



Registration of a Charge

Company name: **OLNATO LIMITED**

Company number: **01446600**



X5XVIZ4Y

Received for Electronic Filing: **11/01/2017**

Details of Charge

Date of creation: **10/01/2017**

Charge code: **0144 6600 0176**

Persons entitled: **PERSIMMON HOMES LIMITED**

Brief description: **THAT LAND FORMING PART OF THE LAND AT DERWENT HOWE INDUSTRIAL ESTATE WORKINGTON CUMBRIA AS IS SHOWN EDGED AND HATCHED RED ON THE ATTACHED PLAN AND FALLS WITHIN TITLE NUMBER CU263253.**

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:

BAINES WILSON LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1446600

Charge code: 0144 6600 0176

The Registrar of Companies for England and Wales hereby certifies that a charge dated 10th January 2017 and created by OLNATO LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 11th January 2017 .

Given at Companies House, Cardiff on 12th January 2017

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



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED

10 January

2017

OLNATO LIMITED

and

PERSIMMON HOMES LIMITED

LEGAL MORTGAGE

over land at

DERWENT HOWE INDUSTRIAL ESTATE WORKINGTON CUMBRIA

WE HEREBY CERTIFY THAT THIS IS A
TRUE AND ACCURATE COPY OF THE
ORIGINAL.

DATED THIS 10 DAY OF January 2017

BAINES WILSON LLP Paul

THIS DEED is dated

10 January

2017

Parties

- (1) **OLNATO LIMITED** incorporated and registered in England and Wales with company number 1446600 whose registered office is at New Burlington House 1075 Finchley Road London NW110PU (the **Chargor**); and
- (2) **PERSIMMON HOMES LIMITED** incorporated and registered in England and Wales with company number 04108747 whose registered office is at Persimmon House, Fulford, York YO19 4FE (the **Chargee**)

Background

- (A) The Chargor is the registered proprietor at the Land Registry of the Charged Area
- (B) This deed provides security which the Chargor has agreed to give to the Chargee to secure payment of the Outstanding Sums as owing from time to time under clause 25 of the Contract

Agreed terms

1. Definitions and interpretation

1.1 Definitions

The following definitions apply in this deed

Charged Area: that land forming part of the land at Derwent Howe Industrial Estate Workington Cumbria as is shown edged and hatched red on the attached plan and falls within title number CU263253 and each and every part of it and subject always to the provisions of clause 17

Contract: a contract dated *10 January 2017* made between the
Chargor (1) and the Chargee (2)

Costs: all costs, charges, expenses, taxes and liabilities of any kind, including
(without limitation) costs and damages in connection with litigation,
professional fees, disbursements and any VAT charged on Costs which the
Chargee or any Receiver may charge or incur

Disposal: any disposition within the meaning of section 205 of the Law of
Property Act 1925 or section 27(2) of the Land Registration Act 2002

Event of Default: any of the following events of default;

- (i) the Chargor does not pay the Secured Liabilities when they fall due;
- (ii) the Chargor does not comply with its obligations in this deed;
- (iii) there is any material breach by the Chargor of the warranties in
clause 6 or the covenants in Schedule 1;
- (iv) an order is made for the compulsory purchase of the whole or any part
of the Charged Area;
- (v) a receiver or administrative receiver is appointed of the whole or any
part of the Charged Area or any person takes possession of or
exercises or attempts to exercise any power of sale in relation to the
Charged Area;
- (vi) where the Chargor is a company, a voluntary arrangement is made in
respect of the Chargor under Part 1 Insolvency Act 1986;
- (vii) where the Chargor is an individual, a bankruptcy order is made
against the Chargor; or

(viii) where the Chargor is an individual an interim order is made for a voluntary arrangement under section 252 Insolvency Act 1986 in respect of the Chargor

Insurance Policy: each contract or policy of insurance effected or maintained from time to time in accordance with paragraph 4.1 of Schedule 1 in respect of the Charged Area and any buildings and work-in-progress from time to time constructed on the Charged Area

Interest Rate: 4% above the base rate of National Westminster Bank plc or such other clearing bank nominated by the Chargee at any time or if the clearing banks cease at any time to publish a base lending rate such comparable rate of interest as the Chargee may determine

