



Registration of a Charge

Company name: **CHRISTINE HOMES LIMITED**

Company number: **06180787**



X70DY6SR

Received for Electronic Filing: **23/02/2018**

Details of Charge

Date of creation: **22/02/2018**

Charge code: **0618 0787 0015**

Persons entitled: **DOWNING LLP**

Brief description: **LAND LYING TO THE WEST OF MELLOR HOUSE, ICKFORD ROAD,
SHABBINGTON, AYLESBURY HP18 9HN WITH LAND REGISTRY TITLE
NUMBER BM412094**

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: **JURY O'SHEA LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6180787

Charge code: 0618 0787 0015

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd February 2018 and created by CHRISTINE HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd February 2018 .

Given at Companies House, Cardiff on 27th February 2018

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



Companies House




THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Legal Mortgage

Dated 22 FEBRUARY.....2018



 Jury O'Shea

I hereby certify on behalf of
Jury O'Shea LLP
that this document has been
compared with & is a true copy
of the original.

Ref: 2017/ZKP/0640

23/2/2018

THIS DEED is dated

22 FEBRUARY

2018

Parties

- (1) **CHRISTINE HOMES LIMITED** incorporated and registered in England and Wales with company number 06180787 whose registered office is at 3 Redman Court, Bell Street, Princes Risborough, Buckinghamshire HP27 0AA (**Borrower**).
- (2) **DOWNING LLP** incorporated and registered in England and Wales with company number OC341575 whose registered office is at 6th Floor, St Magnus House, 3 Lower Thames Street, London EC3R 6HD in its capacity as security trustee (**Security Agent**) of Downing Development Finance Limited.

Background

- (A) The Borrower owns the Property.
- (B) This deed provides security which the Borrower has agreed to give the Security Agent for (inter alia) the loan or other facilities made or to be made available to the Borrower under the Facility Agreements.

Agreed terms

1. Definitions and Interpretation

1.1 Definitions

The following definitions apply in this deed.

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Certificate of Title: any report on or certificate of title relating to the Property supplied to the Security Agent.

Charged Property: all the assets, property and undertaking for the time being subject to any Security created by this deed (and references to the Charged Property shall include references to any part of it).

Delegate: any person appointed by the Security Agent or any Receiver under clause 15 and any person appointed as attorney of the Security Agent, Receiver or Delegate.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Property.

Event of Default: has the meaning given to that expression in the Facility Agreements or any of them.

Facility Agreements: the facility or other agreements from time to time entered into between the Borrower and the Security Agent for the provision by Lenders of loan or other facilities to the Borrower.

Insurance Policy: each contract or policy of insurance effected or maintained by the Borrower from time to time in respect of the Property.

Lenders: the lenders listed in each Facility Agreement and persons to whom the right, title and interest in such Facility Agreement of any lender is from time to time novated or assigned.

LPA 1925: the Law of Property Act 1925.

SS **Property:** the freehold or leasehold property (whether registered or unregistered) owned by the Borrower described in Schedule 1

Receiver: a receiver or a receiver and manager of any or all of the Charged Property.

Rent: all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of any part of the Property and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any part of the Property, including (without limitation) for display of advertisements on licence or otherwise.

Rent Account: the Borrower's account for receipt of rental income in relation to the Property and any renumbering or designation of the same from time to time.

Secured Liabilities: all present and future monies, obligations and liabilities owed by the Borrower to the Security Agent and the Lenders, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, under or in connection with the Facility Agreements or this deed (including, without limitation, those arising under clause 27.3(b)) or otherwise howsoever together with all interest (including, without limitation, default interest) accruing in respect of those monies or liabilities.

Security: 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 the Security Agent is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

Valuation: any valuation relating to the Property supplied to the Security Agent by the Borrower (or on its behalf).

VAT: value added tax.

1.2 Interpretation

In this deed:

- (a) clause and Schedule headings shall not affect the interpretation of this deed;
- (b) a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees;
- (f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h) a reference to **writing** or **written** includes fax but not e-mail;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) a reference to **this deed** (or any provision of it) or to any other agreement or document referred to in this deed is a reference to this deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this deed) from time to time;
- (k) unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this deed;
- (l) any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- (m) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been remedied or waived;
- (q) a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- (r) 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.

