



Registration of a Charge

Company Name: **TAYLOR WIMPEY UK LIMITED**

Company Number: **01392762**



XBUHIZVE

Received for filing in Electronic Format on the: **04/01/2023**

Details of Charge

Date of creation: **30/12/2022**

Charge code: **0139 2762 0981**

Persons entitled: **DAVID ANDREW GRAY AND BRIAN TURNBULL JULIUS STEVENS**

Brief description: **THE PROPERTY KNOWN AS LAND ON THE EAST SIDE OF CHESTER ROAD, WEST BARNWELL REGISTERED AT THE LAND REGISTRY WITH FREEHOLD TITLE ABSOLUTE AND FORMING PART OF TITLE NUMBER TY479487. FOR MORE DETAILS OF THE LAND CHARGED, PLEASE REFER TO THE INSTRUMENT.**

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

Certified by: **WITHERS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1392762

Charge code: 0139 2762 0981

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th December 2022 and created by TAYLOR WIMPEY UK LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th January 2023 .

Given at Companies House, Cardiff on 5th January 2023

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**

DATE 30 DECEMBER

2022

(1) TAYLOR WIMPEY UK LIMITED

(2) DAVID ANDREW GRAY, BRIAN TURNBULL JULIUS STEVENS

Legal Charge
over land on the east side of
Chester Road, West Barnwell

withers ^{LLP}

20 Old Bailey, London EC4M 7AN
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www.withersworldwide.com

I/WE HEREBY CERTIFY THIS TO BE A
COMPLETE AND TRUE COPY OF THE
ORIGINAL

WITHERS LLP
20 OLD BAILEY
LONDON EC4M 7AN SOLICITORS

Withers
3 January 2023

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DATE

30 December

2022

PARTIES:

- (1) **Taylor Wimpey UK Limited** (company number 01392762) of Gate House, Turnpike Road, High Wycombe HP12 3NR (the '**Chargor**'); and
- (2) **David Andrew Gray** and **Brian Turnbull Julius Stevens** all of Lambton Estate Office, Lambton Park, Chester le Street DH3 4PQ and care of Withers LLP, 20 Old Bailey, London EC4M 7AN in their capacities as trustees of the Trust (the '**Chargee**').

RECITALS

- (A) Immediately prior to the entering into of this Legal Charge, the Chargee has sold and the Chargor has purchased the Property but the Chargee has agreed to defer part of the consideration payable by the Chargor to the Chargee under and in accordance with the terms of the Contract.
- (B) The Chargor is now the owner of the Property.
- (C) This Legal Charge provides security which the Chargor has agreed to give the Chargee for the deferred consideration due under the Contract.

OPERATIVE PROVISIONS

1. Definitions and interpretation

1.1 In this Legal Charge the following definitions will apply:

'Affordable Housing Units'	means 'Affordable Housing Units' as defined in the section 106 agreement dated 9 September 2022 relating to the Property;
'Business Day'	any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;
'Chargee's Solicitors'	such solicitor or solicitors that the Chargee may nominate from time to time;
'Chargor's Solicitors'	such solicitor or solicitors that the Chargor may nominate from time to time;
'Charged Assets'	the Charged Property and any other assets from time to time charged by or pursuant to this Legal Charge (and references to the Charged Assets shall include any part of them);
'Charged Property'	the part of the Property more particularly described in Schedule 1 less any parts which become the subject of a Release, together with the rights over the Uncharged Property set out in Schedule 1;
'Chargor's Deferred Purchase Price'	the First Deferred Consideration Instalment and/or the Second Deferred Consideration Instalment and/or the Third Deferred Consideration Instalment (as appropriate);
'Contract'	the option to purchase the freehold interest in the Property dated 15 April 2016 and entered into between (1) the Chargee and (2) the

Chargor as amended by a Deed of Variation dated the same date as the date of this Legal Charge;

'Delegate'

any person appointed by the Chargee or any Receiver under Clause 25 and any person appointed as attorney of the Chargee, Receiver or Delegate;

'Dispose or Disposal'

any transfer or assent or a lease for a term in excess of 10 years;

'Encumbrance'

a mortgage, charge, pledge, lien agreement by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect¹;

'Event of Default'

- (a) the Chargor fails to pay any of the Secured Liabilities as they fall due, including, without limitation:
 - (i) a failure to pay the First Deferred Consideration Instalment by the First Deferred Consideration Instalment Date; and/or
 - (ii) a failure to pay the Second Deferred Consideration Instalment by the Second Deferred Consideration Date;
 - (iii) a failure to pay the Third Deferred Consideration Instalment by the Third Deferred Consideration Date;
- (b) the Chargor is in material breach of any of its obligations under this Legal Charge or any representation or warranty made by the Chargor in this Deed is or proves to be incorrect;
- (c) any corporate action, legal proceeding or other procedure or step is taken in respect of the Chargor in relation to:
 - (i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement or a scheme of arrangement of the Chargor), save for any winding-up petition which is frivolous or vexatious and is discharged or dismissed within fourteen days of commencement;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of the Chargor;
 - (iii) the appointment of a liquidator, receiver, conservator, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any

~~¹Withers, please direct us to the security document registered at Companies House which documents such floating charge~~

	of its assets; or
	(iv) enforcement of any security over any assets of the Chargor;
(d)	the Chargor
	(i) is unable or admits inability to pay its debts as they fall due;
	(ii) is deemed to or is declared to be unable to pay its debts under applicable law;
	(iii) suspends making payments on its debts generally;
	(iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
	(v) moratorium is declared in respect of any indebtedness of the Chargor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium;
(e)	the appointment of a Receiver;
(f)	the value of the assets of the Chargor is less than its liabilities (taking into account contingent and prospective liabilities); or
(g)	any expropriation, attachment, sequestration, distress of execution affects any asset or assets of the Chargor;
'Environment'	all of the air, water and land, including (without limitation) the air within buildings and other natural or man-made structures above or below ground, ground and surface water, and surface and sub-surface soil;
'Environmental Law'	all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affect the Property;
'Environmental Licence'	any authorisation required by an Environmental Law in respect of any of the Property;
'First Deferred Consideration Instalment Date'	the 15 th January 2023;
'First Deferred Consideration Instalment'	the payment required pursuant to paragraph 1.2 of Schedule 4 of the Contract on the First Deferred Consideration Instalment Date;

'LPA'	the Law of Property Act 1925;
'Media'	all pipes, gutters, drains, sewers, wires, cables and related apparatus to carry Utilities;
'Permitted Disposal'	<ul style="list-style-type: none"> (a) the Disposal, dedication or adoption of any part of the Property or service within the Property and/or any rights over any part of the Property to or in favour of any statutory undertaking, utility company, local authority or similar body for the provision and adoption of services, sewers or other infrastructure; and/or (b) the dedication/adoption and/or Disposal of any parts of the Property and/or the grant of rights or easements to the highway or other competent authority for roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works in relation to the adoption of such roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works including any agreement made under sections 38 or 278 of the Highways Act 1980; and/or (c) the Disposal of any part of the Property which is required to comply with the requirements of any Works Agreement (save for the disposal of any affordable housing units including but not limited to Affordable Housing Units) that has previously been approved by the Chargee (such approval not to be unreasonably withheld or delayed); and/or (d) the Disposal of any part of the Property intended for use as an electricity substation, transformer chamber, gas governor, pumping station or similar infrastructure; and/or (e) the Disposal in the form of the Pre-Approved Transfer of any building or Unit on the Charged Property in respect of which the Chargor has been given a Release; and/or (f) the Disposal in the form of the Pre-Approved Transfer of any building or Unit on the Uncharged Property; and/or (g) the grant of any easement required for the Chargor's residential development of the Property; and/or (h) the creation of any security in relation to and/or any part or the whole of the Charged Assets by way of a Subsequent Charge; and/or (i) the Disposal of any part of the Property intended for use as amenity land to a management company or local authority.
'Plan'	the plan or plans attached to this Legal Charge at Annex 1 and reference to a numbered plan shall be to the plan so numbered at Annex 1;

'Planning Permission'	means: (a) Full planning permission under reference 20/02027/HE4; or any other planning permission for residential development which has been obtained in accordance with the provisions of the Contract;
'Pre-Approval Transfer'	an assurance providing for the Disposal of a Unit in such standard form as is reasonable and appropriate for the Disposal of a dwelling on a residential development of a similar size as the Property;
'Projections'	eaves, roofs, gutters, spouts, downpipes, chimneys, foundations and anything similar;
'Property'	the Property shown edged by a dotted red line on the Plan;
'Receiver'	any receiver, manager or receiver and manager appointed by the Chargee under this Legal Charge;
'Related Rights'	in relation to any asset (i) the proceeds of sale of any part of that asset, (ii) all rights under any licence agreement for sale or agreement for lease in respect of that asset, (iii) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset and (iv) any income, moneys and proceeds paid or payable in respect of that asset;
'Release'	a Land Registry form DS3 or form DS1 Certificate or consent or such other form or document as shall be appropriate to release (when dated) the Charged Property or any interest in the Charged Property or any part of parts of the Charged Property from this Legal Charge together with a Land Registry form RX4 to release the relevant part or parts of the Charged Property from the restriction which is noted at Clause 4.2 below;
'Release Fee'	a sum per Unit in respect of which a Release has been requested pursuant to Clause 5.4 calculated in accordance with the following formula: $X = A \times (B \div C)$ Where: A = the balance of the Chargor's Deferred Purchase Price which at the relevant time remains unpaid; B = the number of Units comprised in the part of the Charged Property in respect of which a Release is sought by the Chargor; C = the total number of Units which at the relevant time remain part of the Charged Property;
Second Deferred Consideration Instalment Date	the 15 th January 2024;
'Second Deferred	the payment required pursuant to paragraph 1.3 of Schedule 4 of the

Consideration Instalment'	Contract on the Second Deferred Consideration Instalment Date;
'Secured Liabilities'	the Chargor's obligation to pay all outstanding amounts of the Chargor's Deferred Purchase Price together with all costs, charges and expenses payable by the Chargor pursuant to this Legal Charge, whether incurred by the Chargee or any Receiver or Delegate in connection with the protection, preservation or enforcement of its rights under this Legal Charge or otherwise;
'Subsequent Charge'	means any security interests created from time to time in relation to the Property which rank behind the security interests created by this Legal Charge;
'Subsequent Chargee'	means the beneficiary of any Subsequent Charge;
Third Deferred Consideration Instalment Date	the 15 th January 2025;
'Third Deferred Consideration Instalment'	the payment required pursuant to paragraph 1.4 of Schedule 4 of the Contract on the Third Deferred Consideration Instalment Date;
'Uncharged Property'	the Property excluding the extent of the Charged Property at the relevant time;
'Unit'	a single dwelling (or the intended site of a single dwelling) including any curtilage together with associated private driveways, garage or access (being a house, flat, maisonette, bungalow or other construction intended for residential use) erected or to be erected on some part of the Property;
'Utilities'	water, foul and surface water drainage, gas, electricity, telecommunications and other services and supplies;
'Works Agreement'	all or any of the following as the case may be: <ul style="list-style-type: none"> (a) an agreement in respect of and affecting the Property (whether or not also affecting other property) pursuant to the Local Government Miscellaneous Provisions) Act 1982 section 33 and/or the Local Government Act 1972 section 111 and/or the Highways Act 1980 section(s) 38 and/or 278 and/or the Water Industry Act 1991 section 104 or any provision to similar intent or an agreement with a water undertaker or a drainage undertaker (within the meaning of the Water Industry Act 1991) or the Environment Agency or an Internal Drainage Board (within the meaning of the Water Resources Act 1991 or the Land Drainage Act 1991) or other appropriate authority as to water supply or drainage of

surface and/or foul water from the Property or an agreement with any competent authority or body relating to other services; and/or

- (b) a planning obligation (whether entered into by agreement or otherwise) in respect of and affecting the Property (whether or not also affecting other property) pursuant to section 106 of the Town and County Planning Act 1990.

1.2 In this Legal Charge, a reference to:

- (a) a **clause** or a **schedule** is, unless otherwise stated, a reference to a clause of, or a schedule to, this Legal Charge;
- (b) a **paragraph** is, unless otherwise stated, a reference to a paragraph of a schedule;
- (c) a **statutory provision** includes a reference to that statutory provision as replaced, modified or re-enacted from time to time and any subordinate legislation made under that statutory provision from time to time, in each case whether before or after the date of this Legal Charge;
- (d) a **person** includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- (e) a **party** means a party to this Legal Charge and a reference to the **Chargor** or the **Chargee** includes its assignees and/or the successors in title to substantially the whole of its undertaking and, in the case of an individual, to his estate and personal representatives;
- (f) a **company** shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established; and
- (g) the **Property** or the **Charged Property** includes any part or parts of them.

1.3 The schedules form part of this Legal Charge and have the same effect as if expressly set out in the body of this Legal Charge and shall be interpreted and construed as though they were set out in this Legal Charge.

1.4 The contents table and headings in this Legal Charge are for convenience only and do not affect the interpretation or construction of this Legal Charge.

