



Registration of a Charge

Company name: **BAE SYSTEMS PLC**

Company number: **01470151**



X512A2O8

Received for Electronic Filing: **21/10/2016**

Details of Charge

Date of creation: **20/10/2016**

Charge code: **0147 0151 0047**

Persons entitled: **NETWORK RAIL INFRASTRUCTURE LIMITED (CRN: 2904587)**

Brief description: **THE FREEHOLD LAND KNOWN AS THE SITE OF AN AIRFIELD AT BROUGH, HU15 1EQ (PART OF TITLE NUMBER HS31335) SHOWN EDGED RED ON THE PLAN ATTACHED TO THE CHARGE.**

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: **ROLLITS LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 1470151

Charge code: 0147 0151 0047

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th October 2016 and created by BAE SYSTEMS PLC was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 21st October 2016 .

Given at Companies House, Cardiff on 24th October 2016

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



Companies House



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

We certify this to be
a true copy Ashurst LLP
Ashurst LLP 20/10/16

20 October 2016

Legal Charge
relating to
Deferred Consideration under Deed of Grant in
respect of Land at Brough

Network Rail Infrastructure Limited ⁽¹⁾ and
BAE Systems plc ⁽²⁾

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DATED 20 October 2016

PARTIES

- (1) **NETWORK RAIL INFRASTRUCTURE LIMITED** (company number 2904587) whose registered office is at ~~Kings Place, 90 York Way, London, N1 9AG (Network Rail).~~
1 Everham Street NW1 2DN
- (2) **BAE SYSTEMS PLC** (company number 1470151) whose registered office is at 6 Carlton Gardens, London, SW1Y 5AD (**Chargor**).

OPERATIVE TERMS

1 Definitions

1.1 In this Legal Charge the following definitions apply:

Disposal	a transfer or the grant of a lease or licence to occupy of the whole or part of Property and "Dispose" shall be interpreted accordingly.
Enforcement Date	the date on which one of the events described in Clauses 7.1.1 to 7.1.3 occurs
Insurance	all present and future contracts or policies of insurance effected by the Chargor or to which the Chargor is entitled in respect of the Property or otherwise in accordance with this Legal Charge
Property	means the freehold land known as the site of an Airfield at Brough, HU15 1EQ forming part of title number HS31335 and shown hatched pink on the plan annexed.
RICS	Royal Institution of Chartered Surveyors
Secured Obligation	means all moneys, obligations and liabilities covenanted to be paid or discharged by the Chargor under or pursuant to Clause 4.1.1 .
Tripartite Agreement	means the tripartite agreement entered into on 24 March 2015 between (1) Network Rail, (2) the Chargor, BAE Systems plc, CM Jordan, V Chadbourn, Alma Jordan (Builders) Limited and Riplingham Estates Limited, and (3) East Riding Yorkshire Council.

2 Interpretation

- 2.1 References to any statute or statutory provision include any statute or statutory provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same and shall include any orders, regulations, instruments or other subordinate legislation made under the relevant statute.
- 2.2 The headings of clauses are for ease of reference only and shall not affect construction.
- 2.3 References to Network Rail and the Chargor shall include their respective successors and assigns (including in the case of Network Rail statutory successors).

3 Legal Charge

- 3.1 The Chargor with full title guarantee as a continuing security for the payment and discharge of the Secured Obligations hereby charges to Network Rail by way of legal mortgage the Property

4 Payment covenants

- 4.1 The Chargor covenants with Network Rail to:

- 4.1.1 pay, discharge and perform all obligations and liabilities now or hereafter due, owing or incurred to Network Rail by the Chargor pursuant to the Tripartite Agreement when the same become due for payment or discharge
- 4.1.2 The liabilities referred to in clause 4.1.1 shall, without limitation, include interest (both before and after judgment) to the date of payment at such rates and upon such terms as may from time to time be agreed, commission, fees and other charges and all legal and other costs, charges and expenses on a full and unqualified indemnity basis which may be incurred by Network Rail in relation to any of the Secured Obligations or in connection with the actual or intended exercise of any power of Network Rail under this Legal Charge.

