours.

7 COVENANTS

Each Charging Company further covenants with the Bank that it shall not do, or permit to be done, any act or thing which will or might materially diminish the value of any of the Charged Assets or the effectiveness of the security created by this Deed.

8 POWER TO REMEDY

If a Charging Company is at any time in breach of any of its obligations contained in this Deed, the Bank shall be entitled (but shall not be bound) to remedy such breach and each Charging Company hereby irrevocably authorises the Bank and its agents to do all such things necessary or desirable in connection therewith. The Charging Companies shall be liable to the Bank for the expenses of the Bank in so doing. The rights of the Bank contained in this Clause 8 are without prejudice to any other rights of the Bank hereunder. The exercise by the Bank of its rights under this Clause shall not make the Bank liable to account as a mortgagee in possession.

9 REPRESENTATIONS AND WARRANTIES

9.1 Representations and warranties

Each Charging Company represents and warrants to the Bank as follows:

- (a) it has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Assets or any interest in it;
- (b) no facility necessary for the enjoyment and use of the Charged Assets is subject to terms entitling any person to terminate or curtail its use;
- (c) nothing has arisen or has been created or is subsisting which would be an overriding interest in any Property;
- (d) this Deed creates the Security it purports to create and is not liable to be amended or otherwise set aside on its liquidation or otherwise.

9.2 Repetition

The representations and warranties set out in Clause 9.1 (Representations and warranties) will be deemed to be repeated by each Charging Company on each day of the Security Period by reference to the facts and circumstances then existing.

9.3 Notice of breach

Each Charging Company will promptly upon becoming aware of the same give the Bank notice in writing of any breach of any representation or warranty set out in Clause 9.1 (Representations and warranties).

10 ENFORCEMENT

10.1 Enforcement events

The security constituted by this Deed shall become enforceable on and after the occurrence of an Event of Default and thereupon and at any time thereafter, without prejudice to any other rights of the Bank, the powers of sale under the Law of Property Act 1925 and all other powers of the Bank shall immediately be exercisable and the Bank may in its absolute discretion enforce all or any part of the security created by this Deed as it sees fit.

10.2 Statutory power of sale

The statutory power of sale shall, as between the Bank and a purchaser from the Bank, arise on and be exercisable at any time after the execution of this Deed, provided that the Bank shall not exercise such power of sale until the security constituted by this Deed has become enforceable pursuant to Clause 10.1 (Enforcement events).

10.3 Extension of statutory powers

The statutory powers of sale, leasing and accepting surrenders exercisable by the Bank under this Deed are extended so as to authorise the Bank, whether in its own name or in that of a Charging Company, to grant a lease or leases of the whole or any part or parts of the freehold and leasehold property of a Charging Company with whatever rights relating to other parts of it and containing whatever covenants on the part of such Charging Company and generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Bank thinks fit.

10.4 No obligation to enquire

No person dealing with the Bank or any Receiver appointed hereunder, or its agents or brokers, shall be concerned to enquire whether the security constituted by this Deed has become enforceable, or whether any power exercised or purported to be exercised has become exercisable, or whether any money remains due upon this Deed, or as to the necessity or expediency of the stipulations and conditions subject to which any sale of any Charged Assets shall be made, or otherwise as to the propriety or regularity of any sale of any of the Charged Assets, or to see to the application of any money paid to the Bank or such Receiver, or its agents or brokers, and such dealing shall be deemed to be within the powers hereby conferred and to be valid and effectual accordingly.

10.5 No liability as mortgagee in possession

None of the Bank or the Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Assets nor shall any of them be liable for any loss upon realisation of, or for any neglect or default of any nature whatsoever in connection with, all or any of the Charged Assets for which a mortgagee in possession might as such be liable.

11 RECEIVER

11.1 Appointment of Receiver

At any time after the security constituted by this Deed becomes enforceable, or at the request of the relevant Charging Company, the Bank may without further notice, under seal or by writing under hand of a duly authorised officer of the Bank:

- (a) appoint any person or persons to be a receiver or a receiver and manager or (if permitted by law) an administrative receiver of all or any part of the Charged Assets of any Charging Company (the "Receiver", which expression shall, where the context so admits, include any person substituted as receiver or receiver and manager or administrative receiver under the power herein contained); and
- (b) (subject to Section 45 of the Insolvency Act 1986) from time to time remove any person appointed to be Receiver and appoint another in his place.