1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.6 The words **other**, **include**, **including** and **in particular** do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

1.7 Where a party comprises more than one person, the obligations and liabilities of that party under this Legal Charge shall be joint and several obligations and liabilities of those persons.

2. **Covenant to pay**

The Chargor covenants with the Chargee that it will pay or discharge on demand the Secured Liabilities when the same are due and payable in accordance with the terms of the Contract, save that if an Event of Default of the type referred to in clauses (b)-(g) of the definition occurs, all the Secured Liabilities shall be immediately due and payable.

3. Charges

3.1 Fixed Charges

As a continuing security for the payment of the Secured Liabilities and the sums payable pursuant to Clause 2, the Chargor hereby, with full title guarantee, charges, and agrees to charge:

- (a) by way of first legal mortgage, the Charged Property together with all buildings and fixtures on the Charged Property at any time which belong to the Chargor, and all Related Rights;
- (b) by way of first fixed charge, all proceeds of sale of any part of the Charged Property and any other monies paid or payable in respect of or in connection with the Charged Assets;
- (c) by way of first fixed charge, all rights, interest and claims in any policy of insurance relating to the Charged Assets in which the Chargor may from time to time have an interest;
- (d) by way of first fixed charge, the benefit of all licences, consents and authorisations held in connection with the use of any Charged Assets, and the right to any compensation in respect of any of them.

4. Restrictions and Works Agreements

- 4.1 The Chargor agrees with the Chargee that it will not, without the Chargee's prior written consent Dispose or agree to Dispose of the Charged Property except to the extent that such Disposal is a Permitted Disposal and having otherwise complied with the provisions of this Legal Charge.
- 4.2 The Chargor consents to the Chargee applying to the Land Registry in form RX1 to register the following standard form 'P' restriction against the title to the Charged Property:

'RESTRICTION

No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, is to be registered without a certificate signed by the proprietor for the time being of the charge dated [30 DECEMBER 2022] in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ++ Trust referred to in the charges register (or their conveyancer) that clause 4.1 of the Charge dated [30 DECEMBER 2022] in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ++ Trust referred to in the charges register have been complied with or that they do not apply to the disposition.'

- 4.3 The Chargor consents to the Chargee applying to the Land Registry in form RX1 to register the following standard form 'P' restriction against the title to the Property and against the title to any part of the Uncharged Property which is the subject of a Release following the payment of the First Deferred Consideration Instalment and/or the Second Deferred Consideration Instalment and/or the Third Deferred Consideration Instalment (as appropriate):

'RESTRICTION

No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, is to be registered without a certificate signed by the proprietor for the time being of the charge dated [30 DECEMBER 2022] in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ++ Trust referred to in the charges register (or their conveyancer) or, without a certificate signed by a conveyancer that clause 17.4 of the Charge dated [30 DECEMBER 2022] in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ++ Trust referred to in the charges register have been complied with or that they do not apply to the disposition.'

- 4.4 The Chargee shall within 10 Business Days of request approve the wording of any draft Works Agreement (such approval not to be unreasonably withheld or delayed) and within 5 Business Days after receiving the engrossment Works Agreement (in the form previously approved) consent to and join in and deliver to the Chargee any Works Agreement and the Chargor and its successors in title shall indemnify and keep the Chargee indemnified against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liabilities whatsoever arising from complying with a request of the Chargor pursuant to this clause 4.4 PROVIDED ALWAYS that where such Works Agreement is a Planning Agreement (as defined in the Contract) and has already been approved by the Chargee pursuant to the Contract then the Chargee shall execute and deliver to the Chargee such Works Agreement (in the previously approved form) within 5 Business Days of request.
- 4.5 The Chargor shall at all times comply with the provisions of any Works Agreement in respect of the Property.
5. **Discharge and power of attorney**
- 5.1 Immediately upon payment by the Chargor of the First Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured white (and within the red broken line) on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2.
- 5.2 Immediately upon payment by the Chargor of the Second Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured green on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2.
- 5.3 Immediately upon payment by the Chargor of the Third Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured blue on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2 and the restriction created pursuant to clause 4.3.
- 5.4 In relation to the Disposal of Unit(s) on the Charged Property, the Chargor may at any time or times in advance of payment of the Chargor's Deferred Purchase Price request the issue of Releases executed by the Chargee, at the cost of the Chargor (such costs to be reasonable and proper), for such parts of the Charged Property as the Chargor may require for the Disposal of such Units, such request to be accompanied by the Release Fee by way of cleared funds and the Chargee shall execute such Releases and to deliver the same to the Chargor within 10 Business Days of receipt of request and Release Fee provided that promptly upon request all details are provided as are necessary to allow the Chargee to establish that the request does relate to a Disposal of Unit(s) on the Charged Property (including copies of the relevant documents). Each payment of a Release Fee shall be treated as part payment of the Chargor's Deferred Purchase Price and reduce the amount due to the Chargee on the date for payment of the Chargor's Deferred Purchase Price in accordance with the Contract.
- 5.5 The Chargee agrees, at the cost of the Chargor (such costs to be reasonable and proper), to execute Releases for Permitted Disposals (save for Permitted Disposals pursuant to subclauses (h) and (i) of that definition, in respect of which no Releases will be given; and save for Permitted Disposals pursuant to subclauses (e) and (f) of that definition, which will be dealt with in accordance with clause 5.4; and save for Permitted Disposals constituting the grant of a leasehold interest or easement were only a consent to grant by the Chargee will be given and no Release will be given) and agrees to deliver the same within 10 Business Days of receipt of request from the Chargor provided that promptly upon request all details as are necessary to allow the Chargee

to establish that the request does relate to a Permitted Disposal (including copies of the relevant documents) are provided by the Chargor the Chargee.

- 5.6 If the Chargee fails to comply with any of its obligations under clause 5.4 and/or clause 5.5 the Chargor is hereby irrevocably appointed by way of security as attorney of the Chargee and in its name and on its behalf and as its act or deed, to execute any Releases for Permitted Disposals and do any acts or things which the Chargee is required to execute and do under clause 5.4 and clause 5.5 provided that the Chargor may only exercise these powers if it has first served written notice on the Chargee of its intention to exercise the powers contained in this clause and has given the Chargee 5 Business Days from the date of service of the said notice to respond.
- 5.7 (Subject to payment of the Chargor's Deferred Purchase Price) if the Chargee fails to comply with its obligation in clauses 5.1 and 5.2 the Chargor is hereby authorised by the Chargee to execute any Release required to release the part of the Charged Property in respect of which the Chargor's Deferred Purchase Price has been paid from this Legal Charge and to withdraw the restriction referred to in clause 4.2 of this Legal Charge from the title to the Property.
- 5.8 (Subject to payment of the Release Fee) if the Chargee fails to comply with its obligation in clause 5.4 the Chargor is hereby authorised by the Chargee to execute and deliver to any donee following a Disposal of a Unit on the Charged Property any Release required to release that part of the Charged Property from this Legal Charge and to withdraw the restriction referred to in clause 4.2 of this Legal Charge insofar as it relates to the part of the Charged Property which is the subject of the that Disposal.
- 5.9 The Chargor and the Chargee agree and declare that it is their intention that the restriction noted at clause 4.3 to be registered against the title to the Property shall not be carried forwards to any title created on completion of a Permitted Disposal being a freehold or long leasehold (in excess of seven years) pursuant to clause (a), (b), (c), (d), (e) and (f) of that definition from the Property and:
- (a) the Chargor shall be entitled to execute any documentation required by the Land Registry (by way of illustration and without limitation including a Land Registry form RX4 of any similar or replacement form) to ensure that the restriction is not registered on the title so created on completion of a Permitted Disposal; and
 - (b) the Chargee consents to the Chargee executing and submitting the Land Registry any such documentation as outlined in clause 5.9(a) above.

6. Representations and warranties

The Chargor represents and warrants to the Chargee that:

6.1 Incorporation

It is a limited company or a limited liability partnership duly organised, validly existing and registered under the relevant laws of the jurisdiction in which it is incorporated and has the power and all necessary governmental and other consents, approvals, licences and authorities to own the Charged Assets and to enter into, perform and deliver this Legal Charge and the transactions contemplated by it.

6.2 Authority

It is empowered to enter into and perform its obligations contained in this Legal Charge and has taken all necessary action and obtained all necessary consents to authorise the execution, delivery and performance of this Legal Charge, to create the security to be constituted by this Legal Charge and to observe and perform its obligations under this Legal Charge.

6.3 Obligations binding

This Legal Charge as executed and delivered constitutes and will constitute its legal, valid and binding obligations.

6.4 No Conflict

The entry into this Legal Charge and the performance of its obligations under this Legal Charge will not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets.

6.5 Not liable to be set aside

This Legal Charge creates the security which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation, bankruptcy or administration of the Chargor or otherwise.

6.6 No security

As at the date of this Legal Charge, the Charged Property is free from any Encumbrance other than the security created by this Legal Charge.

6.7 Enforcement of security

This Legal Charge constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.

6.8 Times for making representations and warranties

The Chargor makes the representations and warranties set out in this Clause 6 to the Chargee on the date of this Legal Charge.

7. Enforcement of security

7.1 The security constituted by this Legal Charge shall become immediately enforceable on or any time after the occurrence of an Event of Default.

7.2 After the security constituted by this Legal Charge has become enforceable, the power of sale and other powers conferred by section 101 LPA, as varied or amended by this Legal Charge, shall be immediately exercisable.

7.3 After the security constituted by this Legal Charge has become enforceable, the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Legal Charge in such manner as it sees fit.

7.4 At any time after the security created under this Legal Charge becomes enforceable, the Chargee may, without notice to the Chargor and whether or not it has appointed a Receiver, exercise:

(a) all or any of the powers, authorities and discretions conferred on mortgagees by the LPA 1925 (as varied or extended by this Legal Charge); and

(b) all or any of the powers conferred by this Legal Charge on it as a Receiver.

7.5 Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

- 7.6 The Chargee undertakes that it will not seek to enforce the security constituted by this Legal Charge without first having served on any Subsequent Chargee a notice specifying its intention to enforce and the occurrence of an Event of Default which is continuing, and during the period of 5 Business Days immediately following service of any such notice the Chargee will not enforce its security constituted by this Legal Charge. The Chargee, on issuing any such notice on any Subsequent Chargee, shall be bound on the same day to issue a copy of such notice to the Chargor.

8. Powers of the Chargee

- 8.1 The power of sale conferred on the Chargee and on any Receiver by this Legal Charge shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Legal Charge.
- 8.2 Sections 93 and 103 of the LPA 1925 shall not apply to this Legal Charge.
- 8.3 At any time after the security created under this Legal Charge becomes enforceable, the Chargee may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA 1925.
- 8.4 Any liberty or power which may be exercised or any determination which may be made hereunder by the Chargee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.
- 8.5 Each of the Chargee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Legal Charge (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Chargee or the Receiver itself or any subsequent delegation or revocation thereof.

9. Appointment of Receiver

- 9.1 At any time after the occurrence of an Event of Default (whether or not such Event of Default is still continuing) or if requested to do so by the Chargor, the Chargee may (by deed or otherwise and acting through its authorised officer):
- (a) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Assets and/or of the income from any Charged Assets;
 - (b) remove (so far as it is lawfully able) any Receiver(s) so appointed; and/or
 - (c) appoint another person(s) as an additional or replacement Receiver(s).
- 9.2 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA 1925) does not apply to this Legal Charge.
- 9.3 Each Receiver shall be:
- (a) an agent of the Chargor. The Chargor shall be solely responsible for his acts, omissions, defaults, losses and liabilities and for the payment of his remuneration; and
 - (b) entitled to remuneration for his services at a rate to be fixed by the Chargee from time to time (without being limited to the maximum rate specified in section 109(6) of the LPA 1925).

10. Powers of Receiver

10.1 Every Receiver shall have all the powers:

- (a) conferred by the LPA 1925 on mortgagors and on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

10.2 Additional powers

In addition to the powers referred to in clause 10.1 a Receiver shall have the power, at the cost of the Chargor and either in his own name or in the name of the Chargor or (with the written approval of the Chargee) in the name of the Chargee:

- (a) to take possession of, collect and get in all or any part of the Charged Assets;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Chargor in any manner he thinks fit;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Legal Charge for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Assets in any manner and on such terms as he thinks fit. The consideration for any such transaction may consist of cash or of shares or securities or other obligations (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments;
- (e) to sever any fixtures (including trade and tenants' fixtures) from the property of which they form part, without the consent of the Chargor;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Assets;
- (g) to make and effect all repairs, renewals, improvements, and insurances, commence and/or complete any building operation and/or apply for and maintain any planning permission, building regulation approval or other authorisation in each case as he thinks fit;
- (h) to redeem any prior security in respect of all or any of the Charged Assets and to settle and pass the accounts of the holder of such prior security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Chargor. All moneys paid to the holder of such security in accordance with such accounts shall form part of the Secured Liabilities;
- (i) to promote the formation of subsidiaries of the Chargor for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Chargor and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to settle, adjust, refer to arbitration, compromise and/or arrange any claim, account or demand which the Chargee or the Receiver may think fit;

- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine and to discharge any person appointed by the Chargor;
- (l) to exercise in relation to all or any part of the Charged Assets all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Assets;
- (m) lend money or advance credit to any customer of the Chargor;
- (n) give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Assets;
- (o) let any Charged Assets for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Charged Assets on any terms which he thinks fit; and/or
- (p) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Assets.