5 Chargor's other covenants

The Chargor covenants with Network Rail:

- 5.1.1 to pay all rates taxes assessments and outgoings charged upon or otherwise payable in respect of the Property;
- 5.1.2 to use the Property or any part of it only for purposes which are permitted by the relevant planning legislation and to comply with all statutory requirements affecting the Property;
- 5.1.3 to forward to Network Rail a copy of any relevant notice affecting the Property received from any public or statutory authority or from the owner or occupier of any neighbouring premises;
- 5.1.4 to observe and perform all covenants and obligations (including statutory obligations) affecting the Property and to indemnify Network Rail against any damage loss or liability arising from breach or non-performance thereof;
- 5.1.5 not without the prior consent in writing of Network Rail to Dispose of the Property; and
- 5.1.6 not without the prior written consent of Network Rail (such consent not to be unreasonably withheld or delayed) to create or purport to create or permit to subsist any mortgage, debenture, charge, pledge, or other security interest upon any part of the Property.

6 Network Rail's default powers

Network Rail shall have power (but shall not be obliged whether under this Legal Charge or by implication) to make good any breach of any obligation on the part of the Chargor and the reasonable and proper costs and expenses in respect of any such action shall be repayable to Network Rail and shall become due upon the amount thereof being notified to the Chargor in writing. No exercise by Network Rail of its powers under this clause 6 shall make it liable to account as a mortgagee in possession.

7 Power of sale

- 7.1 The power of sale and all other statutory powers vested in Network Rail (including the power to appoint a receiver) shall in favour of a purchaser or other party dealing with Network Rail for

value arise upon the date of this Legal Charge and shall become exercisable by Network Rail without notice to the Chargor immediately on the happening of any one or more of the following events:

- 7.1.1 failure to pay the Secured Obligations when due unless its failure to pay is caused solely by an administrative error or technical problem or any other event outside the control of the Chargor that results in the disruption to the payment operations of the Chargor preventing it performing its payment obligations and payment is made within 3 working days of its due date.
- 7.1.2 default on the part of the Chargor in observing or fulfilling any of its material obligations under this Legal Charge and such default is not remedied within 14 days; or
- 7.1.3 if the Chargor enters into liquidation whether compulsory or voluntary (except for the purpose of reconstruction or amalgamation) or makes any composition with creditors.

8 Appointment and Powers of Receiver

- 8.1 At any time on or after the Enforcement Date or if requested by the Chargor, Network Rail may by instrument in writing executed as a deed or under the hand of any director or other duly authorised officer appoint any qualified person to be a receiver of the Property or any part thereof. Where more than one receiver is appointed, each joint receiver shall have power to act severally, independently of any other joint receivers, except to the extent that Network Rail may specify to the contrary in the appointment. Network Rail may (subject, where relevant, to section 45 Insolvency Act 1986) remove any receiver so appointed and appoint another in his place. In this clause 8 a "qualified person" is a person who, under the Insolvency Act 1986, is qualified to act as a receiver of the property of any Chargor with respect to which he is appointed or, as the case may be, an administrative receiver of any such Chargor.
- 8.2 Any Receiver shall be the agent of the Chargor and the Chargor shall be solely responsible for his acts or defaults and for his remuneration.
- 8.3 Any Receiver shall have all the powers conferred from time to time on receivers and administrative receivers by statute (in the case of powers conferred by the Law of Property Act 1925, without the restrictions contained in section 103 of that Act) and power on behalf and at the expense of the Chargor (notwithstanding liquidation of the Chargor) to do or omit to do anything which the Chargor could do or omit to do in relation to the Property or any part thereof. In particular (but without limitation) a Receiver shall have power to do all or any of the following acts and things:
 - 8.3.1 take possession of, collect and get in all or any of the Property;
 - 8.3.2 manage, develop, alter, improve or reconstruct the Property or concur in so doing; buy, lease or otherwise acquire and develop or improve properties or other assets without being responsible for loss or damage; acquire, renew, extend, grant, vary or otherwise deal with easements, rights, privileges and licences over or for the benefit of the Property;
 - 8.3.3 raise or borrow any money from or incur any other liability to Network Rail or others on such terms with or without security as he may think fit and so that any such security may be or include a charge on the whole or any part of the Property ranking in priority to this security or otherwise;
 - 8.3.4 without the restrictions imposed by section 103 Law of Property Act 1925 or the need to observe any of the provisions of sections 99 and 100 of such Act, sell by public auction or private contract, let, surrender or accept surrenders, grant licences or otherwise dispose of or deal with all or any of the Property or concur in so doing in such manner for such consideration and generally on such terms and conditions as he may think fit with full power to convey, let, surrender, accept surrenders or