11.2 More than one appointment

Where more than one person is appointed Receiver, they will have power to act separately (unless the appointment by the Bank specifies to the contrary).

11.3 Additional powers

- (a) The powers of sale and appointing a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Bank under the Insolvency Act 1986 and the Law of Property Act 1925 or otherwise and shall be exercisable without the restrictions contained in Sections 103 and 109 of that Act or otherwise.
- (b) The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be and remain exercisable by the Bank notwithstanding any prior appointment in respect of all or any part of the Charged Assets.

11.4 Agent of the relevant Charging Company

A Receiver shall be the agent of the relevant Charging Company and the relevant Charging Company shall be solely responsible for his acts and remuneration as well as for any defaults committed by him.

12 POWERS OF RECEIVER

Any Receiver shall in addition to the powers conferred on him by the Law of Property Act 1925 and (if applicable) the Insolvency Act 1986 have power to do all such acts and things as an absolute owner could do in the management of such of the Charged Assets over which he is appointed and in particular:

12.1 Power to repair and develop Properties

To undertake or complete any works of repair, building or development on any Property.

12.2 Power to surrender leases

To grant or to accept surrenders of any leases or tenancies affecting any Property upon such terms and subject to such conditions as he thinks fit.

12.3 Power to employ

To provide services and employ or engage such managers, contractors and other personnel and professional advisors on such terms as he deems expedient.

12.4 Power to make VAT elections

To make such elections for value added tax purposes as he thinks fit.

12.5 Power to charge for remuneration

To charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Bank may prescribe or agree with him.

12.6 Power to realise Charged Assets

To collect and get in such Charged Assets or any part thereof and for that purpose to make such demands and take any proceedings as may seem expedient and to take possession of such Charged Assets with like rights.

12.7 Power to manage

To carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of any Charging Company concerned.

12.8 Power to dispose of Charged Assets

To grant options and licences over all or any part of such Charged Assets, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, all or any of such Charged Assets in such manner and generally on such terms and conditions as he thinks fit (fixtures and plant and machinery may be severed and sold separately from the premises in which they are contained without the consent of the relevant Charging Company) and to carry any such sale, assignment, leasing or surrender into effect. Any such sale may be for such consideration as he shall think fit and he may promote or concur in promoting a company to purchase the property to be sold.

12.9 Power to make settlements

To make any arrangement, settlement or compromise between the Charging Company concerned and any other person which he may think expedient.

12.10 Power to appoint

To appoint managers, officers, servants, workmen and agents for the aforesaid purposes at such salaries and for such periods and on such terms as he may determine.

12.11 Power to insure

If he thinks fit, but without prejudice to the indemnity contained in Clause 14 (Indemnity), to effect with any insurer any policy or policies of insurance either in lieu or satisfaction of or in addition to such indemnity.

12.12 Powers under statute

To exercise all powers provided for in the Law of Property Act 1925 in the same way as if he had been duly appointed thereunder.

12.13 Power to borrow

For any of the purposes authorised by this Clause to raise money by borrowing from the Bank or from any other person on the security of all or any of the Charged Assets in respect of which he is appointed upon such terms (including, if the Bank shall consent, terms under which such security ranks in priority to this Deed) as he shall think fit.

12.14 Power to redeem prior Security

To redeem any prior Security and to settle and pass the accounts to which the Security relates and any accounts so settled and passed will be conclusive and binding on the relevant Charging Company and the moneys so paid will be deemed to be an expense properly incurred by him.

12.15 Incidental powers

To do all such other acts and things as he may consider to be incidental or conducive to any of the matters or powers aforesaid or which he lawfully may or can do as agent for the Charging Company concerned.

12.16 Scope of powers

To exercise any of the above powers on behalf of the Charging Company concerned or on his own behalf.

13 APPLICATION OF PROCEEDS

13.1 Order of application

The Receiver shall apply all monies received by him (other than insurance monies):

- (a) first in paying all rents, taxes, rates and outgoings affecting any Charged Assets;

- (b) secondly in paying all costs, charges and expenses of and incidental to his appointment and the exercise of his powers and all outgoings paid by him;
- (c) thirdly in paying his remuneration (as agreed between him and the Bank);
- (d) fourthly in or towards discharge of the Secured Liabilities in such order and manner as provided for in the Finance Documents; and
- (e) finally in paying any surplus to the Charging Companies or any other person entitled to it.

13.2 Section 109(8) Law of Property Act 1925

Neither the Bank nor any Receiver shall be bound (whether by virtue of Section 109(8) of the Law of Property Act 1925, which is hereby varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order as between any of the Secured Liabilities.