10.3 Remuneration

The Chargee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this Legal Charge, and payable in accordance with clause 11 of this Legal Charge, to the extent not otherwise discharged.

10.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Legal Charge shall be in addition to all statutory and other powers of the Chargee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

10.5 Agent of the Chargee

Any Receiver appointed by the Chargee under this Legal Charge shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.

11. Application of moneys

11.1 All moneys received or recovered by the Chargee or any Receiver pursuant to this Legal Charge shall be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Chargee or any Receiver and the payment of the remuneration of any Receiver;
- (b) second, in or towards satisfaction of the Secured Liabilities; and
- (c) third, any surplus shall be paid to the Chargor or any other person entitled thereto.

This clause is subject to the payment of any claims having priority over the security created under this Legal Charge. This clause does not prejudice the right of the Chargee to recover any shortfall from the Chargor.

- 11.2 If the Chargee reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Legal Charge and the security created under this Legal Charge shall continue and such amount shall not be considered to have been irrevocably paid.

12. Chargor's covenants

The Chargor covenants with the Chargee that during the continuance of the security created by this Legal Charge:

12.1 Preservation of Charged Property

The Chargor shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Chargee or materially diminish the value of any part of the Charged Property or the effectiveness of the security created by this Legal Charge. For the avoidance of any doubt the development of the Property in accordance with the Planning Permission shall not breach the provisions of this clause.

12.2 Enforcement of Rights

The Chargor shall use its reasonable endeavours to:

- (a) procure (to the extent required by good estate management) the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor relating to the Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to the Property which the Chargee may require acting reasonably from time to time.

12.3 Repair and Maintenance

Subject to the right of the Chargor to carry out the development of the Property in accordance with the Planning Permission the Chargor shall keep any buildings and fixtures and fittings on the Charged Property in good and substantial repair and condition.

12.4 Development Restrictions

The Chargor shall not, without the prior written consent of the Chargee develop the Property other than in accordance with the Planning Permission and any approval of reserved matters thereunder.

12.5 Insurance

- (a) The Chargor shall insure and keep insured the Charged Property and all buildings and works thereon (whether completed or in course of construction) against:
 - (i) loss or damage by fire or terrorist acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor and in respect of any buildings or works in course of construction against the risks normally insured under a contractor's all risks policy and in respect of completed buildings and works under a comprehensive insurance policy for buildings and works of a similar nature to those on the Charged Property.

- (b) Any such insurance must be with a reputable insurance company or reputable underwriters for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement);
- (c) The Chargor shall procure that any such insurance contains a loss payee clause under which the Chargee is named as first loss payee (other than in respect of any claim under any public liability and third-party liability insurances); and
- (d) the Chargor shall, if requested by the Chargee, produce to the Chargee reasonable written evidence that the insurance required by this paragraph is in force.

12.6 Insurance Premiums

The Chargor shall promptly pay all premiums in respect of each insurance policy and do all other things necessary to keep such policy in full force and effect.

12.7 No Invalidation Insurance

The Chargor shall not do or omit to do or permit to be done or omitted anything that may invalidate or otherwise prejudice the insurance policies and shall ensure that the Chargee's interest is noted on any relevant insurance policy.

12.8 Insurance Policies' Proceeds

All monies payable under any of the insurance policies at any time (whether or not the security constituted by this Legal Charge has become enforceable) shall:

- (a) where they are not paid directly to the Chargee by the insurers, be held by the Chargor as trustee of the same for the benefit of the Chargee (and the Chargor shall account for them to the Chargee); and
- (b) at the option of the Chargee, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or, after the security constituted by this Legal Charge has become enforceable and if the Chargee so directs, in or towards discharge or reduction of the Secured Liabilities.

- 12.9 As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns to the Chargee absolutely, subject to a provision for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each insurance policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each insurance. If an Event of Default occurs, the Chargor shall immediately give notice to the relevant insurer that it has assigned all its rights in that insurance policy (including all claims, the proceeds of all claims and all returns of premiums in connection with that insurance policy).

12.10 Proprietary Rights

The Chargor shall procure that no person shall, except to the extent necessary to allow the Chargor to enter into any contract or agreement with a third party providing for a Permitted Disposal or otherwise with the prior written consent of the Chargee, become entitled to assert any proprietary or other like right or interest over the whole or any part of the Charged Property.

12.11 Compliance with and Enforcement of Covenants

The Chargor shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Charged Property, or the use of it, is or may be subject (covenants stipulations and conditions which are no longer enforceable or capable of taking effect excepted) and (if the Chargee so requires) produce to the Chargee evidence sufficient to satisfy the Chargee that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

12.12 Notices or Claims relating to the Property

The Chargor shall:

- (a) give full particulars to the Chargee of any material notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Charged Property, or to the locality in which it is situated, as soon as is reasonably practicable after becoming aware of the relevant Notice;
- (b) if the Chargee (acting reasonably) so requires, as soon as reasonably practicable, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Chargee in making, such objections or representations in respect of any such Notice as the Chargee may desire; and
- (c) the Chargor shall give full particulars to the Chargee of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

12.13 Payment of Outgoings

The Chargor shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Charged Property or on its occupier.

12.14 Environment

The Chargor shall in relation to the Property:

- (a) properly discharge all duties of care and responsibility placed upon it by Environmental Law and comply with the terms of any Environmental Licences;
- (b) observe and perform all material requirements of Environmental Law; and
- (c) apply for and obtain all Environmental Licences.

12.15 Inspection

The Chargor shall permit the Chargee and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice and at reasonable times subject to all health and safety instructions issued by the Chargor.

12.16 Access Roads and Media

In designing and constructing the access roads, footpaths, cycleways or other highway works and the Media upon the Property, the Chargor shall ensure that the same are designed and constructed so as to provide sufficient capacity to service the development of the Charged Property (including but not limited to the development authorised by the Planning Permission).

12.17 Compliance with laws and regulations

- (a) The Chargor shall not, without the Chargee's prior written consent, use or permit the Charged Property to be used in any way contrary to law.
- (b) The Chargor shall:
 - (i) comply with the requirements of any law or legally binding regulation relating to or affecting the Charged Property or the use of it or any part of it;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required by law in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property;
 - (iii) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by it under any law or legally binding regulation.

12.18 Power to Remedy

- (a) The Chargee shall be entitled (but shall not be obliged) to remedy a breach at any time by the Chargor of any of its obligations contained in this Legal Charge. The Chargor irrevocably authorises the Chargee and its agents to do all such things as are necessary or reasonable in the circumstances for that purpose. Any monies expended by the Chargee in remedying a breach by the Chargor of any of its obligations contained in this Legal Charge shall be reimbursed by the Chargor to the Chargee on a full indemnity basis.
- (b) In remedying any breach in accordance with this clause the Chargee, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Chargee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

12.19 Exercise of rights

The rights of the Chargee under clause 12.18 are without prejudice to any other rights of the Chargee under this Legal Charge. The exercise of any rights of the Chargee under this Legal Charge shall not make the Chargee liable to account as a mortgagee in possession.

13. Negative pledge

The Chargor covenants with the Chargee that, during the continuance of the security created by this Legal Charge, it shall not without the prior written consent of the Chargee:

- 13.1 create or permit to subsist any Encumbrance upon any of the Charged Assets save for any Encumbrance which constitutes a Permitted Disposal; or
- 13.2 dispose of, whether by a single transaction or a number of transactions and whether related or not, the whole or any part of the Charged Assets except by way of a Permitted Disposal.

14. Power of attorney

14.1 The Chargor irrevocably appoints the Chargee, each person to whom the Chargee shall from time to time have delegated the exercise of the power of attorney conferred by this clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Chargor by this Legal Charge which the Chargor has failed to do (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets); and
- (b) enabling the Chargee and any Receiver to exercise any of the powers conferred on them by or pursuant to this Legal Charge or by law.

14.2 The Chargor ratifies and confirms, and agrees to ratify and confirm, all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers pursuant to clause 14.1.

15. Reservation of security

15.1 The security created under this Legal Charge will be a continuing security for the ultimate balance of the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities.

15.2 The obligations of the Chargor under this Legal Charge will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Legal Charge (whether or not known to it or the Chargee). This includes:

- (a) any time or waiver granted to, or composition with, any person;
- (b) any release or any person under the terms of any composition or arrangement;
- (c) 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 person;
- (d) any non-presentation, non-observance of any formality or other requirements in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity, lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment of any document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any document or security or the failure by any person to enter into or be bound by any document or security; or
- (h) any insolvency or similar proceedings.

15.3 The Chargor waives any rights it may have of first requiring the Chargee (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up, bankruptcy or liquidation proceedings relative to any other person before claiming from the Chargor under this Legal Charge.

15.4 Appropriations

Until all amounts which may be or become payable by the Chargor to the Chargee have been irrevocably paid in full, the Chargee (or any trustee or agent on its behalf) may without affecting the liability of the Chargor under this Legal Charge:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Chargee (or any trustee or agent on its behalf) against those accounts; or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Legal Charge.

16. Further assurance

16.1 The Chargor shall, at its own expense, promptly take whatever action the Chargee may require for (acting reasonably and properly in relation to clause 16.1(a) and acting only where there is an Event of Default in relation to clauses 16.1(b) and 16.1(c)):

- (a) creating, perfecting or protecting the security intended to be created by this Legal Charge;
- (b) facilitating the realisation of any of the Charged Assets; or
- (c) the exercise of any right, power of discretion exercisable by the Chargee or any Receiver (or any delegates or sub-delegates) in respect of any of the Charged Assets;

including the execution of any security or other document (in such form as the Chargee may reasonably require) the giving of any notice and the making of any registration which the Chargee may think expedient.

17. Grant of easements

17.1 On any sale of the Charged Property or any part of it by the Chargee or a Receiver pursuant to the powers conferred by this Legal Charge, the Chargor will (at its own cost) on demand enter into such deed of easement as the Chargee requires to grant to the purchaser or other donee the rights for the benefit of the Charged Property over the Uncharged Property set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property (including but not limited to use for residential development) and the Chargor will (at the cost of the Chargor (such costs to be reasonable and proper)) on demand enter into such Works Agreements, adoption agreements and/or deeds of easement as the Chargee or the relevant utilities supplier may require in respect of the Utilities and access roads and footpaths.

17.2 Following the occurrence of an Event of Default the Chargor shall allow the Chargee or a Receiver to exercise the rights over the Uncharged Property set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property/including but not limited to use for residential development.

17.3 If the Chargor fails to execute any Works Agreements, deed of easement or adoption agreement in accordance with its obligation in clause 17.1, the Chargor hereby irrevocably appoints the Chargee its attorney by way of security to execute the relevant deed.

17.4 On or prior to a Disposal of the Uncharged Property the Chargee shall reserve the rights for the benefit of the Charged Property over the Uncharged Property (to be disposed of) as set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use,

development and enjoyment of the Charged Property (including but not limited to use for residential development) or the Chargor will (at its own cost) procure that the disponee enters in to a deed of covenant with the Chargee in a form and substance satisfactory to the Chargee (acting reasonably and properly) to grant the rights referred to in clause 17.1 above over the Uncharged Property or part or parts thereof in the event that the Chargee or a Receiver requires the grant of the same provided always that this provision shall not apply to Permitted Disposals where it is not necessary for the Charged Property to benefit from the rights referred to in clause 17.1 above over the property disposed of pursuant to the Permitted Development.

- 17.5 For the avoidance of doubt, if the Chargor fails to execute any documents or deeds it is required to under this Clause 17, then the Chargee or any Receiver may execute such documents or deeds under the power of attorney granted by Clause 14 of this Legal Charge.

18. Limitation of liability

- 18.1 David Andrew Gray and Brian Turnbull Julius Stevens (the '**Trustees**') are only a party to this Legal Charge in their capacity as trustees of the trust upon which the Property is held ('the Trust'). It is expressly understood and agreed by and between the parties, anything herein to the contrary notwithstanding, that each and all of the agreements and undertakings herein made or given on the part of the Trustees is each and every one of them made and intended not as a personal agreement by the trustees of the Trust in their personal capacity, or for the purpose or with the intention of binding said trustees personally, but are made and intended for the purpose of binding only the trustees for the time being of the Trust in that specific capacity.

- 18.2 This Agreement shall cease to bind a person upon his retirement or removal as a trustee of the Trust but shall, instead, be binding upon such person's successors in title as trustee of the Trust.

- 18.3 Notwithstanding any other provision of this Legal Charge, it is expressly agreed and understood that the Trustees' liability to the Chargor pursuant to or otherwise in connection with this Legal Charge shall at all times be limited to the then value of the Trust assets.