1.3 Clawback

If the Security Agent considers that an amount paid by the Borrower or any other person in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or such other person, then that amount shall not be considered to have been irrevocably paid for the purposes of this deed.

1.4 Nature of security over real property

A reference in this deed to a **charge or mortgage of or over the Property** includes:

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;
- (b) the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreements and of any side letters between any parties in relation to any Facility Agreement are incorporated into this deed.

1.6 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).

1.7 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

The Borrower shall, on demand, pay to the Security Agent and discharge the Secured Liabilities when they become due.

3. Grant of security

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Security Agent:

- (a) by way of first legal mortgage, the Property; and
- (b) by way of first fixed charge:
 - (i) 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 Policy, the Rent and the benefit of any guarantee or security in respect of the Rent to the extent not effectively assigned under clause 3.2;
 - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Property and other documents to which the Borrower is a party or which are in its

favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them); and

- (iii) all authorisations (statutory or otherwise) held or required in connection with the Borrower's business carried on at the Property or the use of any Charged Property, and all rights in connection with them.
- (iv) all monies from time to time standing to the credit of the Rent Account.

3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Security Agent absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) 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 Policy; and
- (b) the Rent and the benefit of any guarantee or security in respect of the Rent;

provided that nothing in this clause 3.2 shall constitute the Security Agent as mortgagee in possession.

4. Perfection of security

4.1 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Security Agent to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated 22 FEBRUARY 2018 in favour of Downing LLP referred to in the charges register or their conveyancer "

4.2 Further advances

The Security Agent for and on behalf of the Lenders covenants with the Borrower that they shall perform their obligations to make advances under the Facility Agreements (including any obligation to make available further advances).

4.3 First Registration

If the title to the Property is not registered at the Land Registry, the Borrower shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of the Property, without the prior written consent of the Security Agent.

4.4 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to the Property, the Borrower shall immediately provide the Security Agent with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this deed, the Borrower shall immediately, and at its own expense, take such steps as the Security Agent may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. Liability of the Borrower

5.1 Liability not discharged

The Borrower's liability under this deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Agent that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Security Agent or the Lenders or any of them renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or
- (c) any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 Immediate recourse

The Borrower waives any right it may have to require the Security Agent to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this deed against the Borrower.

6. Representations and warranties

6.1 Times for making representations and warranties

The Borrower makes the representations and warranties set out in this clause 6 to the Security Agent on the date of this deed and the representations and warranties contained in Clauses 6.2 – 6.10 are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6.2 Ownership of Charged Property

The Borrower is the legal and beneficial owner of the Charged Property and has good and marketable title to the Property.

6.3 No Security

The Charged Property is free from any Security other than the Security created by this deed.

6.4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Property or any interest in it.

- 6.5 No adverse covenants**
There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Property.
- 6.6 No breach of laws**
There is no breach of any law or regulation that materially and adversely affects the Charged Property.
- 6.7 No interference in enjoyment**
No facility necessary for the enjoyment and use of the Charged Property is subject to terms entitling any person to terminate or curtail its use.
- 6.8 No overriding interests**
Nothing has arisen, has been created or is subsisting that would be an overriding interest in the Property.
- 6.9 No prohibitions or breaches**
There is no prohibition on the Borrower assigning its rights in any of the Charged Property referred to in clause 3.2 and the entry into of this deed by the Borrower does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Borrower or its assets.
- 6.10 Environmental compliance**
The Borrower has, at all times, complied in all material respects with all applicable Environmental Law and Environmental Licences.
- 6.11 Information for Valuations and Certificates of Title**
(a) All written Information supplied by the Borrower or on its behalf for the purpose of each Valuation and Certificate of Title was true and accurate in all material respects at its date or at the date (if any) on which it was stated to be given.
(b) The information referred to in clause 6.11(a) was, at its date or at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information that, if disclosed, would adversely affect the Valuation or Certificate of Title.
(c) In the case of the first Valuation and Certificate of Title only, nothing has occurred since the date the information referred to in clause 6.11(a) was supplied and the date of this deed which would adversely affect such Valuation or Certificate of Title.
- 6.12 Avoidance of security**
No Security expressed to be created under this deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.
- 6.13 Enforceable security**
This deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.
- 7. General covenants**

7.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Security Agent:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Charged Property other than any Security created by this deed;
- (b) 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 Property; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

7.2 Preservation of Charged Property

The Borrower 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 Security Agent or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this deed.