LPA 1925: the Law of Property Act 1925

Outstanding Sums: all such sums as may be contractually due from the Chargor pursuant to clauses 25.1 and 25.7 of the Contract

Receiver: a receiver and/or manager of any or all of the Charged Area

Restriction: any restriction registered at the Land Registry pursuant to clause 4.1 of this deed

Secured Liabilities: the Outstanding Sums and all other sums due or to become due to the Chargee under this deed

Security Interest: any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect

Security Period: the period starting on the date of this deed and ending on the date on which all of the Secured Liabilities are unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding

VAT: value added tax

Working Day: any day from Monday to Friday (inclusive) which is not a Christmas Day Good Friday or statutory bank holiday

1.2 **Interpretation**

In this deed:

- 1.2.1 reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts;
- 1.2.2 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.3 unless the context otherwise requires, words in the singular include the plural and in the plural include the singular;
- 1.2.4 a reference to a clause or Schedule is to a clause of, or Schedule to, this deed and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires;
- 1.2.5 a reference to **this deed** (or any provision of it) or any other document shall be construed as a reference to this deed, that provision or that

document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties;

- 1.2.6 a reference to a **person** shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person;
- 1.2.7 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- 1.2.8 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.9 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.10 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.2.11 a reference to the **Chargor** or the **Chargee** shall include its successors, permitted transferees and permitted assigns;
- 1.2.12 a reference to **Charged Area** includes each and every part and the whole or any part of it;

1.2.13 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the discretion of the person making it; and

1.2.14 clause, Schedule and paragraph headings shall not affect the interpretation of this deed; and

1.2.15 where any obligation herein is owed by more than one party the liability of them shall be joint and several

1.3 Nature of security over real property

A reference in this deed to a charge or mortgage of or over the Charged Area includes:

1.3.1 all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which belong to the Chargor and are situated on or form part of the Charged Area at any time;

1.3.2 the proceeds of sale of the Charged Area and any other monies paid or payable in respect of or in connection with the Charged Area (in both cases only up to the level of the Secured Liabilities);

1.3.3 the benefit of any covenants for title given to any predecessor in title of the Chargor in respect of the Charged Area and any monies paid or payable in respect of those covenants; and

1.3.4 all rights under any licence to occupy, agreement for sale or agreement for lease in respect of the Charged Area the sale of which is completed after the occurrence of an Event of Default

1.4 Third-party rights

Except as expressly provided elsewhere in this deed, a person who is not a party to this deed (other than a permitted successor or assign, or any Receiver) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this deed

1.5 Perpetuity period

If the rule against perpetuities applies to any trust created by this deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.6 Schedules

The Schedules form part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedules.

2. Covenant to pay

2.1 The Chargor shall on demand pay to the Chargee and discharge the Secured Liabilities when they become due as set out in the Contract. Time shall be of the essence for the purposes of this clause 2

2.2 If the Outstanding Sums or any part of it is not paid within 14 days of written demand it will bear interest at the Interest Rate both before and after any judgment from and including the date of demand

3. Grant of security

The Chargor with full title guarantee charges to the Chargee by way of first legal mortgage:

- 3.1 the Charged Area as a continuing security for the payment and discharge by the Chargor of the Secured Liabilities; and
- 3.2 by way of first fixed charge all monies payable to the Chargor under or pursuant to the Insurance Policy following an Event of Default

4. **Perfection of security**

4.1 **Registration of legal mortgage at the Land Registry**

- 4.1.1 The Chargor consents to an application being made by the Chargee to the Land Registrar for the following restriction to be registered against its title to the Charged Area (only):

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated *10 January 2017* in favour of Persimmon Homes Limited referred to in the charges register or its conveyancer."