19. Protection of third parties

No purchaser from or other person dealing with the Chargee or with any Receiver shall be obliged or concerned to enquire whether the right of the Chargee to appoint a Receiver or the right of the Chargee or any Receiver to exercise any of the powers conferred by this Legal Charge in relation to the Charged Assets or any part of the Charged Assets has arisen or become exercisable by the Chargee or by any such Receiver, nor be concerned with notice to the contrary, nor with the propriety of the exercise or purported exercise of any such powers and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

20. Assignment and transfer

- 20.1 Save for any interest created from time to time by the Chargor pursuant to a Permitted Disposal the Chargor may not assign, transfer, charge, make the subject of a trust or deal in any other manner with this Legal Charge or any of its rights under this Legal Charge or purport to do any of the same without the prior written consent of the Chargee.
- 20.2 The Chargee may at any time assign or transfer its rights and/or its obligations pursuant to this Legal Charge provided that there is a simultaneous assignment and transfer of its rights and/or obligations pursuant to the Contract to the same entity

21. Third party rights

- 21.1 Subject to clause 21.2, a person who is not a party to this Legal Charge shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or rely upon a provision of this Legal Charge. No party to this Legal Charge may hold itself out as trustee of any rights under this Legal Charge for the benefit of any third party unless specifically provided for in this Legal Charge. This clause 21.1 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Contracts (Rights of Third Parties) Act 1999.
- 21.2 Any person to whom the benefit of any provision of this Legal Charge is assigned in accordance with the terms of this Legal Charge is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Legal Charge which confers (expressly or impliedly) any benefit on any such person.

22. Notices

- 22.1 Any notice given pursuant to this Legal Charge (a 'notice') shall be made in writing and shall be treated as having been served if served in accordance with clause 14.2. Each notice may be delivered to the relevant party:
- (a) at its registered office; or
 - (b) to the address set out after its name at the beginning of this Legal Charge (unless that party has by 10 Business Days' written notice to the other party or parties specified another address).
- 22.2 Service may be made on a party:
- (a) personally on any director or the company secretary;
 - (b) by leaving it at an address for service referred to in clause 22.1; or
 - (c) by sending it by prepaid first-class letter (or by airmail if to or from an address outside the United Kingdom) through the post to an address for service referred to in clause 22.1.
- 22.3 Any notice shall be served or treated as served at the following times:
- (a) in the case of service personally or in accordance with clause 22.2(b), at the time of service; or
 - (b) in the case of service by post, at 9am on the second Business Day after it was posted or in the case of service to or from an address outside the United Kingdom, at 9am (local time at the place of destination) on the fourth Business Day after it was posted.
- 22.4 In proving service of a notice by post, it shall be sufficient to prove that such notice was correctly addressed, full postage paid and posted.
- 22.5 E-mail and fax are not valid forms of service under this Legal Charge.

23. Expenses

- 23.1 The Chargor shall, from time to time on demand of the Chargee, pay or reimburse the Chargee on a full indemnity basis for all reasonable property costs and expenses (including legal fees) together with any VAT or similar taxes thereon incurred by it in connection with anything done by the Chargee or at the request of the Chargee pursuant to this Legal Charge (such costs to be reasonable),

PROVIDED THAT the Chargor shall at no time be liable to pay or be responsible for any costs associated with the production of forms DS1 and/or RX4 (or any other relevant document(s)) by the Chargee pursuant to clause 5.1 of this Legal Charge.

- 23.2 The Chargor shall indemnify the Chargee, its agents, attorneys and any Receiver against any action, proceeding, claim loss liability and costs which it may sustain in the exercise (or purposed exercise) of any rights, powers, or discretions vested in them by this Legal Charge (or by law).

24. General

- 24.1 No variation to this Legal Charge shall be effective unless made in writing and signed by or on behalf of all the parties to this Legal Charge. The Chargor and Chargee shall not be required to obtain the consent of any third party on whom a benefit is conferred under this Legal Charge to the termination or variation of this Legal Charge or to the waiver or settlement of any right or claim arising under it. A waiver given or consent granted by the Chargee under this Legal Charge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

- 24.2 Each provision of this Legal Charge is severable and distinct from the others. If at any time any provision of this Legal Charge is or becomes unlawful, invalid or unenforceable to any extent or in any circumstances for any reason, it shall to that extent or in those circumstances be deemed not to form part of this Legal Charge but (except to that extent or in those circumstances in the case of that provision) the legality, validity and enforceability of that and all other provisions of this Legal Charge shall not be affected in any way.

- 24.3 If any provision of this Legal Charge is found to be illegal, invalid or unenforceable in accordance with clause 24.2 but would be legal, valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such modification(s) as may be necessary to make it legal, valid or enforceable.

- 24.4 The failure or delay in exercising a right or remedy provided by this Legal Charge or by law does not constitute a waiver of that (or any other) right or remedy. No single or partial exercise, or non-exercise or non-enforcement of any right or remedy provided by this Legal Charge or by law prevents or restricts any further or other exercise or enforcement of that (or any other) right or remedy.

- 24.5 The Chargee's rights and remedies contained in this Legal Charge are cumulative and not exclusive of any rights or remedies provided by law.

- 24.6 This Legal Charge may be executed in any number of counterparts each of which when executed and delivered shall be an original. All the counterparts together shall constitute one and the same document.

25. Delegation

The Chargor or any Receiver may delegate (either generally or specifically) by power of attorney to any person any right, power, authority or discretion conferred on it by this Legal Charge (including the power of attorney granted under clause 14.1). The Chargee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

26. Governing law

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

27. Jurisdiction

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

27.2 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.

27.3 Costs

The Chargor shall, promptly demand, pay to, or reimburse, the Chargee and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out of pocket expenses) incurred by the Chargee, any Receiver or any Delegate in connection with:

- (a) this Legal Charge or the Charged Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Chargee's, a Receiver's or a Delegate's rights under this Legal Charge; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities;

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgement, liquidation, winding up or administration of the Chargor) at the rate and in the manner specified in the Contract.

27.4 Indemnity

(a) The Chargor shall indemnify the Chargee, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Legal Charge or by law in respect of the Charged Property;
- (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Legal Charge; or
- (iii) any default or delay by the Chargor in performing any of its obligations under this Legal Charge.

(b) Any past or present employee or agent may enforce the terms of this Clause 27.4 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

IN WITNESS whereof the Chargor has duly executed this Legal Charge as a deed and it is delivered on the date first set out above.

SCHEDULE 1
Details of the Charged Property

The property known as land on the east side of Chester Road, West Barnwell registered at the Land Registry at the date hereof with freehold title absolute and forming part of title number TY479487 and being the shown with a broken red line with the benefit of the following rights over the Property in common with the Chargor and all others who have such or similar rights:

1. a pedestrian and vehicular right of way over the Uncharged Property at all times and for all purposes to gain access to and from the Charged Property, provided that the Chargor (acting reasonably) may from time to time prescribe the route or routes over which the right is to be exercised;
2. to enter the Uncharged Property to make connections to the Media in the Uncharged Property and to install additional Media in the Uncharged Property;
3. to the supply of Utilities to and from the Charged Property by means of the Media in the Uncharged Property;
4. to enter the Uncharged Property to build on, inspect, repair, maintain, renew and replace the Charged Property and the Media;
5. of support and protection afforded by the Uncharged Property for any building erected on the Charged Property;
6. such other rights as may be reasonably required for the beneficial use and enjoyment of the Charged Property (including but not limited to use for residential development);
7. all rights of entry are subject to the following conditions:
 - 7.1 entry can only be exercised so far as and to the extent that the purpose for which the right is exercised cannot reasonably be undertaken without such entry;
 - 7.2 entry shall not be exercised over the curtilage of any dwellings;
 - 7.3 entry can only be exercised at reasonable times of the day after giving reasonable prior written notice (except in an emergency when no notice shall be required);
 - 7.4 entry can be exercised with and without workmen and appliances if necessary;
 - 7.5 anyone exercising a right of entry must do as little damage as possible and must make good or pay compensation for any damage that is done;
 - 7.6 the route of any additional Media to be laid shall first be agreed by the Chargor or (if different) the owner of the land through which it is to be laid (such agreement not to be unreasonably withheld or delayed).

SCHEDULE 2
Rights to be granted

The following rights over the Uncharged Property in common with the Chargor and all others who have such or similar rights:

1. a pedestrian and vehicular right of way over the Uncharged Property at all times and for all purposes to gain access to and from the Charged Property over the route shown hatched brown and green, provided that the Chargor (acting reasonably) may from time to time vary the route shown hatched green over which the right is to be exercised, provided it is no less convenient than the existing part of the route hatched green;
2. to enter the Uncharged Property to make connections to the Media in the Uncharged Property and to install additional Media in the Uncharged Property and to construct access road and footpaths on the Uncharged Property;
3. to the supply of Utilities to and from the Charged Property by means of the Media in the Property;
4. to enter the Uncharged Property to build on, inspect, repair, maintain, renew and replace the Charged Property and the Media and access roads and footpaths on the Uncharged Property;
5. to keep and use Projections incidental to any building erected on the Charged Property which overhang or protrude beneath the Uncharged Property;
6. of support and protection afforded by the Uncharged Property for any building erected on the Charged Property;
7. all rights of entry are subject to the following conditions:
 - 7.1 entry can only be exercised so far as and to the extent that the purpose for which the right is exercised cannot reasonably be undertaken without such entry;
 - 7.2 entry shall not be exercised over the curtilage of any Units;
 - 7.3 entry can only be exercised at reasonable times of the day after giving reasonable prior written notice (except in an emergency when no notice shall be required);
 - 7.4 entry can be exercised with and without workmen and appliances if necessary;
 - 7.5 anyone exercising a right of entry must do as little damage as possible and must make good or pay compensation for any damage that is done;
 - 7.6 the route of any additional Media roads to be laid shall first be agreed by the Chargor or (if different) the owner of the land through which it is to be laid (such agreement not to be unreasonably withheld or delayed).

ANNEX 1

Plan



LEGEND

1st Charge - 220 units

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Executed as a deed by
[]
and []
as authorised attorneys of
TAYLOR WIMPEY UK LIMITED

Attorney

Attorney

in the presence of

Signature of Witness

Name in block capitals

Address

Executed as a deed by)
DAVID ANDREW GRAY)

In the presence of


Witness

Signature

Name

Address

Occupation


Tina Battye
Swallow Cottage
Hamsterley DL13 3QF
Secretary



Executed as a deed by)
BRIAN TURNBULL JULIUS STEVENS)

In the presence of


Witness

Signature

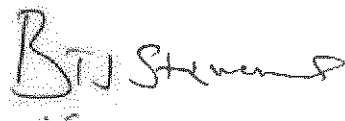
Name

Address

Occupation


Edward Jarrod
WITHERS LLP
20 OLD BAILEY
LONDON EC4M 7AN
SOLICITORS
DX 160 LONDON/CHANCERY LANE

Solicitor



DATE 30th December 2022

(1) TAYLOR WIMPEY UK LIMITED

(2) DAVID ANDREW GRAY, BRIAN TURNBULL JULIUS STEVENS

Legal Charge
over land on the east side of
Chester Road, West Barnwell

We hereby certify
this as a true
copy of the original
Gatley Legal.
George Parker-fuller
Gatley PLC
DX 715131
NEWCASTLE U TYNE 19

withers^{LLP}

20 Old Bailey, London EC4M 7AN
Telephone: +44 (0)20 7597 6000
Fax: +44 (0)20 7597 6543
DX 100 London/Chancery Lane
www.withersworldwide.com

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DATE

30th December

2022

PARTIES:

- (1) **Taylor Wimpey UK Limited** (company number 01392762) of Gate House, Turnpike Road, High Wycombe HP12 3NR (the '**Chargor**'); and
- (2) **David Andrew Gray** and **Brian Turnbull Julius Stevens** all of Lambton Estate Office, Lambton Park, Chester le Street DH3 4PQ and care of Withers LLP, 20 Old Bailey, London EC4M 7AN in their capacities as trustees of the **J Trust** (the '**Chargee**').

RECITALS

- (A) Immediately prior to the entering into of this Legal Charge, the Chargee has sold and the Chargor has purchased the Property but the Chargee has agreed to defer part of the consideration payable by the Chargor to the Chargee under and in accordance with the terms of the Contract.
- (B) The Chargor is now the owner of the Property.
- (C) This Legal Charge provides security which the Chargor has agreed to give the Chargee for the deferred consideration due under the Contract.