7.3 Compliance with laws and regulations

- (a) The Borrower shall not, without the Security Agent's prior written consent, use or permit the Charged Property to be used in any way contrary to law.
- (b) The Borrower shall:
 - (i) comply with the requirements of any law or 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 in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property; and
 - (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 regulation.

7.4 Enforcement of rights

The Borrower shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged 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 any of the Charged Property that the Security Agent may require from time to time.

7.5 Notice of misrepresentations and breaches

The Borrower shall, promptly on becoming aware of any of the same, give the Security Agent notice in writing of:

- (a) any representation or warranty set out in this deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this deed.

7.6 Title documents

The Borrower shall, on the execution of this deed, deposit with the Security Agent and the Security Agent shall, for the duration of this deed, be entitled to hold:

- (a) all deeds and documents of title relating to the Charged Property that are in the possession or control of the Borrower (and if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all these deeds and documents of title); and
- (b) each Insurance Policy;

7.7 Notices to be given by the Borrower

- (a) The Borrower shall within five days of the execution of this deed give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.2(a) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Agent; and
- (b) give notice to the bank, financial institution or other person (excluding the Security Agent) with whom the Borrower has any Rent Account of the charging to the Security Agent of the Borrower's rights and interests in such Rent Account pursuant to clause 3.1(b)(iv) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Agent.
- (c) The Borrower shall obtain the Security Agent's prior approval of the form of any notice or acknowledgement to be used under this clause 7.7.

7.8 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this deed).

8. Property covenants

8.1 Repair and maintenance

- (a) The Borrower shall keep all premises, and fixtures and fittings on the Property, in:
 - (i) good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value; and
 - (ii) such repair and condition as to enable the Property to be let in accordance with all applicable laws and regulations.
- (b) For the purpose of clause 8.1(a)(ii), a law or regulation is applicable if it is either in force or it is expected to come into force and a prudent property owner in the same business as the Borrower would ensure that the premises, and fixtures and fittings on the Property, were in such repair and condition in anticipation of that law or regulation coming into force.

8.2 No alterations

- (a) The Borrower shall not, without the prior written consent of the Security Agent:

- (i) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
 - (ii) make or permit to be made any material alterations to the Property or sever or remove or permit to be severed or removed any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 8.1).
- (b) The Borrower shall promptly give notice to the Security Agent if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

8.3 Development restrictions

The Borrower shall not, without the prior written consent of the Security Agent:

- (a) 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 Property; or
- (b) carry out or permit or suffer to be carried out on the Property 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 Property.

8.4 Insurance

- (a) The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property 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 Borrower; and
 - (iii) any other risk, perils and contingencies as the Security Agent may reasonably require.
- (b) Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Security Agent and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the 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) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.
- (c) The Borrower shall, if requested by the Security Agent, produce to the Security Agent the policy, certificate or cover note relating to any insurance required by clause 8.4(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) The Borrower shall, if requested by the Security Agent, procure that a note of the Security Agent's interest is endorsed upon or the Security Agent is named as co-insured with the Borrower on each Insurance Policy maintained by it or any person on its behalf in accordance with clause 8.4(a) and the Security Agent is named as

first loss payee and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Security Agent by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Security Agent.

8.5 Insurance premiums

The Borrower shall:

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Security Agent so requires) give to the Security Agent copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

8.6 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy.