PROVIDED always that following the payment of the Outstanding Sums in accordance with the Contract (and any other monies then contractually due hereunder) the Chargee shall as soon as reasonably practicable:

- 4.1.1.1 apply to the Land Registry to have the Restriction removed from the registers of title to the Charged Area and the Chargee agrees that the Chargor may act as the Chargee's attorney if it shall fail to do so; and

4.1.1.2 provide to the Chargor a duly executed DS1 in respect of the
Charged Area

4.2 The Chargor acknowledges and agrees that the Chargee may apply to have the security created by this Charge registered with the Registrar of Companies

5. Notices

If any notice (whether agreed or unilateral) is registered against the Chargor's title to the Charged Area to protect a purported interest the creation of which is not permitted under this deed, the Chargor's shall as soon as it becomes aware of such registration provide the Chargee with full particulars of the circumstances relating to such notice and at its own expense, take such steps as the Chargee may reasonably require to ensure that the caution or notice as applicable is withdrawn or cancelled

6. Warranties

The Chargor warrants to the Chargee that:

6.1 neither the execution of this deed nor compliance with its terms will:

6.1.1 conflict with or result in any breach of any law or enactment or any deed, agreement or other obligation or duty to which the Chargor is bound; or

6.1.2 cause any limitation on any of the powers of the Chargor or on the right or ability of the directors of the Chargor to exercise those powers to be exceeded;

- 6.2 all consents required by the Chargor for the execution, delivery, issue, validity or enforceability of this deed have been obtained and have not been withdrawn;
- 6.3 no person having any charge or other form of security over the Charged Area or any other assets of the Chargor has enforced or given notice of its intention to enforce such security; and
- 6.4 no Event of Default has occurred and is continuing

7. Covenants

The Chargor covenants with the Chargee in the terms set out in Schedule 1

8. Powers of the Chargee

8.1 Chargee has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Chargee in relation to any of the Charged Area whether or not it has taken possession of any property and without first appointing a Receiver or notwithstanding the appointment of a Receiver

8.2 Power to Remedy

8.2.1 The Chargee shall be entitled (but shall not be obliged) to remedy, at any time, the breach by the Chargor of any of its obligations contained in this deed

8.2.2 The Chargor irrevocably authorises the Chargee and its agent to do all such things as shall be necessary or desirable for that purpose

8.2.3 Any monies properly and reasonably expended by the Chargee in remedying a breach by the Chargor of its obligations contained in this deed, shall be reimbursed by the Chargor to the Chargee on a full indemnity basis and shall carry interest at the Interest Rate. In remedying any breach in accordance with this clause 8.2 the Chargee, its agent and their respective officers, agents and employees shall be entitled to enter onto the Charged Area and take any action as the Chargee may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, or other works of development

8.2.4 The rights of the Chargee under this clause 8.2 are without prejudice to any other rights of the Chargee under this deed. The exercise of any rights of the Chargee under this deed shall not make the Chargee liable to account as a mortgagee in possession

9. When security becomes enforceable

9.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs and is continuing unremedied

9.2 Discretion

After the security constituted by this deed has become enforceable, the Chargee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Area

10. Enforcement of security

10.1 Enforcement powers

10.1.1 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Chargee and a purchaser from the Chargee, arise on and be exercisable at any time after the execution of this deed, but the Chargee shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 9.1

10.1.2 Section 103 of the LPA 1925 (restricting the power of sale) does not apply to the security constituted by this deed

10.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and/or by any other statute are extended so as to authorise the Chargee and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Chargor, to:

10.2.1 grant any lease or agreement for lease;

10.2.2 accept surrenders of leases; or

10.2.3 grant any option of the whole or any part of the Charged Area with whatever rights relating to other parts of it

whether or not at a premium and containing such covenants on the part of the Chargor and on such terms and conditions (including the payment of money

to a lessee or tenant on a surrender) as the Chargee or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925

10.3 Protection of third parties

No purchaser, mortgagee or other person dealing with the Chargee or any Receiver shall be concerned to enquire:

10.3.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

10.3.2 whether any power the Chargee or a Receiver is purporting to exercise has become exercisable or is properly exercisable; or

10.3.3 how any money paid to the Chargee or any Receiver is to be applied

10.4 Privileges

Each Receiver and the Chargee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers

10.5 No liability as mortgagee in possession

Neither the Chargee nor any Receiver shall be liable to account as mortgagee in possession in respect of all or any of the Charged Area, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Area for which a mortgagee in possession might be liable as such

10.6 Relinquishing possession

If the Chargee or any Receiver enters into or takes possession of the Charged Area, it or he may at any time relinquish possession