OPERATIVE PROVISIONS

1. Definitions and interpretation

- 1.1 In this Legal Charge the following definitions will apply:

'Affordable Housing Units'	means 'Affordable Housing Units' as defined in the section 106 agreement dated 1 st September 2022 relating to the Property;
'Business Day'	any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;
'Chargee's Solicitors'	such solicitor or solicitors that the Chargee may nominate from time to time;
'Chargor's Solicitors'	such solicitor or solicitors that the Chargor may nominate from time to time;
'Charged Assets'	the Charged Property and any other assets from time to time charged by or pursuant to this Legal Charge (and references to the Charged Assets shall include any part of them);
'Charged Property'	the part of the Property more particularly described in Schedule 1 less any parts which become the subject of a Release, together with the rights over the Uncharged Property set out in Schedule 1;
'Chargor's Deferred Purchase Price'	the First Deferred Consideration Instalment and/or the Second Deferred Consideration Instalment and/or the Third Deferred Consideration Instalment (as appropriate);
'Contract'	the option to purchase the freehold interest in the Property dated 15 April 2016 and entered into between (1) the Chargee and (2) the

Chargor as amended by a Deed of Variation dated the same date as the date of this Legal Charge;

'Delegate'

any person appointed by the Chargee or any Receiver under Clause 25 and any person appointed as attorney of the Chargee, Receiver or Delegate;

'Dispose or Disposal'

any transfer or assent or a lease for a term in excess of 10 years;

'Encumbrance'

a mortgage, charge, pledge, lien agreement by way of security or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect;

'Event of Default'

(a) the Chargor fails to pay any of the Secured Liabilities as they fall due, including, without limitation:

(i) a failure to pay the First Deferred Consideration Instalment by the First Deferred Consideration Instalment Date; and/or

(ii) a failure to pay the Second Deferred Consideration Instalment by the Second Deferred Consideration Date;

(iii) a failure to pay the Third Deferred Consideration Instalment by the Third Deferred Consideration Date;

(b) the Chargor is in material breach of any of its obligations under this Legal Charge; *or any representation or warranty made by the Chargor in this D*

(c) any corporate action, legal proceeding or other procedure or step is taken in respect of the Chargor in relation to:

(i) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement or a scheme of arrangement of the Chargor), save for any winding-up petition which is frivolous or vexatious and is discharged or dismissed within fourteen days of commencement;

(ii) a composition, compromise, assignment or arrangement with any creditor of the Chargor;

(iii) the appointment of a liquidator, receiver, conservator, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Chargor or any of its assets; or

(iv) enforcement of any security over any assets of

Deed is or proves to be incorrect

Witnesses, please direct us to the security document registered at Companies House which documents such floating charge

the Chargor;

(d) the Chargor

- (i) is unable or admits inability to pay its debts as they fall due;
- (ii) is deemed to or is declared to be unable to pay its debts under applicable law;
- (iii) suspends making payments on its debts generally;
- (iv) by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (v) moratorium is declared in respect of any indebtedness of the Chargor. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium;

(e) the appointment of a Receiver;

(f) the value of the assets of the Chargor is less than its liabilities (taking into account contingent and prospective liabilities);

(g) any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Chargor;

'Environment'

all of the air, water and land, including (without limitation) the air within buildings and other natural or man-made structures above or below ground, ground and surface water, and surface and sub-surface soil;

'Environmental Law'

all applicable statutes, treaties, regulations, directives or similar measures relating to the pollution or protection of the Environment that affect the Property;

'Environmental Licence'

any authorisation required by an Environmental Law in respect of any of the Property;

'First Deferred Consideration Instalment Date'

the 15th January 2023;

'First Deferred Consideration Instalment'

the payment required pursuant to paragraph 1.2 of Schedule 4 of the Contract on the First Deferred Consideration Instalment Date;

'LPA'

the Law of Property Act 1925;

'Media'

all pipes, gutters, drains, sewers, wires, cables and related

apparatus to carry Utilities;

'Permitted Disposal'

- (a) the Disposal, dedication or adoption of any part of the Property or service within the Property and/or any rights over any part of the Property to or in favour of any statutory undertaking, utility company, local authority or similar body for the provision and adoption of services, sewers or other infrastructure; and/or
- (b) the dedication/adoption and/or Disposal of any parts of the Property and/or the grant of rights or easements to the highway or other competent authority for roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works in relation to the adoption of such roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works including any agreement made under sections 38 or 278 of the Highways Act 1980; and/or
- (c) the Disposal of any part of the Property which is required to comply with the requirements of any Works Agreement (save for the disposal of any affordable housing units including but not limited to Affordable Housing Units) that has previously been approved by the Chargee (such approval not to be unreasonably withheld or delayed); and/or
- (d) the Disposal of any part of the Property intended for use as an electricity substation, transformer chamber, gas governor, pumping station or similar infrastructure; and/or
- (e) the Disposal in the form of the Pre-Approved Transfer of any building or Unit on the Charged Property in respect of which the Chargor has been given a Release; and/or
- (f) the Disposal in the form of the Pre-Approved Transfer of any building or Unit on the Uncharged Property; and/or
- (g) the grant of any easement required for the Chargor's residential development of the Property; and/or
- (h) the creation of any security in relation to and/or any part or the whole of the Charged Assets by way of a Subsequent Charge; and/or
- (i) the Disposal of any part of the Property intended for use as amenity land to a management company or local authority.

'Plan'

the plan or plans attached to this Legal Charge at Annex 1 and reference to a numbered plan shall be to the plan so numbered at Annex 1;

'Planning Permission'	means: (a) Full planning permission under reference 20/02027/HE4; or any other planning permission for residential development which has been obtained in accordance with the provisions of the Contract.
'Pre-Approval Transfer'	an assurance providing for the Disposal of a Unit in such standard form as is reasonable and appropriate for the Disposal of a dwelling on a residential development of a similar size as the Property;
'Projections'	eaves, roofs, gutters, spouts, downpipes, chimneys, foundations and anything similar;
'Property'	the Property shown edged by a dotted red line on the Plan;
'Receiver'	any receiver, manager or receiver and manager appointed by the Chargee under this Legal Charge;
'Related Rights'	in relation to any asset (i) the proceeds of sale of any part of that asset, (ii) all rights under any licence agreement for sale or agreement for lease in respect of that asset, (iii) all rights, benefits, claims, contracts, warranties, remedies, security, indemnities or covenants for title in respect of that asset and (iv) any income, moneys and proceeds paid or payable in respect of that asset;
'Release'	a Land Registry form DS3 or form DS1 Certificate or consent or such other form or document as shall be appropriate to release (when dated) the Charged Property or any interest in the Charged Property or any part of parts of the Charged Property from this Legal Charge together with a Land Registry form RX4 to release the relevant part or parts of the Charged Property from the restriction which is noted at Clause 4.2 below;
'Release Fee'	a sum per Unit in respect of which a Release has been requested pursuant to Clause 5.4 calculated in accordance with the following formula: $X = A \times (B \div C)$ Where: A = the balance of the Chargor's Deferred Purchase Price which at the relevant time remains unpaid; B = the number of Units comprised in the part of the Charged Property in respect of which a Release is sought by the Chargor; C = the total number of Units which at the relevant time remain part of the Charged Property;
'Second Deferred Consideration Instalment Date'	the 15 th January 2024;
'Second Deferred'	the payment required pursuant to paragraph 1.3 of Schedule 4 of the

'Consideration Instalment'	Contract on the Second Deferred Consideration Instalment Date;
'Secured Liabilities'	the Chargor's obligation to pay all outstanding amounts of the Chargor's Deferred Purchase Price together with all costs, charges and expenses payable by the Chargor pursuant to this Legal Charge, whether incurred by the Chargee or any Receiver or Delegate in connection with the protection, preservation or enforcement of its rights under this Legal Charge or otherwise;
'Subsequent Charge'	means any security interests created from time to time in relation to the Property which rank behind the security interests created by this Legal Charge;
'Subsequent Chargee'	means the beneficiary of any Subsequent Charge;
Third Deferred Consideration Instalment Date	the 15 th January 2025;
'Third Deferred Consideration Instalment'	the payment required pursuant to paragraph 1.4 of Schedule 4 of the Contract on the Third Deferred Consideration Instalment Date;
'Uncharged Property'	the Property excluding the extent of the Charged Property at the relevant time;
'Unit'	a single dwelling (or the intended site of a single dwelling) including any curtilage together with associated private driveways, garage or access (being a house, flat, maisonette, bungalow or other construction intended for residential use) erected or to be erected on some part of the Property;
'Utilities'	water, foul and surface water drainage, gas, electricity, telecommunications and other services and supplies;
'Works Agreement'	all or any of the following as the case may be: <div> <div>(a)</div> <div>an agreement in respect of and affecting the Property (whether or not also affecting other property) pursuant to the Local Government Miscellaneous Provisions) Act 1982 section 33 and/or the Local Government Act 1972 section 111 and/or the Highways Act 1980 section(s) 38 and/or 278 and/or the Water Industry Act 1991 section 104 or any provision to similar intent or an agreement with a water undertaker or a drainage undertaker (within the meaning of the Water Industry Act 1991) or the Environment Agency or an Internal Drainage Board (within the meaning of the Water Resources Act 1991 or the Land Drainage Act 1991) or other appropriate authority as to water supply or drainage of</div> </div>

surface and/or foul water from the Property or an agreement with any competent authority or body relating to other services; and/or

- (b) a planning obligation (whether entered into by agreement or otherwise) in respect of and affecting the Property (whether or not also affecting other property) pursuant to section 106 of the Town and County Planning Act 1990.

1.2 In this Legal Charge, a reference to:

- (a) a **clause** or a **schedule** is, unless otherwise stated, a reference to a clause of, or a schedule to, this Legal Charge;
- (b) a **paragraph** is, unless otherwise stated, a reference to a paragraph of a schedule;
- (c) a **statutory provision** includes a reference to that statutory provision as replaced, modified or re-enacted from time to time and any subordinate legislation made under that statutory provision from time to time, in each case whether before or after the date of this Legal Charge;
- (d) a **person** includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- (e) a **party** means a party to this Legal Charge and a reference to the **Chargor** or the **Chargee** includes its assignees and/or the successors in title to substantially the whole of its undertaking and, in the case of an individual, to his estate and personal representatives;
- (f) a **company** shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established; and
- (g) the **Property** or the **Charged Property** includes any part or parts of them.

1.3 The schedules form part of this Legal Charge and have the same effect as if expressly set out in the body of this Legal Charge and shall be interpreted and construed as though they were set out in this Legal Charge.

1.4 The contents table and headings in this Legal Charge are for convenience only and do not affect the interpretation or construction of this Legal Charge.

1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.6 The words **other**, **include**, **including** and **in particular** do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

1.7 Where a party comprises more than one person, the obligations and liabilities of that party under this Legal Charge shall be joint and several obligations and liabilities of those persons.

2. **Covenant to pay**

The Chargor covenants with the Chargee that it will pay or discharge on demand the Secured Liabilities when the same are due and payable in accordance with the terms of the Contract, save that if an Event of Default of the type referred to in clauses (b)-(g) of the definition occurs, all the Secured Liabilities shall be immediately due and payable.

3. Charges

3.1 Fixed Charges

As a continuing security for the payment of the Secured Liabilities and the sums payable pursuant to Clause ~~14.1~~ ^{14.2} ~~14.2~~ ^{14.3}, the Chargor hereby, with full title guarantee, charges, and agrees to charge:

- (a) by way of first legal mortgage, the Charged Property together with all buildings and fixtures on the Charged Property at any time which belong to the Chargor, and all Related Rights;
- (b) by way of first fixed charge, all proceeds of sale of any part of the Charged Property and any other monies paid or payable in respect of or in connection with the Charged Assets;
- (c) by way of first fixed charge, all rights, interest and claims in any policy of insurance relating to the Charged Assets in which the Chargor may from time to time have an interest;
- (d) by way of first fixed charge, the benefit of all licences, consents and authorisations held in connection with the use of any Charged Assets, and the right to any compensation in respect of any of them.

4. Restrictions and Works Agreements

4.1 The Chargor agrees with the Chargee that it will not, without the Chargee's prior written consent Dispose or agree to Dispose of the Charged Property except to the extent that such Disposal is a Permitted Disposal and having otherwise complied with the provisions of this Legal Charge.