8.7 Proceeds from Insurance Policies

All monies payable under any Insurance Policy at any time (whether or not the security constituted by this deed has become enforceable) shall:

- (a) be paid immediately to the Security Agent;
- (b) if they are not paid directly to the Security Agent by the insurers be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Security Agent; and
- (c) at the option of the Security Agent, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities

8.8 Leases and licences affecting the Property

The Borrower shall not, without the prior written consent of the Security Agent (which consent, in the case of clause 8.8(d), is not to be unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay its consent):

- (a) grant any licence or tenancy affecting the whole or any part of the Property, 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);
- (b) 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 Property (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 Property);
- (c) let any person into occupation of or share occupation of the whole or any part of the Property; or
- (d) grant any consent or licence under any lease or licence affecting the Property.

8.9 No restrictive obligations

The Borrower shall not, without the prior written consent of the Security Agent, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property.

8.10 Proprietary rights

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Security Agent.

8.11 Compliance with and enforcement of covenants

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Security Agent so requires) produce to the Security Agent evidence sufficient to satisfy the Security Agent that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

8.12 Notices or claims relating to the Property

(a) The Borrower shall:

- (i) give full particulars to the Security Agent 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 Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
- (ii) (if the Security Agent so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Security Agent in making, any objections or representations in respect of that Notice that the Security Agent thinks fit.

- (b) The Borrower shall give full particulars to the Security Agent 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.

8.13 Payment of rent and outgoings

The Borrower shall:

- (a) where the Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Property or on its occupier.

8.14 Rent reviews

- (a) The Borrower shall, if the Property is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Security Agent, agree to

any change in rent to less than the open market rental value of the relevant part of the Property.

- (b) The Borrower shall not, without the prior written consent of the Security Agent, if the Property is leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

8.15 Environment

The Borrower shall in respect of the Property:

- (a) comply in all material respects with all the requirements of Environmental Law; and
- (b) obtain and comply in all material respects with all Environmental Licences.

8.16 Conduct of business on Property

The Borrower shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.17 Inspection

The Borrower shall permit the Security Agent and any Receiver and any person appointed by either of them to enter on and inspect the Property on reasonable prior notice.

8.18 VAT option to tax

The Borrower shall not, without the prior written consent of the Security Agent:

- (a) exercise any VAT option to tax in relation to the Property; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Security Agent in writing, before the date of this deed.

9. Rent covenants

9.1 The Borrower shall not deal with the Rent except by getting it in and realising it in the ordinary and usual course of its business and shall, immediately on receipt, pay all Rent into the Rent Account or into such other account as the Security Agent may direct from time to time. The Borrower shall, pending that payment in to the Rent Account or other account, hold all Rent upon trust for the Security Agent.

9.2 The Borrower agrees with the Security Agent that any monies received by the Security Agent under clause 9.1 shall not constitute the Security Agent as mortgagee in possession of the Property.

9.3 The Borrower agrees with the Security Agent that, following the occurrence of an Event of Default, it shall not be entitled to receive, utilise, transfer or withdraw any credit balance from time to time on the Rent Account except with the prior written consent of the Security Agent.

9.4 Notice of assignment of Rent

The Borrower shall, promptly following the occurrence of an Event of Default, give notice to the relevant tenant, guarantor or surety of the assignment under clause 3.2(b) of the Borrower's rights and interest to the Rent and each guarantee or security in respect of the Rent and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Security Agent.

10. Powers of the Security Agent

10.1 Power to remedy

- (a) The Security Agent shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this deed.
- (b) The Borrower irrevocably authorises the Security Agent and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies expended by the Security Agent in remedying a breach by the Borrower of its obligations contained in this deed shall be reimbursed by the Borrower to the Security Agent on a full indemnity basis and shall carry interest in accordance with clause 17.1.
- (d) In remedying any breach in accordance with this clause 10.1, the Security Agent, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Security Agent may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

10.2 Exercise of rights

The rights of the Security Agent under clause 10.1 are without prejudice to any other rights of the Security Agent under this deed. The exercise of any rights of the Security Agent under this deed shall not make the Security Agent liable to account as a mortgagee in possession.