14 INDEMNITY

Each Charging Company hereby agrees to indemnify and hold harmless the Bank and any Receiver from and against all actions, claims, expenses, demands and liabilities whether arising out of contract or in tort or in any other way incurred or which may at any time be incurred by him or by any manager, agent, officer, servant or workman for whose debt, default or miscarriage he may be answerable for anything done or omitted to be done in the exercise or purported exercise of his powers under the provisions of this Deed or pursuant hereto.

15 POWERS OR THE BANK

15.1 Power to dispose of chattels

At any time after the security constituted by this Deed shall have become enforceable pursuant to Clause 10.1 (Enforcement events) the Bank or any Receiver may dispose of any chattels or produce found on any Property as agent for the relevant Charging Company and, without prejudice to any obligation to account for the proceeds of any sale of such chattels or produce the Bank or the Receiver shall be indemnified by such Charging Company against any liability arising from such disposal.

15.2 Prior Security

At any time after the security constituted by this Deed shall have become enforceable pursuant to Clause 10.1 (Enforcement events) or after any powers conferred by any Security having priority to this Deed shall have become exercisable the Bank may redeem such or any other prior Security or procure the transfer thereof to itself and may settle and pass the accounts of the encumbrancer and any account so settled and passed shall be conclusive and binding on the relevant Charging Company and all monies paid by the Bank to the encumbrancer in accordance with such accounts shall as from such payment be due from such Charging Company to the Bank on current account and shall bear interest and be secured as part of the Secured Liabilities.

15.3 Currencies of denomination

For the purpose of or pending the discharge of any of the Secured Liabilities the Bank may convert any monies received, recovered or realised by the Bank under this Deed (including the proceeds of any previous conversion under this Clause) which are not paid in sterling from their existing currencies of denomination into such other currencies of denomination as the Bank may think fit and any such conversion shall be effected at the Bank's then prevailing spot selling rate of exchange for such other currency against the existing currency. Each previous reference in this Clause to a currency extends to funds of that currency and for the avoidance of doubt funds of one currency may be converted into different funds of the same currency.

15.4 Suspense account

All monies received recovered or realised by the Bank under this Deed (including the proceeds of any conversion pursuant to Clause 15.3 (Currencies of denomination)) may at the discretion of the Bank be credited to any suspense or impersonal account and shall bear interest at such rate, if any, as may be agreed in writing between the Bank and the relevant Charging Company and may be held in such account for so long as the Bank thinks fit pending the application from time to time (as the Bank shall be entitled to do as it may think fit) of such monies and accrued interest thereon (if any) in or towards the discharge of any of the Secured Liabilities provided that any balance will be released to the relevant Charging Company promptly following the irrevocable discharge in full, to the Bank's reasonable satisfaction, of the Secured Liabilities.

16 POWER OF ATTORNEY; CONFIRMATION

16.1 Power of attorney

Each Charging Company hereby irrevocably appoints the Bank and (jointly and severally) each and every Receiver of this Deed to be the attorney of such Charging Company and in its name and on its behalf and as its act and deed or otherwise to sign, execute, seal, deliver, complete any blanks in and otherwise perfect any deed, transfer, assurance, agreement, instrument or act which such Receiver or the Bank may consider expedient in the exercise of any of his or its powers or in respect of such Charging Company's obligations under this Deed. The power of attorney hereby granted is to secure the performance of obligations owed to the donees within the meaning of the Powers of Attorney Act 1971.

16.2 Confirmation

Each Charging Company covenants with the Bank and with any Receiver that if required to do so it shall ratify and confirm:

- (a) all transactions entered into by the Bank and/or any Receiver in the proper exercise of its or their powers in accordance with this Deed; and
- (b) all transactions entered into by the Bank and/or any Receiver in signing, sealing, delivering and otherwise perfecting any assignment, mortgage, charge, security, document or other act.

17 INDEPENDENT AND CONTINUING SECURITY

17.1 Independent security

This Deed shall be in addition to and independent of every other security or guarantee which the Bank may at any time hold for any of the Secured Liabilities and it is hereby declared that no prior security held by the Bank over the whole or any part of the Charged Assets shall merge in the security created by this Deed.

17.2 Continuing security

This Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, notwithstanding any settlement of account or intermediate payment or other matter or thing whatsoever, unless and until the Secured Liabilities have been irrevocably discharged in full to the Bank's reasonable satisfaction following which the Bank will, at the cost of the Charging Companies, discharge this Deed in writing.