10.7 Conclusive discharge to purchasers

The receipt of the Chargee or any Receiver shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Area or in making any acquisition in the exercise of their respective powers, the Chargee and every Receiver may do so for such consideration, in such manner and on such terms as it or he thinks fit

11. Receivers

11.1 Appointment

At any time after the security constituted by this deed has become enforceable, the Chargee may, without further notice appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Charged Area

11.2 Removal

The Chargee may, without further notice, (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated

11.3 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 deed, which shall become due and payable immediately on it being paid by the Chargee

11.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed 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

11.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Chargee despite any prior appointment in respect of all or any part of the Charged Area

11.6 Agent of the Chargor

Any Receiver appointed by the Chargee under this deed 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

12. Powers of Receiver

12.1 Powers additional to statutory powers

12.1.1 Any Receiver appointed by the Chargee under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in this clause 12

12.1.2 If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver

12.1.3 Any exercise by a Receiver of any of the powers given by this clause 12 may be on behalf of the Chargor, the directors of the Chargor or himself.

12.2 Repair and develop the Charged Area

A Receiver may undertake or complete any works of repair, alteration, building or development on the Charged Area and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same

12.3 Grant or accept surrenders of leases

A Receiver may grant, or accept surrenders of, any leases or tenancies affecting the Charged Area and may grant any other interest or right over the Charged Area on such terms and subject to such conditions as he thinks fit

12.4 Employ personnel and advisers

A Receiver may provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such terms and subject to such conditions as he

thinks fit. A Receiver may discharge any such person or any such person appointed by the Chargor

12.5 Make VAT options to tax

A Receiver may exercise any VAT option to tax as he thinks fit

12.6 Charge for remuneration

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

12.7 Realise Charged Area

A Receiver may collect and get in the Charged Area or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Charged Area with like rights

12.8 Manage the Chargor's business

A Receiver may carry on manage or permit the carrying on or managing of the business of the Chargor carried on at the Charged Area

12.9 Dispose of Charged Area

A Receiver may grant options and licences over all or any part of the Charged Area, sell, assign, lease and accept surrenders of leases of (or concur in selling, assigning, leasing or accepting surrenders of leases of) all or any of the Charged Area in respect of which he is appointed for such consideration and in such manner (including, without limitation, by public auction or private

sale) and generally on such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Area to be disposed of by him

12.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from the Charged Area without the consent of the Chargor

12.11 Give valid receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Charged Area

12.12 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Chargor and any other person which he may think expedient

12.13 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Area as he thinks fit

12.14 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 14.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Chargor under this deed

12.15 Powers under LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925 and exercise all powers provided for an administrative receiver in Schedule 1 of the Insolvency Act 1986

12.16 Borrow

A Receiver may, for any of the purposes authorised by this clause 12, raise money by borrowing from the Chargee (or from any other person) either unsecured or on the security of all or any of the Charged Area in respect of which he is appointed on such terms as he thinks fit (including, if the Chargee consents, terms under which such security ranks in priority to this deed)

12.17 Absolute beneficial owner

A Receiver may, in relation to any of the Charged Area, exercise all powers, authorisations and rights he would be capable of exercising, and do all such acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Charged Area

12.18 Incidental powers

A Receiver may do all such other acts and things:

12.18.1as he may consider desirable or necessary for realising any of the Charged Area;

12.18.2as he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law;
or

12.18.3that he lawfully may or can do as agent for the Chargor

13. Application of proceeds

13.1 Order of application of proceeds

All monies received by the Chargee or a Receiver under this deed after the security constituted by this deed has become enforceable (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

13.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Chargee (and any Receiver, attorney or agent appointed by it) under or in connection with this deed and of all remuneration due to any Receiver under or in connection with this deed;

13.1.2 in or towards payment of or provision for the Secured Liabilities in such order and manner as the Chargee determines; and

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

13.2 Appropriation

Neither the Chargee nor any Receiver shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities

14. Costs and indemnity

14.1 Costs

The Chargor shall pay to, or reimburse, the Chargee and any Receiver on demand, on a full indemnity basis, all Costs incurred by the Chargee or any Receiver in connection with:

14.1.1 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Chargee's or a Receiver's rights under this deed; or

14.1.2 taking proceedings for, or recovering, any of the Secured Liabilities

together with interest on those Costs, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant Cost arose until full discharge of that Cost (whether before or after judgment, liquidation, winding up or administration of the Chargor) at the Interest Rate

14.2 Indemnity

The Chargor shall indemnify the Chargee and each Receiver, and their respective employees and agents on a full indemnity basis, in respect of all Costs incurred or suffered by any of them in or as a result of:

14.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this deed or by law in respect of the Charged Area;

14.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or

14.2.3 any default or delay by the Chargor in performing any of its obligations under this deed

Any past or present employee or agent may enforce the terms of this clause 14.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999

15. Further assurance

The Chargor shall, at its own expense, take whatever action the Chargee or any Receiver may reasonably require for:

15.1 creating, perfecting or protecting the security intended to be created by this deed;

15.2 facilitating the realisation of any of the Charged Area; or

15.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Chargee or any Receiver in respect of any of the Charged Area

including, without limitation, if the Chargee thinks it expedient, the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of, or intended to form part of, the Charged Area (whether to the Chargee or to its nominee) and the giving of any notice, order or direction and the making of any registration

16. Power of attorney

16.1 Appointment of attorney

By way of security, the Chargor irrevocably appoints the Chargee and every Receiver separately to be the attorney of the Chargor and, in its name, on its

behalf and as its act and deed, to execute any documents and do any acts and things that:

16.1.1 the Chargor is required to execute and do under this deed; or

16.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this deed or by law on the Chargee or any Receiver

16.2 Ratification of acts of attorneys

The Chargor ratifies and confirms, and agrees to ratify and confirm, anything which any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 16.1

17. Release

17.1 Subject to clause 17.2, on the expiry of the Security Period (but not otherwise), the Chargee shall, at the request and cost of the Chargor, take whatever action is necessary to release the Charged Area from the security constituted by this deed and shall in any event as soon as reasonably practicable apply to the Land Registry to have the Restriction removed from the registers of title to the Charged Area

17.2 At any time prior to the expiry of the Security Period upon the Chargee being provided with a bank bond or other adequate alternative security in substitution for this charge insofar as it relates to all or any part of the Charged Area (such bank bond or alternative security to be in a form and on terms that are satisfactory to the Chargee acting reasonably) the Chargee will

release from this charge any part or parts of the Charged Area as the Chargor may properly and reasonably request to be released

17.3 The Chargee shall not be obliged to provide any release pursuant to clause 17.2 if by the execution of such release the market value (as agreed or determined pursuant to clause 17.4) of the parts of the Charged Area that remain subject to this charge and/or the amount of any alternative security provided in accordance with clause 17.2 would (in aggregate) fall below 100% of the amount of the then Secured Liabilities

17.4 Any dispute arising out of this clause 17 may be referred by either party to an expert in accordance with the provisions of clause 17.5

17.5 Except where otherwise expressly herein provided for if any dispute or difference shall arise between the parties with regard to this clause 17 then either party may give notice to the other that it requires such dispute or difference to be referred to and to be determined by an independent expert in accordance with the provisions of this clause 17 who (if not appointed jointly by agreement between the parties within 10 Working Days of either party requesting an appointment) shall be appointed upon the application of either of the parties at any time as follows:

17.5.1 in regard to any matter or thing of a valuation nature arising out of or connected with the subject matter of this deed to the President for the time being of The Royal Institution of Chartered Surveyors;

17.5.2 in regard to matters of law to the President for the time being of the Law Society;

17.5.3 the independent expert appointed in accordance with this clause 17.5 shall:

17.5.3.1 be of not less than 15 years recent experience in his profession dealing with matters similar to the subject matter of the dispute;

17.5.3.2 act as an expert;

17.5.3.3 consider any written representations made by or on behalf of either party (each party being entitled to receive a copy of the other's representations and within 15 Working Days to submit counter representations) but otherwise shall have an unfettered discretion;

17.5.3.4 insofar as reasonably practicable determine the matter within 30 Working Days of his appointment and serve written notice of his reasoned determination on each party; and