10.3 Security Agent 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 Security Agent in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

10.4 Conversion of currency

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Security Agent may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 10.4) from their existing currencies of denomination into any other currencies of denomination that the Security Agent may think fit.
- (b) Any such conversion shall be effected at Barclays Bank PLC's then prevailing spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 10.4 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

10.5 New accounts

- (a) If the Security Agent receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, the Security Agent may open a new account for the Borrower in the Security Agent's books. Without prejudice to the Security Agent's right to combine accounts, no money paid to the

credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

- (b) If the Security Agent does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 10.5(a), then, unless the Security Agent gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Security Agent shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Security Agent.

10.6 Security Agent's set-off rights

If the Security Agent has more than one account for the Borrower in its books, the Security Agent may at any time after:

- (a) the security constituted by this deed has become enforceable; or
- (b) the Security Agent has received, or is deemed to have received, notice of any subsequent Security or other interest affecting all or any part of the Charged Property,

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Security Agent shall notify the Borrower of that transfer.

10.7 Indulgence

The Security Agent may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this deed (whether or not any person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this deed or to the liability of the Borrower for the Secured Liabilities.

11. When security becomes enforceable

11.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs.

11.2 Discretion

After the security constituted by this deed has become enforceable, the Security Agent 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 Property.

12. Enforcement of security

12.1 Enforcement powers

- (a) 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 Security Agent and a purchaser from the Security Agent, arise on and be exercisable at any time after the execution of this deed, but the Security Agent shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 11.1.
- (b) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

12.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Security Agent 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 Borrower, to:

- (a) grant a lease or agreement for lease;
- (b) accept surrenders of leases; or
- (c) grant any option in respect of the whole or any part of the Property with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Security Agent or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

12.3 Prior Security

- (a) At any time after the security constituted by this deed has become enforceable, or after any powers conferred by any Security having priority to this deed shall have become exercisable, the Security Agent may:

- (i) redeem that or any other prior Security;
- (ii) procure the transfer of that Security to itself; and
- (iii) settle any account of the holder of any prior Security.

- (b) The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Security Agent to an encumbrancer in settlement of such an account shall be, as from its payment by the Security Agent, due from the Borrower to the Security Agent on current account and shall bear interest at the default rate of interest specified in such Facility Agreement as the Security Agent may determine, in its absolute discretion, to be the most appropriate, and shall be secured as part of the Secured Liabilities.

12.4 Protection of third parties

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Security Agent, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Security Agent, any Receiver or any Delegate is to be applied.

12.5 Privileges

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

12.6 No liability as mortgagee in possession

Neither the Security Agent, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, 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 Property for which a mortgagee in possession might be liable as such.

12.7 Relinquishing possession

If the Security Agent, any Receiver or Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

12.8 Conclusive discharge to purchasers

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

13. Receivers

13.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Borrower, the Security Agent 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 Property.

13.2 Removal

The Security Agent 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.

13.3 Remuneration

The Security Agent 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 be due and payable immediately on its being paid by the Security Agent.

13.4 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 Security Agent 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.

13.5 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 Security Agent despite any prior appointment in respect of all or any part of the Charged Property.

13.6 Agent of the Borrower

Any Receiver appointed by the Security Agent under this deed shall be the agent of the Borrower and the Borrower 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 Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Security Agent.

14. Powers of Receiver

14.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Security Agent under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 14.2 to clause 14.20.
- (b) 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.
- (c) Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Borrower, the directors of the Borrower or himself.

14.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property 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.

14.3 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Property on any terms and subject to any conditions that he thinks fit.

14.4 Employ personnel and advisers

A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

14.5 Make and revoke VAT options to tax

A Receiver may exercise or revoke any VAT option to tax that he thinks fit.

14.6 Charge for remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Security Agent may prescribe or agree with him.

14.7 Realise Charged Property

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

14.8 Manage or reconstruct the Borrower's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower carried out at the Property.

14.9 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, grant any other interest or right over, sell, assign or lease (or concur in granting options and licences over all or any part of the Charged Property, granting any other interest or right over, selling, assigning or leasing) all or any of the Charged Property 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 any terms and conditions that he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

14.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.

14.11 Give valid receipts

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

14.12 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that he may think expedient.

14.13 Bring proceedings

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

14.14 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 17.2, 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 Borrower under this deed.