otherwise transfer or deal with the Property in the name and on behalf of the Chargor or otherwise and so that covenants and contractual obligations may be granted and assumed in the name of and so as to bind the Chargor (or other the estate owner) if he shall consider it necessary or expedient so to do; any such sale, lease or disposition may be for cash, debentures or other obligations, shares, stock, securities or other valuable consideration and be payable immediately or by instalments spread over such period as he shall think fit and so that any consideration received or receivable shall ipso facto forthwith be and become charged with the payment of all the Secured Obligations; plant, machinery and other fixtures may be severed and sold separately from the premises containing them and the receiver may apportion any rent and the performance of any obligations affecting the premises sold without the consent of the Chargor;

- 8.3.5 make any arrangement or compromise or enter into or cancel any contracts which he shall think expedient;
- 8.3.6 make and effect such repairs, renewals and improvements to the Property or any part thereof as he may think fit and maintain, renew, take out or increase insurances;
- 8.3.7 appoint managers, agents, officers and employees for any of the purposes referred to in this clause 8.3 or to guard or protect the Property at such salaries and commissions and for such periods and on such terms as he may determine and may dismiss the same;
- 8.3.8 make calls conditionally or unconditionally on the members of the Chargor in respect of uncalled capital;
- 8.3.9 without any further consent by or notice to the Chargor exercise for and on behalf of the Chargor all the powers and provisions conferred on a landlord or a tenant by the Landlord and Tenant Acts, the Rent Acts, the Housing Acts or the Agricultural Holdings Act or any other legislation from time to time in force in any relevant jurisdiction relating to security of tenure or rents or agriculture in respect of the Property but without any obligation to exercise any of such powers and without any liability in respect of powers so exercised or omitted to be exercised;
- 8.3.10 institute, continue, enforce, defend, settle or discontinue any actions, suits or proceedings in relation to the Property or any part thereof or submit to arbitration as he may think fit;
- 8.3.11 sign any document, execute any deed and do all such other acts and things as may be considered by him to be incidental or conducive to any of the matters or powers aforesaid or to the realisation of the security created by or pursuant to this Deed and to use the name of the Chargor for all the purposes aforesaid;
- 8.3.12 do all the acts and things described in Schedule 1 to the Insolvency Act 1986 as if the words "he" and "him" referred to the receiver and "Chargor" referred to the Chargor.

- 8.4 Network Rail may from time to time determine the remuneration of any receiver and section 109(6) Law of Property Act 1925 shall be varied accordingly. A receiver shall be entitled to remuneration appropriate to the work and responsibilities involved upon the basis of charging from time to time adopted by the receiver in accordance with the current practice of his firm.

9 Consolidation

Section 93 of the Law of Property Act 1925 shall not apply to this Legal Charge.

10 Security power of attorney

The Chargor by way of security to secure the proprietary interest in and the performance of, obligations owed to Network Rail irrevocably appoints Network Rail and any receiver severally to

be the attorney or attorneys of the Chargor and in the Chargor's name and otherwise on the Chargor's behalf to do all acts and things and to execute, deliver and perfect all instruments, acts and things which may be required for carrying out:

- 10.1.1 any right or power conferred on Network Rail and/or any receiver; and
- 10.1.2 any obligation imposed on the Chargor whether pursuant to this Legal Charge or by law; or
- 10.1.3 otherwise perfecting this Legal Charge as it is intended to take effect.