4.2 The Chargor consents to the Chargee applying to the Land Registry in form RX1 to register the following standard form 'P' restriction against the title to the Charged Property:

'RESTRICTION

x 30th December 2022

No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, is to be registered without a certificate signed by the proprietor for the time being of the charge dated (X) in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ~~1st~~ Trust referred to in the charges register (or their conveyancer) that clause 4.1 of the Charge dated (X) in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ~~1st~~ Trust referred to in the charges register have been complied with or that they do not apply to the disposition.'

x 30th December 2022

4.3 The Chargor consents to the Chargee applying to the Land Registry in form RX1 to register the following standard form 'P' restriction against the title to the Property and against the title to any part of the Uncharged Property which is the subject of a Release following the payment of the First Deferred Consideration Instalment and/or the Second Deferred Consideration Instalment and/or the Third Deferred Consideration Instalment (as appropriate):

'RESTRICTION

No disposition of the registered estate by the proprietor of the registered estate or by the proprietor of any registered charge, is to be registered without a certificate signed by the proprietor for the time being of the charge dated (X) in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ~~1st~~ Trust referred to in the charges register (or their conveyancer) or, without a certificate signed by a conveyancer that clause 17.4 of the Charge dated (X) in favour of David Andrew Gray and Brian Turnbull Julius Stevens in their capacities as trustees of the ~~1st~~ Trust referred to in the charges register have been complied with or that they do not apply to the disposition.'

x 30th DECEMBER 2022

- 4.4 The Chargee shall within 10 Business Days of request approve the wording of any draft Works Agreement (such approval not to be unreasonably withheld or delayed) and within 5 Business Days after receiving the engrossment Works Agreement (in the form previously approved) consent to and join in and deliver to the Chargee any Works Agreement and the Chargor and its successors in title shall indemnify and keep the Chargee indemnified against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liabilities whatsoever arising from complying with a request of the Chargor pursuant to this clause 4.4 PROVIDED ALWAYS that where such Works Agreement is a Planning Agreement (as defined in the Contract) and has already been approved by the Chargee pursuant to the Contract then the Chargee shall execute and deliver to the Chargee such Works Agreement (in the previously approved form) within 5 Business Days of request.
- 4.5 The Chargor shall at all times comply with the provisions of any Works Agreement in respect of the Property.
5. **Discharge and power of attorney**
- 5.1 Immediately upon payment by the Chargor of the First Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured white (and within the red broken line) on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2.
- 5.2 Immediately upon payment by the Chargor of the Second Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured green on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2.
- 5.3 Immediately upon payment by the Chargor of the Third Deferred Consideration Instalment the Chargee will give to the Chargor a Release to release the Charged Property shown coloured blue on the Plan from this Legal Charge and the Property from the restriction created pursuant to clause 4.2 and the restriction created pursuant to clause 4.3.
- 5.4 In relation to the Disposal of Unit(s) on the Charged Property, the Chargor may at any time or times in advance of payment of the Chargor's Deferred Purchase Price request the issue of Releases executed by the Chargee, at the cost of the Chargor (such costs to be reasonable and proper), for such parts of the Charged Property as the Chargor may require for the Disposal of such Units, such request to be accompanied by the Release Fee by way of cleared funds and the Chargee shall execute such Releases and to deliver the same to the Chargor within 10 Business Days of receipt of request and Release Fee provided that promptly upon request all details are provided as are necessary to allow the Chargee to establish that the request does relate to a Disposal of Unit(s) on the Charged Property (including copies of the relevant documents). Each payment of a Release Fee shall be treated as part payment of the Chargor's Deferred Purchase Price and reduce the amount due to the Chargee on the date for payment of the Chargor's Deferred Purchase Price in accordance with the Contract.
- 5.5 The Chargee agrees, at the cost of the Chargor (such costs to be reasonable and proper), to execute Releases for Permitted Disposals (save for Permitted Disposals pursuant to subclauses (h) and (i) of that definition, in respect of which no Releases will be given; and save for Permitted Disposals pursuant to subclauses (e) and (f) of that definition, which will be dealt with in accordance with clause 5.4; and save for Permitted Disposals constituting the grant of a leasehold interest or easement were only a consent to grant by the Chargee will be given and no Release will be given) and agrees to deliver the same within 10 Business Days of receipt of request from the Chargor provided that promptly upon request all details as are necessary to allow the Chargee

to establish that the request does relate to a Permitted Disposal (including copies of the relevant documents) are provided by the Chargor the Chargee.

- 5.6 If the Chargee fails to comply with any of its obligations under clause 5.4 and/or clause 5.5 the Chargor is hereby irrevocably appointed by way of security as attorney of the Chargee and in its name and on its behalf and as its act or deed, to execute any Releases for Permitted Disposals and do any acts or things which the Chargee is required to execute and do under clause 5.4 and clause 5.5 provided that the Chargor may only exercise these powers if it has first served written notice on the Chargee of its intention to exercise the powers contained in this clause and has given the Chargee 5 Business Days from the date of service of the said notice to respond.
- 5.7 (Subject to payment of the Chargor's Deferred Purchase Price) if the Chargee fails to comply with its obligation in clauses 5.1 and 5.2 the Chargor is hereby authorised by the Chargee to execute any Release required to release the part of the Charged Property in respect of which the Chargor's Deferred Purchase Price has been paid from this Legal Charge and to withdraw the restriction referred to in clause 4.2 of this Legal Charge from the title to the Property.
- 5.8 (Subject to payment of the Release Fee) if the Chargee fails to comply with its obligation in clause 5.4 the Chargor is hereby authorised by the Chargee to execute and deliver to any donee following a Disposal of a Unit on the Charged Property any Release required to release that part of the Charged Property from this Legal Charge and to withdraw the restriction referred to in clause 4.2 of this Legal Charge insofar as it relates to the part of the Charged Property which is the subject of the that Disposal.
- 5.9 The Chargor and the Chargee agree and declare that it is their intention that the restriction noted at clause 4.3 to be registered against the title to the Property shall not be carried forwards to any title created on completion of a Permitted Disposal being a freehold or long leasehold (in excess of seven years) pursuant to clause (a), (b), (c), (d), (e) and (f) of that definition from the Property and:
- (a) the Chargor shall be entitled to execute any documentation required by the Land Registry (by way of illustration and without limitation including a Land Registry form RX4 of any similar or replacement form) to ensure that the restriction is not registered on the title so created on completion of a Permitted Disposal; and
 - (b) the Chargee consents to the Chargee executing and submitting the Land Registry any such documentation as outlined in clause 5.9(a) above.

6. Representations and warranties

The Chargor represents and warrants to the Chargee that:

6.1 Incorporation

It is a limited company or a limited liability partnership duly organised, validly existing and registered under the relevant laws of the jurisdiction in which it is incorporated and has the power and all necessary governmental and other consents, approvals, licences and authorities to own the Charged Assets and to enter into, perform and deliver this Legal Charge and the transactions contemplated by it.

6.2 Authority

It is empowered to enter into and perform its obligations contained in this Legal Charge and has taken all necessary action and obtained all necessary consents to authorise the execution, delivery and performance of this Legal Charge, to create the security to be constituted by this Legal Charge and to observe and perform its obligations under this Legal Charge.

6.3 Obligations binding

This Legal Charge as executed and delivered constitutes and will constitute its legal, valid and binding obligations.

6.4 No Conflict

The entry into this Legal Charge and the performance of its obligations under this Legal Charge will not conflict with any law or regulation applicable to it, its constitutional documents or any agreement or instrument binding upon it or any of its assets.

6.5 Not liable to be set aside

This Legal Charge creates the security which it purports to create and is not liable to be avoided or otherwise set aside on the liquidation, bankruptcy or administration of the Chargor or otherwise.

6.6 No security

As at the date of this Legal Charge, the Charged Property is free from any ~~security~~ *ENCUMBRANCE* other than the security created by this Legal Charge.

6.7 Enforcement of security

This Legal Charge constitutes and will constitute the legal, valid, binding and enforceable obligations of the Chargor and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.

6.8 Times for making representations and warranties

The Chargor makes the representations and warranties set out in this Clause 6 to the Chargee on the date of this Legal Charge.

7 Enforcement of security

7.1 The security constituted by this Legal Charge shall become immediately enforceable on or any time after the occurrence of an Event of Default.

7.2 After the security constituted by this Legal Charge has become enforceable, the power of sale and other powers conferred by section 101 LPA, as varied or amended by this Legal Charge, shall be immediately exercisable.

7.3 After the security constituted by this Legal Charge has become enforceable, the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Legal Charge in such manner as it sees fit.

7.4 At any time after the security created under this Legal Charge becomes enforceable, the Chargee may, without notice to the Chargor and whether or not it has appointed a Receiver, exercise:

- (a) all or any of the powers, authorities and discretions conferred on mortgagees by the LPA 1925 (as varied or extended by this Legal Charge); and
- (b) all or any of the powers conferred by this Legal Charge on it as a Receiver.

7.5 Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission for which a mortgagee in possession might otherwise be liable.

7.6 The Chargee undertakes that it will not seek to enforce the security constituted by this Legal Charge without first having served on any Subsequent Chargee a notice specifying its intention to enforce and the occurrence of an Event of Default which is continuing, and during the period of 5 Business Days immediately following service of any such notice the Chargee will not enforce its security constituted by this Legal Charge. The Chargee, on issuing any such notice on any Subsequent Chargee, shall be bound on the same day to issue a copy of such notice to the Chargor.

8. Powers of the Chargee

8.1 The power of sale conferred on the Chargee and on any Receiver by this Legal Charge shall operate as a variation and extension of the statutory power of sale under section 101 of the LPA 1925 and such power shall arise (and the Secured Liabilities shall be deemed due and payable for that purpose) on execution of this Legal Charge.

8.2 Sections 93 and 103 of the LPA 1925 shall not apply to this Legal Charge.

8.3 At any time after the security created under this Legal Charge becomes enforceable, the Chargee may lease or make arrangements to lease, at a premium or otherwise, and accept surrenders of leases without any restriction and in particular without the need to comply with any restrictions imposed by sections 99 and 100 of the LPA 1925.

8.4 Any liberty or power which may be exercised or any determination which may be made hereunder by the Chargee or any Receiver may be exercised or made in its absolute and unfettered discretion without any obligation to give reasons.

8.5 Each of the Chargee and any Receiver shall have full power to delegate (either generally or specifically) the powers, authorities and discretions conferred on it by this Legal Charge (including the power of attorney) on such terms and conditions as it shall see fit which delegation shall not preclude either the subsequent exercise of such power, authority or discretion by the Chargee or the Receiver itself or any subsequent delegation or revocation thereof.

9. Appointment of Receiver

9.1 At any time after the occurrence of an Event of Default (whether or not such Event of Default is still continuing) or if requested to do so by the Chargor, the Chargee may (by deed or otherwise and acting through its authorised officer):

- (a) appoint one or more persons jointly or severally to be a Receiver of the whole or any part of the Charged Assets and/or of the income from any Charged Assets;
- (b) remove (so far as it is lawfully able) any Receiver(s) so appointed; and/or
- (c) appoint another person(s) as an additional or replacement Receiver(s).

9.2 Any restriction imposed by law on the right of a mortgagee to appoint a Receiver (including under section 109(1) of the LPA 1925) does not apply to this Legal Charge.

9.3 Each Receiver shall be:

- (a) an agent of the Chargor. The Chargor shall be solely responsible for his acts, omissions, defaults, losses and liabilities and for the payment of his remuneration; and
- (b) entitled to remuneration for his services at a rate to be fixed by the Chargee from time to time (without being limited to the maximum rate specified in section 109(6) of the LPA 1925).

10. Powers of Receiver

10.1 Every Receiver shall have all the powers:

- (a) conferred by the LPA 1925 on mortgagees in possession and receivers appointed under that Act;
- (b) set out in Schedule 1 to the Insolvency Act 1986; and
- (c) conferred from time to time on receivers by statute.

10.2 Additional powers

In addition to the powers referred to in clause 10.1 a Receiver shall have the power, at the cost of the Chargor and either in his own name or in the name of the Chargor or (with the written approval of the Chargee) in the name of the Chargee:

- (a) to take possession of, collect and get in all or any part of the Charged Assets;
- (b) to carry on, manage or concur in carrying on and managing all or any part of the business of the Chargor in any manner he thinks fit;
- (c) to borrow or raise money and secure the payment of any money in priority to the charges created by this Legal Charge for the purpose of exercising his powers and/or defraying any costs or expenses incurred by him in such exercise;
- (d) to sell, let, lease or concur in selling, letting or leasing and to vary the terms or determine, surrender and to accept surrenders of leases or tenancies of or grant options or licences over all or any part of the Charged Assets in any manner and on such terms as he thinks fit. The consideration for any such transaction may consist of cash or of shares or securities or other obligations (and the amount of such consideration may be dependent on profit or turnover or be determined by a third party) and may be payable in a lump sum or in instalments;
- (e) to sever any fixtures (including trade and tenants' fixtures) from the property of which they form part, without the consent of the Chargor;
- (f) to exercise all powers, rights and/or obligations under any contract or agreement forming part of the Charged Assets;
- (g) to make and effect all repairs, renewals, improvements, and insurances, commence and/or complete any building operation and/or apply for and maintain any planning permission, building regulation approval or other authorisation in each case as he thinks fit;
- (h) to redeem any prior security in respect of all or any of the Charged Assets and to settle and pass the accounts of the holder of such prior security and any accounts so settled and passed will, in the absence of manifest error, be conclusive and binding on the Chargor. All moneys paid to the holder of such security in accordance with such accounts shall form part of the Secured Liabilities;
- (i) to promote the formation of subsidiaries of the Chargor for the purpose of purchasing, leasing, licensing or otherwise acquiring interests in all or any of the assets of the Chargor and to arrange for any such subsidiaries to trade or cease to trade on such terms as the Receiver thinks fit;
- (j) to take such proceedings and to settle, adjust, refer to arbitration, compromise and/or arrange any claim, account or demand which the Chargee or the Receiver may think fit;

- (k) to appoint managers, officers and agents at such salaries and for such periods as the Receiver may determine and to discharge any person appointed by the Chargor;
- (l) to exercise in relation to all or any part of the Charged Assets all such powers and rights as he would be capable of exercising if he were the absolute beneficial owner of the Charged Assets;
- (m) lend money or advance credit to any customer of the Chargor;
- (n) give a valid receipt for any moneys and execute any assurance or thing which may be proper or desirable for realising any Charged Assets;
- (o) let any Charged Assets for any term and at any rent (with or without a premium) which he thinks fit and may accept a surrender of any lease or tenancy of any Charged Assets on any terms which he thinks fit; and/or
- (p) to do all other acts and things as may be considered by the Receiver to be incidental or conducive to the above or otherwise expedient for or incidental or conducive to the preservation, improvement or realisation of the Charged Assets.