17.3 Discharge conditional

Any release, discharge or settlement between any Charging Company and the Bank shall be deemed conditional upon no payment or security received by the Bank in respect of the Secured Liabilities being avoided or reduced or ordered to be refunded pursuant to any provision of any enactment relating to insolvency, bankruptcy, winding-up, administration or receivership and, notwithstanding any such release, discharge or settlement:

- (a) the Bank or its nominee shall be at liberty to retain this Deed and the security created by or pursuant to this Deed, including all certificates and documents relating to the Charged Assets or any part thereof, for such period as the Bank shall deem necessary to provide the Bank with security if there is a reasonable possibility (in the Bank's opinion, acting reasonably) that any such avoidance or reduction or order for refund may occur; and
- (b) the Bank shall be entitled to recover the value or amount of such security or payment from the Charging Company concerned subsequently as if such settlement, discharge or release had not occurred and each Charging Company agrees with the Bank accordingly and charges the Charged Assets and the proceeds of sale thereof with any liability under this Clause, whether actual or contingent.

18 FURTHER ASSURANCE

As and when required by the Bank or Receiver each Charging Company in order to create, perfect or protect the Security intended to be created by this Deed, at its own cost, shall execute such further legal or other mortgages, charges, transfers or other in favour of the Bank as the Bank or Receiver shall from time to time require over all or any part of the Charged Assets, or the property intended to be the subject of this Deed, further to secure the payment of the Secured Liabilities, such further mortgages, charges or transfers to be prepared at the cost of the Charging Companies and to contain a power of sale and such other clauses for the benefit of the Bank as the Bank or Receiver may reasonably require and take whatever action required for the perfecting and protecting of any Security intended to be created by

this Deed or facilitating the realisation of any Charged Assets or the exercise of any right, power or discretion exercisable by the Bank or Receiver or any of its delegates or subsidiaries in respect of any Charged Assets.

19 INDULGENCE

The Bank may in its discretion grant time or other indulgence or make any other arrangement, variation or release with any person or persons not party hereto (whether or not such person or persons are jointly liable with any of the Charging Companies) in respect of any of the Secured Liabilities or of any other security therefor without prejudice either to this Deed or to the liability of the Charging Companies for the Secured Liabilities.

20 COSTS

Each Charging Company shall pay or reimburse to the Bank and any Receiver on demand, on a full indemnity basis, all costs, charges and expenses (including legal fees) in any way incurred by the Bank and/or the Receiver in relation to this Deed or the Charged Assets or in protecting, perfecting preserving or enforcing (or attempting to do so) any of the Bank's rights under this Deed or in suing for or recovering any of the Secured Liabilities (including, without limitation, the costs of any proceedings in relation to this Deed or the Secured Liabilities).

21 NEW ACCOUNTS; SET-OFF

21.1 New accounts

If the Bank receives notice of any subsequent charge or other interest affecting all or part of the Charged Assets the Bank may open a new account or accounts for the relevant Charging Company in its books and (without prejudice to the Bank's right to combine accounts) no money paid to the credit of such Charging Company in any such new account will be appropriated towards or have the effect of discharging any part of the Secured Liabilities. If the Bank does not open a new account or accounts immediately on receipt of such notice then unless the Bank gives express notice to the contrary to the relevant Charging Company as from the time of receipt of such notice by the Bank all payments made by the relevant Charging Company to the Bank in the absence of any express appropriation by such Charging Company to the contrary shall be treated as having been credited to a new account of such Charging Company and not as having been applied in reduction of the Secured Liabilities.

22 MISCELLANEOUS

22.1 Benefit of Deed

The benefit of this Deed will be held by the Bank on and subject to the terms of the Finance Documents for the benefit of itself as security for the Secured Liabilities.

22.2 Certificates conclusive

A certificate by the Bank as to any amount for the time being due to it from any Charging Company shall be conclusive evidence of the amount so due in the absence of any manifest error.

23 DEMANDS AND NOTICES

23.1 Communications in writing

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

23.2 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 hereto for any communication or document to be made or delivered under or in connection with the Finance Documents is:

- (a) in the case of any Charging Company to:

Emerson House, Heyes Lane, Alderley Edge, Cheshire SK9 7LF

Attention: The Finance Director;

- (b) in the case of the Bank to:

1 Spinningfields Square
Manchester
M3 3AP

Tel: 0161 862 4034

Attention: Matthew Giggs,

or any substitute address, fax number or department or officer as the Charging Companies may notify to the Bank (or the Bank may notify to the Charging Companies, if a change is made by the Bank) by not less than five Business Days' notice.