14.15 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 to the Insolvency Act 1986.

14.16 Borrow

A Receiver may, for any of the purposes authorised by this clause 14, raise money by borrowing from the Security Agent (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on any terms that he thinks fit (including, if the Security Agent consents, terms under which that Security ranks in priority to this deed).

14.17 Redeem prior Security

A Receiver may redeem any prior Security and settle the accounts to which the Security relates. Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

14.18 Delegation

A Receiver may delegate his powers in accordance with this deed.

14.19 Absolute beneficial owner

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

14.20 Incidental powers

A Receiver may do any other acts and things:

- (a) that he may consider desirable or necessary for realising any of the Charged Property;
- (b) that 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
- (c) that he lawfully may or can do as agent for the Borrower.

15. Delegation

15.1 Delegation

The Security Agent or any Receiver may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this deed (including the power of attorney granted under clause 19.1).

15.2 Terms

The Security Agent and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

15.3 Liability

Neither the Security Agent nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

16. Application of proceeds

16.1 Order of application of proceeds

All monies received by the Security Agent, a Receiver or a Delegate 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:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Security Agent (and any Receiver, Delegate, 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;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Security Agent determines; and
- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

16.2 Appropriation

Neither the Security Agent, any Receiver nor any Delegate 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.

16.3 Suspense account

All monies received by the Security Agent, a Receiver or a Delegate under this deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Security Agent, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Security Agent and the Borrower; and
- (c) may be held in that account for so long as the Security Agent, Receiver or Delegate thinks fit.

17. Costs and indemnity

17.1 Costs

The Borrower shall, promptly on demand, pay to, or reimburse, the Security Agent 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 Security Agent, any Receiver or any Delegate in connection with:

- (a) this deed or the Charged Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Agent's, a Receiver's or a Delegate's rights under this deed; 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 judgment, liquidation, winding-up or administration of the Borrower) at the rate and in the manner specified in such Facility Agreement as the Security Agent may determine, in its absolute discretion, to be the most appropriate.

17.2 Indemnity

- (a) The Borrower shall indemnify the Security Agent, 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 deed 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 deed; or

- (iii) any default or delay by the Borrower in performing any of its obligations under this deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 17.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

18. Further assurance

18.1 Further assurance

The Borrower shall, at its own expense, take whatever action the Security Agent or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any of the Charged Property; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Security Agent or any Receiver in respect of any of the Charged Property,

including, without limitation (if the Security Agent or Receiver 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 Property (whether to the Security Agent or to its nominee) and the giving of any notice, order or direction and the making of any registration.

19. Power of attorney

19.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Security Agent, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (a) the Borrower is required to execute and do under this deed; or
- (b) 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 Security Agent, any Receiver or any Delegate.

19.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that 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 19.1.

20. Release

20.1 Release

Subject to clause 27.3, on the expiry of the Security Period (but not otherwise), the Security Agent shall, at the request and cost of the Borrower, take whatever action is necessary to:

- (a) release the Charged Property from the security constituted by this deed; and
- (b) reassign the Charged Property to the Borrower.

21. Assignment and transfer

21.1 Assignment by Security Agent

- (a) At any time, without the consent of the Borrower, the Security Agent may assign or transfer any or all of its rights and obligations under this deed.
- (b) The Security Agent may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Charged Property and this deed that the Security Agent considers appropriate.

21.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this deed.

22. Set-off

22.1 Security Agent's right of set-off

The Security Agent may at any time set off any liability of the Borrower to the Security Agent against any liability of the Security Agent to the Borrower, whether either liability is present or future, liquidated or unliquidated, and whether or not either liability arises under this deed. If the liabilities to be set off are expressed in different currencies, the Security Agent may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Agent of its rights under this clause 22.1 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

22.2 No obligation to set off

The Security Agent is not obliged to exercise its rights under clause 22.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

23. Amendments, waivers and consents

23.1 Amendments

No amendment of this deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

23.2 Waivers and consents

- (a) A waiver of any right or remedy under this deed or by law, or any consent given under this deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this deed. No single or partial exercise of any right or remedy provided under this deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this deed by the Security Agent shall be effective unless it is in writing.