10.3 Remuneration

The Chargee may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this Legal Charge, and payable in accordance with clause 11 of this Legal Charge, to the extent not otherwise discharged.

10.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Legal Charge shall be in addition to all statutory and other powers of the Chargee under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

10.5 Agent of the Chargee

Any Receiver appointed by the Chargee under this Legal Charge shall be the agent of the Chargor and the Chargor shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Chargor goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Chargee.

11. Application of moneys

11.1 All moneys received or recovered by the Chargee or any Receiver pursuant to this Legal Charge shall be applied in the following order:

- (a) first, in satisfaction of, or provision for, all costs, charges and expenses incurred by the Chargee or any Receiver and the payment of the remuneration of any Receiver;
- (b) second, in or towards satisfaction of the Secured Liabilities; and
- (c) third, any surplus shall be paid to the Chargor or any other person entitled thereto.

This clause is subject to the payment of any claims having priority over the security created under this Legal Charge. This clause does not prejudice the right of the Chargee to recover any shortfall from the Chargor.

11.2 If the Chargee reasonably considers that any amount paid or credited to it is capable of being avoided or reduced by virtue of any bankruptcy, insolvency, liquidation or similar laws, the liability of the Chargor under this Legal Charge and the security created under this Legal Charge shall continue and such amount shall not be considered to have been irrevocably paid.

12. Chargor's covenants

The Chargor covenants with the Chargee that during the continuance of the security created by this Legal Charge:

12.1 Preservation of Charged Property

The Chargor shall not do, or permit to be done, any act or thing which would or might depreciate, jeopardise or otherwise prejudice the security held by the Chargee or materially diminish the value of any part of the Charged Property or the effectiveness of the security created by this Legal Charge. For the avoidance of any doubt the development of the Property in accordance with the Planning Permission shall not breach the provisions of this clause.

12.2 Enforcement of Rights

The Chargor shall use its reasonable endeavours to:

- (a) procure (to the extent required by good estate management) the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Chargor relating to the Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to the Property which the Chargee may require acting reasonably from time to time.

12.3 Repair and Maintenance

Subject to the right of the Chargor to carry out the development of the Property in accordance with the Planning Permission the Chargor shall keep any buildings and fixtures and fittings on the Charged Property in good and substantial repair and condition.

12.4 Development Restrictions

The Chargor shall not, without the prior written consent of the Chargee develop the Property other than in accordance with the Planning Permission and any approval of reserved matters thereunder.

12.5 Insurance

- (a) The Chargor shall insure and keep insured the Charged Property and all buildings and works thereon (whether completed or in course of construction) against:
 - (i) loss or damage by fire or terrorist acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Chargor and in respect of any buildings or works in course of construction against the risks normally insured under a contractor's all risks policy and in respect of completed buildings and works under a comprehensive insurance policy for buildings and works of a similar nature to those on the Charged Property.

- (b) Any such insurance must be with a reputable insurance company or reputable underwriters for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Charged Property, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement);
- (c) The Chargor shall procure that any such insurance contains a loss payee clause under which the Chargee is named as first loss payee (other than in respect of any claim under any public liability and third-party liability insurances); and
- (d) the Chargor shall, if requested by the Chargee, produce to the Chargee reasonable written evidence that the insurance required by this paragraph is in force.

12.6 Insurance Premiums

The Chargor shall promptly pay all premiums in respect of each insurance policy and do all other things necessary to keep such policy in full force and effect.

12.7 No Invalidation Insurance

The Chargor shall not do or omit to do or permit to be done or omitted anything that may invalidate or otherwise prejudice the insurance policies and shall ensure that the Chargee's interest is noted on any relevant insurance policy.

12.8 Insurance Policies' Proceeds

All monies payable under any of the insurance policies at any time (whether or not the security constituted by this Legal Charge has become enforceable) shall:

- (a) where they are not paid directly to the Chargee by the insurers, be held by the Chargor as trustee of the same for the benefit of the Chargee (and the Chargor shall account for them to the Chargee); and
- (b) at the option of the Chargee, be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or, after the security constituted by this Legal Charge has become enforceable and if the Chargee so directs, in or towards discharge or reduction of the Secured Liabilities.

12.9 As a continuing security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee assigns to the Chargee absolutely, subject to a provision for reassignment on irrevocable discharge in full of the Secured Liabilities all its rights in each insurance policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each insurance. If an Event of Default occurs, the Chargor shall immediately give notice to the relevant insurer that it has assigned all its rights in that insurance policy (including all claims, the proceeds of all claims and all returns of premiums in connection with that insurance policy).

12.10 Proprietary Rights

The Chargor shall procure that no person shall, except to the extent necessary to allow the Chargor to enter into any contract or agreement with a third party providing for a Permitted Disposal or otherwise with the prior written consent of the Chargee, become entitled to assert any proprietary or other like right or interest over the whole or any part of the Charged Property.

12.11 Compliance with and Enforcement of Covenants

The Chargor shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Charged Property, or the use of it, is or may be subject (covenants stipulations and conditions which are no longer enforceable or capable of taking effect excepted) and (if the Chargee so requires) produce to the Chargee evidence sufficient to satisfy the Chargee that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Charged Property and shall not (and shall not agree to) waive, release or vary any of the same.

12.12 Notices or Claims relating to the Property

The Chargor shall:

- (a) give full particulars to the Chargee of any material notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Charged Property, or to the locality in which it is situated, as soon as is reasonably practicable after becoming aware of the relevant Notice;
- (b) if the Chargee (acting reasonably) so requires, as soon as reasonably practicable, and at the cost of the Chargor, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Chargee in making, such objections or representations in respect of any such Notice as the Chargee may desire; and
- (c) the Chargor shall give full particulars to the Chargee of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to the Property.

12.13 Payment of Outgoings

The Chargor shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Charged Property or on its occupier.

12.14 Environment

The Chargor shall in relation to the Property:

- (a) properly discharge all duties of care and responsibility placed upon it by Environmental Law and comply with the terms of any Environmental Licences;
- (b) observe and perform all material requirements of Environmental Law; and
- (c) apply for and obtain all Environmental Licences.

12.15 Inspection

The Chargor shall permit the Chargee and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice and at reasonable times subject to all health and safety instructions issued by the Chargor.

12.16 Access Roads and Media

In designing and constructing the access roads, footpaths, cycleways or other highway works and the Media upon the Property, the Chargor shall ensure that the same are designed and constructed so as to provide sufficient capacity to service the development of the Charged Property (including but not limited to the development authorised by the Planning Permission).

12.17 Compliance with laws and regulations

- (a) The Chargor shall not, without the Chargee's prior written consent, use or permit the Charged Property to be used in any way contrary to law.
- (b) The Chargor shall:
 - (i) comply with the requirements of any law or legally binding regulation relating to or affecting the Charged Property or the use of it or any part of it;
 - (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required by law in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property;
 - (iii) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by it under any law or legally binding regulation.

12.18 Power to Remedy

- (a) The Chargee shall be entitled (but shall not be obliged) to remedy a breach at any time by the Chargor of any of its obligations contained in this Legal Charge. The Chargor irrevocably authorises the Chargee and its agents to do all such things as are necessary or reasonable in the circumstances for that purpose. Any monies expended by the Chargee in remedying a breach by the Chargor of any of its obligations contained in this Legal Charge shall be reimbursed by the Chargor to the Chargee on a full indemnity basis.
- (b) In remedying any breach in accordance with this clause the Chargee, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Chargee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

12.19 Exercise of rights

The rights of the Chargee under clause 12.18 are without prejudice to any other rights of the Chargee under this Legal Charge. The exercise of any rights of the Chargee under this Legal Charge shall not make the Chargee liable to account as a mortgagee in possession.

13. Negative pledge

The Chargor covenants with the Chargee that, during the continuance of the security created by this Legal Charge, it shall not without the prior written consent of the Chargee:

- 13.1 create or permit to subsist any Encumbrance upon any of the Charged Assets save for any Encumbrance which constitutes a Permitted Disposal; or
- 13.2 dispose of, whether by a single transaction or a number of transactions and whether related or not, the whole or any part of the Charged Assets except by way of a Permitted Disposal.

14. Power of attorney

14.1 The Chargor irrevocably appoints the Chargee, each person to whom the Chargee shall from time to time have delegated the exercise of the power of attorney conferred by this clause and any Receiver jointly and severally to be its attorney and in its name and on its behalf to execute, deliver and perfect all documents and to do all things which the attorney may consider to be required or desirable for:

- (a) carrying out any obligation imposed on the Chargor by this Legal Charge which the Chargor has failed to do (including the execution and delivery of any deeds, charges, assignments or other security and any transfers of the Charged Assets); and
- (b) enabling the Chargee and any Receiver to exercise any of the powers conferred on them by or pursuant to this Legal Charge or by law.

14.2 The Chargor ratifies and confirms, and agrees to ratify and confirm, all things done and all documents executed by any attorney in the exercise or purported exercise of all or any of his powers pursuant to clause 14.1.

15. Reservation of security

15.1 The security created under this Legal Charge will be a continuing security for the ultimate balance of the Secured Liabilities notwithstanding any intermediate payment or settlement of all or any part of the Secured Liabilities.

15.2 The obligations of the Chargor under this Legal Charge will not be affected by any act, omission or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Legal Charge (whether or not known to it or the Chargee). This includes:

- (a) any time or waiver granted to, or composition with, any person;
- (b) any release or any person under the terms of any composition or arrangement;
- (c) 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 person;
- (d) any non-presentation, non-observance of any formality or other requirements in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity, lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- (f) any amendment of any document or security;
- (g) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any document or security or the failure by any person to enter into or be bound by any document or security; or
- (h) any insolvency or similar proceedings.

15.3 The Chargor waives any rights it may have of first requiring the Chargee (or any trustee or agent on its behalf) to proceed against or enforce any other right or security or claim payment from any person or file any proof or claim in any insolvency, administration, winding-up, bankruptcy or liquidation proceedings relative to any other person before claiming from the Chargor under this Legal Charge.

15.4 Appropriations

Until all amounts which may be or become payable by the Chargor to the Chargee have been irrevocably paid in full, the Chargee (or any trustee or agent on its behalf) may without affecting the liability of the Chargor under this Legal Charge:

- (a) refrain from applying or enforcing any other monies, security or rights held or received by the Chargee (or any trustee or agent on its behalf) against those accounts; or apply and enforce them in such manner and order as it sees fit (whether against those amounts or otherwise); and
- (b) hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor's liability under this Legal Charge.

16. Further assurance

16.1 The Chargor shall, at its own expense, promptly take whatever action the Chargee may require for (acting reasonably and properly in relation to clause 16.1(a) and acting only where there is an Event of Default in relation to clauses 16.1(b) and 16.1(c)):

- (a) creating, perfecting or protecting the security intended to be created by this Legal Charge;
- (b) facilitating the realisation of any of the Charged Assets; or
- (c) the exercise of any right, power of discretion exercisable by the Chargee or any Receiver (or any delegates or sub-delegates) in respect of any of the Charged Assets;

including the execution of any security or other document (in such form as the Chargee may reasonably require) the giving of any notice and the making of any registration which the Chargee may think expedient.

17. Grant of easements

17.1 On any sale of the Charged Property or any part of it by the Chargee or a Receiver pursuant to the powers conferred by this Legal Charge, the Chargor will (at its own cost) on demand enter into such deed of easement as the Chargee requires to grant to the purchaser or other disponee the rights for the benefit of the Charged Property over the Uncharged Property set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property (including but not limited to use for residential development) and the Chargor will (at the cost of the Chargor (such costs to be reasonable and proper)) on demand enter into such Works Agreements, adoption agreements and/or deeds of easement as the Chargee or the relevant utilities supplier may require in respect of the Utilities and access roads and footpaths.

17.2 Following the occurrence of an Event of Default the Chargor shall allow the Chargee or a Receiver to exercise the rights over the Uncharged Property set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property/including but not limited to use for residential development.

17.3 If the Chargor fails to execute any Works Agreements, deed of easement or adoption agreement in accordance with its obligation in clause 17.1, the Chargor hereby irrevocably appoints the Chargee its attorney by way of security to execute the relevant deed.