23.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

- (i) if by way of fax, when received in legible form; or
- (ii) 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; or

and, if a particular department or officer is specified as part of its address details provided under Clause 23.2 (Addresses), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Bank will be effective only when actually received by the Bank and then only if it is expressly marked for the attention of the department or officer identified in

Clause 23.2(b) (or any substitute department or officer as the Bank shall specify for this purpose).

23.4 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
 - (i) in English; or
 - (ii) if not in English, and if so required by the Bank, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

24 RIGHTS CUMULATIVE

The rights and powers which this Deed confers on the Bank are cumulative, may be exercised as often as the Bank considers appropriate, and are in addition to its rights and powers under the general law. The rights of the Bank (whether arising under this Deed or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing; and, in particular, any failure to exercise or any delay in exercising any such right shall not operate as a variation or waiver of that or any other such right; any defective or partial exercise of any such right shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on its part or on its behalf shall in any way preclude the Bank from exercising any such right or constitute a suspension or variation of any such right.

25 CONSOLIDATION

The restriction on the right of consolidating mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this Deed.

26 NO SET-OFF

No Charging Company waives any right of set-off it may have now or at any time in the future in respect of the Secured Liabilities (including sums payable by such Charging Company under this Deed).

27 ASSIGNMENT AND TRANSFER

27.1 Assignment by Bank

The Bank may at any time (after consultation with the Charging Companies and the Parent), assign or transfer the whole or any part of its rights under this Deed in accordance with the terms of the Facility Agreement.

27.2 Assignment by Charging Companies

No Charging Company may assign any of its rights or transfer any of its obligations under this Deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

28 DISCLOSURE

Each Charging Company hereby consents to the disclosure by the Bank of any information about it, this Deed, the Charged Assets and the Secured Liabilities:

28.1 Disclosure to assignee

to any person to whom the Bank has assigned or transferred or proposes or may propose to assign or transfer all or any of its rights and benefits under this Deed or the Secured Liabilities provided that such person agrees to keep such information confidential; or

28.2 Disclosure to contracting parties

to any person with whom the Bank has entered or proposes or may propose to enter into any contractual arrangements in connection with this Deed or the Secured Liabilities provided that such person agrees to keep such information confidential.

28.3 Disclosure to Bank's agent

To any subsidiary or agent of the Bank provided that such person agrees to keep such information confidential.

28.4 Other disclosure

To any other person if required or permitted by law to do so.

29 SEVERABILITY

If any of the provisions of this Deed is or becomes invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected or impaired thereby.

30 RELEASE

Subject to Clause 17.3 (Discharge conditional), upon the expiry of the Security Period (but not otherwise) the Bank shall at the request and cost of the Charging Companies, take whatever action is necessary to release the Charged Assets from the security constituted by this Deed.

31 GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it is governed by, and shall be construed in accordance with, English law.

32 COUNTERPARTS

This Deed may be executed in one or more counterparts all of which when taken together shall be deemed to constitute one and the same instrument.

In Witness whereof this Deed has been executed by the Charging Companies and is intended to be and is hereby delivered as a deed the day and year first above written and has been signed on behalf of the Bank.

SCHEDULE 1

Charging Companies

Name	Registered Number	Registered Office
Orbit Developments (Manchester) Limited	1009943	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Orbit Investments (Properties) Limited	2274745	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Jones Homes (North West) Limited	00626625	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Jones Homes (Yorkshire) Limited	03186376	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Jones Homes (Southern) Limited	3118389	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Touchstone Properties Limited	1068720	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF
Victor New Homes Limited	1093541	Emerson House Heyes Lane Alderley Edge Cheshire SK9 7LF