11 Restriction

The Chargor agrees to the registration at the Land Registry against the registered title of the Property of a restriction in the following terms:

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 written consent signed by the proprietor for the time being of the charge dated ~~20 October 2014~~ 20 October 2014 in favour of Network Rail Infrastructure Limited referred to in the Charges Register.

12 Continuing Security and Other Matters

- 12.1 This Legal Charge and the obligations of the Chargor under this Legal Charge shall:
 - 12.1.1 be in addition to, and not prejudice or affect, any present or future collateral instrument, encumbrance, right or remedy held by or available to Network Rail; and
 - 12.1.2 not merge with or be in any way prejudiced or affected by the existence of any such collateral instruments, encumbrance, rights or remedies or by the same being or becoming wholly or in part void, voidable or unenforceable on any ground whatsoever or by Network Rail dealing with, exchanging, releasing, varying or failing to perfect or enforce any of the same, or giving time for payment or indulgence or compounding with any other person liable.
- 12.2 Network Rail shall not be obliged to resort to any collateral or other means of payment now or hereafter held by or available to it before enforcing this Legal Charge and no action taken or omitted by Network Rail in connection with any such collateral or other means of payment shall discharge, reduce, prejudice or affect the liability of the Chargor nor shall Network Rail be obliged to account for any money or other property received or recovered in consequence of any enforcement or realisation of any such collateral or other means of payment.
- 12.3 Any release, discharge or settlement between the Chargor and Network Rail shall be conditional upon no security, disposition or payment to the Network Rail by the Chargor or any other person being void, set aside or ordered to be refunded pursuant to any enactment or law relating to liquidation, administration or insolvency or for any other reason whatsoever and if such condition shall not be fulfilled Network Rail shall be entitled to enforce this Legal Charge subsequently as if such release, discharge or settlement had not occurred and any such payment had not been made. Network Rail shall be entitled to retain this security after as well as before the payment, discharge or satisfaction of the Secured Obligations for such period as Network Rail may determine appropriate in the circumstances.

13 Miscellaneous

- 13.1 No failure or delay on the part of Network Rail to exercise any power, right or remedy shall operate as a waiver thereof nor shall any single or any partial exercise or waiver of any power, right or remedy preclude its further exercise or the exercise of any other power, right or remedy.

13.2 Any liability or power which may be exercised or any determination which may be made under this Legal Charge by Network Rail may be exercised or made in its absolute and unfettered discretion and it shall not be obliged to give reasons therefor.

13.3 Each of the provisions of this Legal Charge is severable and distinct from the others and if any time one or more of such provisions is or becomes invalid, illegal or unenforceable the validity, legality and enforceability of the remaining provisions of this Legal Charge shall not in any way be affected or impaired thereby.

14 Third parties

It is agreed and declared that no person who is not a party to this Legal Charge shall be entitled in his own right to enforce any term of this Legal Charge pursuant to the Contracts (Rights of Third Parties) Act 1999.

15 Governing Law and Jurisdiction

This Deed and any non contractual matters relating to it shall be governed by and construed in accordance with the laws of England and Wales. The parties hereby submit to the exclusive jurisdiction of the English courts.

Executed by the parties as a deed

Executed as a deed by affixing the Common Seal of
Network Rail Infrastructure Limited in the presence of:

.....
Authorised signatory

Chargor

THE COMMON SEAL OF **BAE SYSTEMS PLC**
was affixed to this DEED in the presence of:

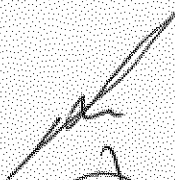
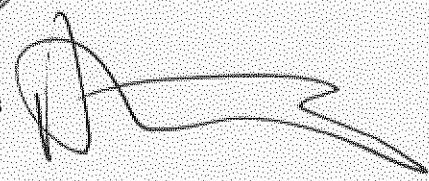
Director

Signature of witness

Name

Address

Occupation



Ann-Louise Holding
6 Carlton Gardens,
London SW1Y 5AD

Company Secretary