17.4 On or prior to a Disposal of the Uncharged Property the Chargee shall reserve the rights for the benefit of the Charged Property over the Uncharged Property (to be disposed of) as set out in Schedule 2 and such other rights as may reasonably be required for the beneficial use,

development and enjoyment of the Charged Property (including but not limited to use for residential development) or the Chargor will (at its own cost) procure that the disponee enters in to a deed of covenant with the Chargee in a form and substance satisfactory to the Chargee (acting reasonably and properly) to grant the rights referred to in clause 17.1 above over the Uncharged Property or part or parts thereof in the event that the Chargee or a Receiver requires the grant of the same provided always that this provision shall not apply to Permitted Disposals where it is not necessary for the Charged Property to benefit from the rights referred to in clause 17.1 above over the property disposed of pursuant to the Permitted Development.

- 17.5 For the avoidance of doubt, if the Chargor fails to execute any documents or deeds it is required to under this Clause 17, then the Chargee or any Receiver may execute such documents or deeds under the power of attorney granted by Clause 14 of this Legal Charge.

18. Limitation of liability

- 18.1 David Andrew Gray and Brian Turnbull Julius Stevens (the 'Trustees') are only a party to this Legal Charge in their capacity as trustees of the trust upon which the Property is held ('the Trust'). It is expressly understood and agreed by and between the parties, anything herein to the contrary notwithstanding, that each and all of the agreements and undertakings herein made or given on the part of the Trustees is each and every one of them made and intended not as a personal agreement by the trustees of the Trust in their personal capacity, or for the purpose or with the intention of binding said trustees personally, but are made and intended for the purpose of binding only the trustees for the time being of the Trust in that specific capacity.

- 18.2 This Agreement shall cease to bind a person upon his retirement or removal as a trustee of the Trust but shall, instead, be binding upon such person's successors in title as trustee of the Trust.

- 18.3 Notwithstanding any other provision of this Legal Charge, it is expressly agreed and understood that the Trustees' liability to the Chargor pursuant to or otherwise in connection with this Legal Charge shall at all times be limited to the then value of the Trust assets.

19. Protection of third parties

No purchaser from or other person dealing with the Chargee or with any Receiver shall be obliged or concerned to enquire whether the right of the Chargee to appoint a Receiver or the right of the Chargee or any Receiver to exercise any of the powers conferred by this Legal Charge in relation to the Charged Assets or any part of the Charged Assets has arisen or become exercisable by the Chargee or by any such Receiver, nor be concerned with notice to the contrary, nor with the propriety of the exercise or purported exercise of any such powers and the title of such a purchaser and the position of such a person shall not be impeachable by reference to any of those matters.

20. Assignment and transfer

- 20.1 Save for any interest created from time to time by the Chargor pursuant to a Permitted Disposal the Chargor may not assign, transfer, charge, make the subject of a trust or deal in any other manner with this Legal Charge or any of its rights under this Legal Charge or purport to do any of the same without the prior written consent of the Chargee.

- 20.2 The Chargee may at any time assign or transfer its rights and/or its obligations pursuant to this Legal Charge provided that there is a simultaneous assignment and transfer of its rights and/or obligations pursuant to the Contract to the same entity

21. **Third party rights**

21.1 Subject to clause 21.2, a person who is not a party to this Legal Charge shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or rely upon a provision of this Legal Charge. No party to this Legal Charge may hold itself out as trustee of any rights under this Legal Charge for the benefit of any third party unless specifically provided for in this Legal Charge. This clause 21.1 does not affect any right or remedy of any person which exists, or is available, otherwise than pursuant to the Contracts (Rights of Third Parties) Act 1999.

21.2 Any person to whom the benefit of any provision of this Legal Charge is assigned in accordance with the terms of this Legal Charge is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Legal Charge which confers (expressly or impliedly) any benefit on any such person.

22. **Notices**

22.1 Any notice given pursuant to this Legal Charge (a 'notice') shall be made in writing and shall be treated as having been served if served in accordance with clause 14.2. Each notice may be delivered to the relevant party:

- (a) at its registered office; or
- (b) to the address set out after its name at the beginning of this Legal Charge (unless that party has by 10 Business Days' written notice to the other party or parties specified another address).

22.2 Service may be made on a party:

- (a) personally on any director or the company secretary;
- (b) by leaving it at an address for service referred to in clause 22.1; or
- (c) by sending it by prepaid first-class letter (or by airmail if to or from an address outside the United Kingdom) through the post to an address for service referred to in clause 22.1.

22.3 Any notice shall be served or treated as served at the following times:

- (a) in the case of service personally or in accordance with clause 22.2(b), at the time of service; or
- (b) in the case of service by post, at 9am on the second Business Day after it was posted or in the case of service to or from an address outside the United Kingdom, at 9am (local time at the place of destination) on the fourth Business Day after it was posted.

22.4 In proving service of a notice by post, it shall be sufficient to prove that such notice was correctly addressed, full postage paid and posted.

22.5 E-mail and fax are not valid forms of service under this Legal Charge.

23. **Expenses**

23.1 The Chargor shall, from time to time on demand of the Chargee, pay or reimburse the Chargee on a full indemnity basis for all reasonable property costs and expenses (including legal fees) together with any VAT or similar taxes thereon incurred by it in connection with anything done by the Chargee or at the request of the Chargee pursuant to this Legal Charge (such costs to be reasonable).

PROVIDED THAT the Chargor shall at no time be liable to pay or be responsible for any costs associated with the production of forms DS1 and/or RX4 (or any other relevant document(s)) by the Chargee pursuant to clause 5.1 of this Legal Charge.

- 23.2 The Chargor shall indemnify the Chargee, its agents, attorneys and any Receiver against any action, proceeding, claim loss liability and costs which it may sustain in the exercise (or purposed exercise) of any rights, powers, or discretions vested in them by this Legal Charge (or by law).

24. **General**

- 24.1 No variation to this Legal Charge shall be effective unless made in writing and signed by or on behalf of all the parties to this Legal Charge. The Chargor and Chargee shall not be required to obtain the consent of any third party on whom a benefit is conferred under this Legal Charge to the termination or variation of this Legal Charge or to the waiver or settlement of any right or claim arising under it. A waiver given or consent granted by the Chargee under this Legal Charge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

- 24.2 Each provision of this Legal Charge is severable and distinct from the others. If at any time any provision of this Legal Charge is or becomes unlawful, invalid or unenforceable to any extent or in any circumstances for any reason, it shall to that extent or in those circumstances be deemed not to form part of this Legal Charge but (except to that extent or in those circumstances in the case of that provision) the legality, validity and enforceability of that and all other provisions of this Legal Charge shall not be affected in any way.

- 24.3 If any provision of this Legal Charge is found to be illegal, invalid or unenforceable in accordance with clause 24.2 but would be legal, valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such modification(s) as may be necessary to make it legal, valid or enforceable.

- 24.4 The failure or delay in exercising a right or remedy provided by this Legal Charge or by law does not constitute a waiver of that (or any other) right or remedy. No single or partial exercise, or non-exercise or non-enforcement of any right or remedy provided by this Legal Charge or by law prevents or restricts any further or other exercise or enforcement of that (or any other) right or remedy.

- 24.5 The Chargee's rights and remedies contained in this Legal Charge are cumulative and not exclusive of any rights or remedies provided by law.

- 24.6 This Legal Charge may be executed in any number of counterparts each of which when executed and delivered shall be an original. All the counterparts together shall constitute one and the same document.

25. **Delegation**

The Chargor or any Receiver may delegate (either generally or specifically) by power of attorney to any person any right, power, authority or discretion conferred on it by this Legal Charge (including the power of attorney granted under clause 14.1). The Chargee and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

26. **Governing law**

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

27 Jurisdiction

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

27.2 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.

27.3 Costs

The Chargor shall, promptly demand, pay to, or reimburse, the Chargee and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out of pocket expenses) incurred by the Chargee, any Receiver or any Delegate in connection with:

- (a) this Legal Charge or the Charged Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Chargee's, a Receiver's or a Delegate's rights under this Legal Charge; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities;

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgement, liquidation, winding up or administration of the Chargor) at the rate and in the manner specified in the Contract.

27.4 Indemnity

(a) The Chargor shall indemnify the Chargee, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

- (i) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Legal Charge or by law in respect of the Charged Property;
- (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Legal Charge; or
- (iii) any default or delay by the Chargor in performing any of its obligations under this Legal Charge.

(b) Any past or present employee or agent may enforce the terms of this Clause 27.4 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

IN WITNESS whereof the Chargor has duly executed this Legal Charge as a deed and it is delivered on the date first set out above:

SCHEDULE 1
Details of the Charged Property

The property known as land on the east side of Chester Road, West Barnwell registered at the Land Registry at the date hereof with freehold title absolute and forming part of title number TY479487 and being the shown with a broken red line with the benefit of the following rights over the Property in common with the Chargor and all others who have such or similar rights:

1. a pedestrian and vehicular right of way over the Uncharged Property at all times and for all purposes to gain access to and from the Charged Property, provided that the Chargor (acting reasonably) may from time to time prescribe the route or routes over which the right is to be exercised;
2. to enter the Uncharged Property to make connections to the Media in the Uncharged Property and to install additional Media in the Uncharged Property;
3. to the supply of Utilities to and from the Charged Property by means of the Media in the Uncharged Property;
4. to enter the Uncharged Property to build on, inspect, repair, maintain, renew and replace the Charged Property and the Media;
5. of support and protection afforded by the Uncharged Property for any building erected on the Charged Property;
6. such other rights as may be reasonably required for the beneficial use and enjoyment of the Charged Property (including but not limited to use for residential development);
7. all rights of entry are subject to the following conditions:
 - 7.1 entry can only be exercised so far as and to the extent that the purpose for which the right is exercised cannot reasonably be undertaken without such entry;
 - 7.2 entry shall not be exercised over the curtilage of any dwellings;
 - 7.3 entry can only be exercised at reasonable times of the day after giving reasonable prior written notice (except in an emergency when no notice shall be required);
 - 7.4 entry can be exercised with and without workmen and appliances if necessary;
 - 7.5 anyone exercising a right of entry must do as little damage as possible and must make good or pay compensation for any damage that is done;
 - 7.6 the route of any additional Media to be laid shall first be agreed by the Chargor or (if different) the owner of the land through which it is to be laid (such agreement not to be unreasonably withheld or delayed).

SCHEDULE 2
Rights to be granted

The following rights over the Uncharged Property in common with the Chargor and all others who have such or similar rights:

1. a pedestrian and vehicular right of way over the Uncharged Property at all times and for all purposes to gain access to and from the Charged Property over the route shown hatched brown and green, provided that the Chargor (acting reasonably) may from time to time vary the route shown hatched green over which the right is to be exercised, provided it is no less convenient than the existing part of the route hatched green;
2. to enter the Uncharged Property to make connections to the Media in the Uncharged Property and to install additional Media in the Uncharged Property and to construct access road and footpaths on the Uncharged Property;
3. to the supply of Utilities to and from the Charged Property by means of the Media in the Property;
4. to enter the Uncharged Property to build on, inspect, repair, maintain, renew and replace the Charged Property and the Media and access roads and footpaths on the Uncharged Property;
5. to keep and use Projections incidental to any building erected on the Charged Property which overhang or protrude beneath the Uncharged Property;
6. of support and protection afforded by the Uncharged Property for any building erected on the Charged Property;
7. all rights of entry are subject to the following conditions:
 - 7.1 entry can only be exercised so far as and to the extent that the purpose for which the right is exercised cannot reasonably be undertaken without such entry;
 - 7.2 entry shall not be exercised over the curtilage of any Units;
 - 7.3 entry can only be exercised at reasonable times of the day after giving reasonable prior written notice (except in an emergency when no notice shall be required);
 - 7.4 entry can be exercised with and without workmen and appliances if necessary;
 - 7.5 anyone exercising a right of entry must do as little damage as possible and must make good or pay compensation for any damage that is done;
 - 7.6 the route of any additional Media roads to be laid shall first be agreed by the Chargor or (if different) the owner of the land through which it is to be laid (such agreement not to be unreasonably withheld or delayed).

ANNEX 1
Plan

LEGEND

- 1st Charge - 220 units
- 2nd Charge - 44 units

De
EX

LEGAL CHARGE PLAN

1st Charge - 220 units
2nd Charge - 44 units

Taylor
Wimpey

PENSHAW
SUNDERLAND

1N/ PENSHAWLCP_01

Executed as a deed by [] Deborah Jameson
and []
as authorised attorneys of TAYLOR WIMPEY UK LIMITED Georgina Dowson

Attorney [Signature]
Attorney [Signature]

in the presence of

Signature of Witness [Signature] Kim Teague
Name in block capitals Taylor Wimpey UK Ltd
Address Rapier House
Colima Avenue
Sunderland
SR5 3XB

Executed as a deed by)
DAVID ANDREW GRAY)

In the presence of

Witness
Signature _____
Name _____
Address _____
Occupation _____

Executed as a deed by)
BRIAN TURNBULL JULIUS STEVENS)

In the presence of

Witness
Signature _____
Name _____
Address _____
Occupation _____