23.3 Rights and remedies

The rights and remedies provided under this deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

24. Severance

24.1 Severance

If any provision (or part of a provision) of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this deed.

25. Counterparts

25.1 Counterparts

- (a) This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by fax or e-mail (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

26. Third party rights

26.1 Third party rights

- (a) Except as expressly provided elsewhere in this deed, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.
- (b) The rights of the parties to rescind or agree any amendment or waiver under this deed are not subject to the consent of any other person.

27. Further provisions

27.1 Independent security

This deed shall be in addition to, and independent of, any other security or guarantee that the Security Agent may hold for any of the Secured Liabilities at any time. No prior security held by the Security Agent over the whole or any part of the Charged Property shall merge in the security created by this deed.

27.2 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 Security Agent discharges this deed in writing.

27.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Security Agent shall be deemed conditional on no payment or security received by the Security Agent in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) the Security Agent or its nominee may retain this deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that the Security Agent deems necessary to provide the Security Agent with security against any such avoidance, reduction or order for refund; and
- (b) the Security Agent may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.
- (c)

27.4 Certificates

A certificate or determination by the Security Agent as to any amount for the time being due to it or the Lenders or any of them from the Borrower under this deed shall be, in the absence of any manifest error, conclusive evidence of the amount due.

27.5 Consolidation

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

28. Notices

28.1 Delivery

Any notice or other communication given to a party under or in connection with this deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and
- (c) sent to:
 - (i) the Borrower at:
ADDRESS: Christine Homes Limited
The Sanderum Business Centre
30 Upper High Street
Thame
Oxon
OX9 3EX
Attention: Craig Gray
 - (ii) the Security Agent at: 6th Floor, St Magnus House, 3 Lower Thames Street, London EC3R 6HD
Attention: Parik Chandra

or to any other address or fax number as is notified in writing by one party to the other from time to time.

28.2 Receipt by Borrower

Any notice or other communication that the Security Agent gives to the Borrower shall be deemed to have been received:

- (a) if delivered by hand, at the time it is left at the relevant address;
- (b) if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and

(c) if sent by fax, when received in legible form.

A notice or other communication given as described in clause 28.2(a) or clause 28.2(c) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

28.3 Receipt by Security Agent

Any notice or other communication given to the Security Agent shall be deemed to have been received only on actual receipt.

28.4 Service of proceedings

This clause 28 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

28.5 No notice by e-mail

A notice or other communication given under or in connection with this deed is not valid if sent by e-mail

29. Governing law and jurisdiction

29.1 Governing law

This deed and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

29.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Security Agent to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

29.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 29.2 being served on it in accordance with the provisions of this deed relating to service of notices. Nothing contained in this deed shall affect the right to serve process in any other manner permitted by law.

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: Property

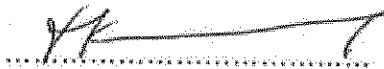
PROPERTY: Land lying to the west of Mellor House, Ickford Road, Shabbington,
Aylesbury HP18 9HN

TITLE NUMBER: BM412094

Executed as a deed by DOWNING LLP
acting by MARTIN ROBINSON,
in the presence of:



Signature of Witness:



Witness Name:

HANNAH KENNY

Witness Address:

205 LONDON ROAD

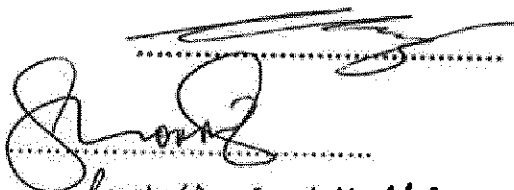
SEVENOAKS TRIB IDW

Witness Occupation:

INVESTMENT EXECUTIVE

Executed as a deed by CHRISTINE
HOMES LIMITED acting by
CRAIG GRAY, a
director, in the presence of:

Signature of Witness:



Witness Name:

RICHARD JOHN MORRIS

Witness Address:

LIGHTFOOTS LLP

1-3 HIGH STREET

THAME

OXON OX9 2BX

Witness Occupation:

SOLICITOR