SCHEDULE 2

Properties

Number	Charging Company	Address of Property
1	Orbit Developments (Manchester) Limited	Springfield House, Water Lane, Wilmslow registered at the Land Registry with title number CH213601
2	Orbit Developments (Manchester) Limited	Crown House, Warham Street, Wilmslow registered at the Land Registry with title number CH202686
3	Orbit Developments (Manchester) Limited	Land and buildings on the south side of Park Lane, Poynton registered at the Land Registry with title number CH312406
4	Orbit Investments (Properties) Limited	Hesketh House, 47-49 Water Lane, Wilmslow registered at the Land Registry with title number CH124030
5	Orbit Investments (Properties) Limited <i>Not used</i>	Cresta House, Water Lane, Wilmslow registered at the Land Registry with title number CH326812 <i>W. K. Kelly</i>
6	Orbit Investments (Properties) Limited	44 Water Lane, Wilmslow registered at the Land Registry with title number CH429343
7	Orbit Investments (Properties) Limited	Stanley Green, Spath Lane, Handforth registered at the Land Registry with title number CH385340
8	Orbit Investments (Properties) Limited	Land and buildings on West Strand, Preston registered at the Land Registry with title number LA709839
9	Jones Homes (North West) Limited	Bolton Sports Village (The Meadows), Chorley New Road, Bolton registered at the Land Registry with title numbers GM782986, GM948242 and GM824001

10	Jones Homes (North West) Limited	Land on the south west side of Chorley New Road (The Meadows), Bolton registered at the Land Registry with title number MAN87365
11	Orbit Investments (Properties) Limited	Plots 103 and 104, Lyme Green Business Park, Macclesfield registered at the Land Registry with title number CH339959
12	Jones Homes (North West) Limited	Beech Lawn and Wood Ride, Brook Lane, Alderley Edge registered at the Land Registry with Title Number GM443187 CH443187
13	Jones Homes (North West) Limited	Netherton and Hazelthorpe and land on the west side of Heyes Lane, Heywood registered at the Land Registry with Title Numbers GM145537, GM145176 and MAN102986 <i>See Page 13</i>
14	Orbit Developments (Manchester) Limited	Readon House, 1a The Crescent, Cheadle registered at the Land Registry with title number GM48794
15	Orbit Developments (Manchester) Limited	Sinclair House and 1-30 The Precinct, Station Road, Cheadle Hulme registered at the Land Registry with title number GM637829
16	Orbit Investments (Properties) Limited	Granite Buildings, 6 Stanley Street, Liverpool registered at the Land Registry with title number MS165328
17	Orbit Investments (Properties) Limited	Units 7 and 8 Peel Industrial Estate, Pimbo Road, Skelmersdale registered at the Land Registry with title numbers LA511530 and LA500742
18	Orbit Investments (Properties) Limited	Units 3-8, Woodrow Way, Fairhills Industrial Estate, Irlam registered at the Land Registry with title numbers GM188965, GM171627 and GM183023
19	Orbit Investments (Properties) Limited	Land at Lees Road and Arbour Lane, Knowsley Industrial Estate,

		Knowsley registered at the Land Registry with title MS313590
20	Orbit Investments (Properties) Limited	Land on the south west side of Silk Road, Tytherington registered at the Land Registry with title number CH423669
21	Jones Homes (Yorkshire) Limited	12 Huddersfield Road, Penistone, Yorkshire registered at the Land Registry with title number SYK496473
22	Jones Homes (Southern) Limited	Land on the north side of Thistle Hill Way, Minster On Sea Sheerness registered at the Land Registry with title number K882444
23	Jones Homes (Southern) Limited	Kingsborough Manor, Eastchurch, Sheerness, Kent registered at the Land Registry with title numbers K832873 and K922165
24	Touchstone Properties Limited	Land and buildings at High Street, St Peter's Square and St Petersgate registered at the Land Registry with title numbers GM617152, GM617153 and GM202820
25	Victor New Homes Limited	Clevelands, Chorley New Road, Bolton registered at the Land Registry with title number GM959293

EXECUTED as a deed, and delivered
by **ORBIT DEVELOPMENTS**
(MANCHESTER) LIMITED acting by a
director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **ORBIT INVESTMENTS**
(PROPERTIES) LIMITED acting by a
director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **JONES HOMES (NORTH WEST)**
LIMITED acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **JONES HOMES (YORKSHIRE)**
LIMITED acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **JONES HOMES (SOUTHERN)**
LIMITED acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **TOUCHSTONE PROPERTIES**
LIMITED acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

EXECUTED as a deed, and delivered
by **VICTOR NEW HOMES LIMITED**
acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

SIGNED by)
for and on behalf of **NATIONAL**
WESTMINSTER BANK PLC)

EXECUTED as a deed, and delivered
by **VICTOR NEW HOMES LIMITED**
acting by a director
in the presence of:

Witness

Signature :
Name :
Occupation :
Address :

SIGNED by
for and on behalf of **NATIONAL**
WESTMINSTER BANK PLC)