17.5.3.5 be paid his proper fees and expenses in connection with such determination by the parties in equal shares or such shares as he shall determine Provided That either party may pay the costs of the other party and may recover from that other party such costs and the reasonable and proper costs of making such payment of costs

17.6 Nothing in this clause 17 shall prevent either party applying to the court for an order of specific performance.

18. **Assignment and transfer**

18.1 Assignment by Chargee

18.1.1 At any time, without the consent of the Chargor, the Chargee may assign or transfer the whole or any part of the Chargee's rights and/or obligations under this deed to (only) a UK clearing bank PROVIDED that any assignee or transferee shall have first covenanted by deed with the Chargor to observe and perform the Chargee's obligations hereunder

18.1.2 The Chargee may disclose to any actual or proposed assignee or transferee such information about the Chargor, the Charged Area and this deed as the Chargee considers appropriate

18.2 Assignment by Chargor

The Chargor may not assign any of its rights or transfer any of its obligations under this deed or enter into any transaction that would result in any of those rights or obligations passing to another person

19. Continuing security

This deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account or intermediate payment or other matter or thing, unless and until the Chargee discharges this deed in writing

20. Rights cumulative

The rights and powers of the Chargee conferred by this deed are cumulative, may be exercised as often as the Chargee considers appropriate, and are in addition to its rights and powers under the general law

21. **Amendments**

Any amendment of this deed shall be in writing and signed by, or on behalf of the parties

22. **Variations and waivers**

Any waiver or variation of any right by the Chargee (whether arising under this deed or under the general law) shall only be effective if it is in writing and signed by the Chargee and applies only in the circumstances for which it was given, and shall not prevent the Chargee from subsequently relying on the relevant provision

23. **Further exercise of rights**

No act or course of conduct or negotiation by or on behalf of the Chargee shall, in any way, preclude the Chargee from exercising any right or power under this deed or constitute a suspension or variation of any such right or power

24. **Delay**

No delay or failure to exercise any right under this deed shall operate as a waiver of that right or constitute an election to affirm this deed. No election to affirm this deed shall be effective unless it is in writing

25. **Single or partial exercise**

No single or partial exercise of any right under this deed shall prevent any other or further exercise of that or any other right

26. **Consolidation**

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this deed

27. Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this deed under the laws of any jurisdiction shall not affect the validity, enforceability or legality of the other provisions. If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with any modifications necessary to give effect to the commercial intention of the parties

28. Notices

28.1 Service

Each notice or other communication required to be given under, or in connection with, this deed shall be:

28.1.1 in writing and delivered personally or sent by prepaid first-class letter; and

28.1.2 sent:

28.1.2.1 to the Chargor at 11 Bury New Road Prestwich Manchester M25 9JZ marked for the attention of James Davis; and

28.1.2.2 to the Chargee at the address of the Chargee stated above marked for the attention of David Gilling

or to such other address as is notified in writing by one party to the other from time to time

28.2 Receipt by parties to this deed

Any notice or other communication that the Chargee or the Chargor gives shall be deemed to have been received:

28.2.1 if given by hand, at the time of actual delivery; and

28.2.2 if posted, on the second Working Day after the day it was sent by prepaid first-class post

A notice or other communication given as described in clause 28.2.1 or clause 28.2.2 on a day that is not a Working Day or after 4.00pm on a Working Day, shall be deemed to have been received on the next Working Day

29. Governing law and jurisdiction

29.1 Governing law

This deed shall be governed by and construed in accordance with English law

29.2 Jurisdiction

The parties to this deed irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims)

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it

Schedule 1

Covenants

1. Negative pledge and disposal restrictions

Subject to clause 8.3 and clause 17.2 the Chargor shall not at any time, except with the prior written consent of the Chargee:

- 1.1 create, or permit to subsist any Security Interest on, or in relation to, the Charged Area other than any Security Interest created by this deed;
- 1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Area; or
- 1.3 create or grant (or purport to create or grant) any interest in the Charged Area in favour of a third party save by a Permitted Disposal

2. Preservation of the Charged Area

The Chargor shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Chargee or materially diminish the value of any of the Charged Area or the effectiveness of the security created by this deed Provided that the residential development of the Charged Area in a properly planned and managed way so as to reserve all necessary rights and impose all necessary covenants to ensure that the Charged Area may be fully developed and used and is capable of being freely disposed of on the open market for residential and ancillary development shall not constitute a breach of this obligation

3. Compliance with laws and regulations

- 3.1 The Chargor shall not, without the Chargee's prior written consent, use or permit the Charged Area to be used in any way contrary to law
- 3.2 The Chargor shall:
 - 3.2.1 comply with the requirements of any law and regulation relating to or affecting the Charged Area or the use of it or any part of it;
 - 3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Area or its use or that are necessary to preserve, maintain or renew the Charged Area or any part or parts of it; and
 - 3.2.3 promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Area that are required to be made by it under any law or regulation
- 3.3 The Chargor shall not, without the prior written consent of the Chargee:
 - 3.3.1 make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Charged Area other than an application for Satisfactory Planning Permission; or
 - 3.3.2 carry out or permit or suffer to be carried out on the Charged Area any development as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008 or change or permit or suffer to be changed the use of the Charged Area save as authorised by a Satisfactory Planning Permission

4. Insurance

- 4.1 The Chargor shall insure and keep insured with a reputable insurer the Charged Area and any buildings and work-in-progress from time to time constructed on the Charged Area against loss or damage by such risks, perils and contingencies and in such amounts as the Chargor shall reasonably determine
- 4.2 The Chargor shall, if requested by the Chargee (but not more than once every 12 months), produce to the Chargee a certified copy of the policy schedule and/or register (only) of any Insurance Policy
- 4.3 The Chargor shall promptly pay all premia in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect
- 4.4 The Chargor shall not do or omit to do, or permit to be done or omitted, anything that may invalidate or otherwise prejudice any Insurance Policy
- 4.5 All monies payable under any Insurance Policy at any time (whether or not the security constituted by this deed has become enforceable) shall be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of the Secured Liabilities

5. **Leases and licences affecting the Charged Area**

Subject to clause 8.3 and clause 17.2 the Chargor shall not, without the prior written consent of the Chargee:

- 5.1 grant any licence or tenancy affecting the whole or any part of the Charged Area, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such

licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);

5.2 in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Charged Area (or agree to dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Charged Area);

5.3 let any person into occupation of or share occupation of the whole or any part of the Charged Area; or

5.4 grant any consent or licence under any lease or licence affecting the Charged Area

6. No restrictive obligations

Subject to clause 8.3 and clause 17.2 the Chargor shall not, without the prior written consent of the Chargee, enter into any onerous or restrictive obligations affecting the whole or any part of the Charged Area or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Charged Area

7. Notices or claims relating to the Charged Area

The Chargor shall:

7.1 (save where the same relate to the development of the Charged Area by the Chargor in accordance with a Satisfactory Planning Permission) give full particulars to the Chargee of any 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

Area, or to the locality in which it is situated, promptly after becoming aware of the relevant Notice; and

- 7.2 (if the Chargee so reasonably requires) immediately, 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 thinks fit

8. **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 Area or on its occupier including (without prejudice to the generality of the foregoing) all charges levied for the development or maintenance of any Public Open Space

9. **Inspection**

The Chargor shall permit the Chargee and any Receiver and any person appointed by either of them to enter on and inspect the Charged Area on reasonable prior notice

Signed as a Deed by the said Olnato Limited)
acting by two directors or a director and the company)
secretary:-

Director:

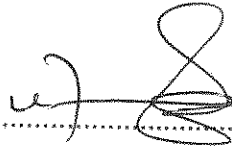
Director/Secretary:

Signed as a Deed by the said

PERSIMMON HOMES LIMITED

acting by its Attorneys

KEVIN FURRINGTON

signed  (Attorney)

And

DIANE FINCH

signed  (Attorney)

In the presence of:

Witness signature ........

Witness name ...RACHEL GRAHAM (PLANNER).....

Address PERSIMMON HOMES LANCASTHIRE, PERSIMMON HOUSE,

LANCASTER BUSINESS PARK, CATON RD, LANCASTER, LA13RQ