



**Registration of a Charge**

Company name: **CALA MANAGEMENT LIMITED**

Company number: **SC013655**



X8343QTM

Received for Electronic Filing: **10/04/2019**

---

**Details of Charge**

Date of creation: **05/04/2019**

Charge code: **SC01 3655 0475**

Persons entitled: **CATESBY ESTATES (DEVELOPMENTS) LIMITED**

Brief description: **PART OF THE FREEHOLD LAND BEING LAND AT FOLLY HILL, ON THE SOUTH SIDE OF UPPER OLD PARK LANE AND ON THE EAST SIDE OF KNOWLES LANE, FARNHAM, SURREY AS SHOWN HATCHED BLUE ON THE PLAN ATTACHED TO THE DEED**

**Contains negative pledge.**

---

**Authentication of Form**

This form was authorised by: **a person with an interest in the registration of the charge.**

---

**Authentication of Instrument**

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by:

**AMY RYDER**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 13655

Charge code: SC01 3655 0475

The Registrar of Companies for Scotland hereby certifies that a charge dated 5th April 2019 and created by CALA MANAGEMENT LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 10th April 2019 .

Given at Companies House, Edinburgh on 11th April 2019

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



**Companies House**



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

---

Dated:

5<sup>th</sup> April

2019

- (1) CALA MANAGEMENT LIMITED
- (2) CATESBY ESTATES (DEVELOPMENTS) LIMITED

---

Legal charge

---

for the sale of freehold land at Folly Hill, on the south side of Upper Old Park Lane and  
on the east side of Knowles Lane, Farnham, Surrey

We hereby certify this to be a true  
and accurate copy of the original

Signed: BDB Pimans LLP

# CONTENTS

Clause		Page
1	INTERPRETATION .....	1
1.1	Defined terms.....	1
1.2	Construction.....	3
1.3	Particulars.....	4
1.4	Effect of this Legal Charge.....	4
1.5	Contracts (Rights of Third Parties) Act 1999 .....	4
2	CHARGE .....	4
2.1	Covenant to pay .....	4
2.2	Charges .....	4
2.3	Continuing security .....	4
2.4	Release.....	4
2.5	Land Registry restriction .....	5
2.6	Restriction on further security.....	5
2.7	Disposals of the Charged Property.....	5
2.8	Restrictions on leasing .....	5
2.9	Insurance of the Property.....	5
2.10	Additional insurance obligations .....	5
2.11	Statutory requirements.....	6
2.12	Covenants and conditions.....	6
2.13	Taxes and outgoings.....	6
2.14	Expenses .....	6
3	VARIATION OF STATUTORY POWERS.....	6
3.1	Consolidation of mortgages .....	6
3.2	Power of leasing.....	6
3.3	Power of sale .....	6
3.4	Exercise of power of sale.....	6
3.5	Protection for buyers .....	6
3.6	Chargee's powers.....	7
4	EVENTS OF DEFAULT .....	7
5	APPOINTMENT OF RECEIVERS .....	7
5.1	Appointment of receivers .....	7
5.2	Removal of restrictions on appointment .....	7
5.3	Joint and several powers.....	7
5.4	Additional or alternative receivers .....	7
5.5	Agent of the Chargor .....	7
5.6	Chargor's liability .....	8
5.7	Liability for default .....	8

	5.8	Continuation of powers following liquidation or bankruptcy .....	8
	5.9	Receiver's remuneration .....	8
	5.10	General powers of a Receiver .....	8
	5.11	Specific powers of a Receiver .....	8
	5.12	Application of proceeds .....	9
6		DISTRIBUTIONS .....	9
7		WARRANTIES .....	9
8		EXCLUSION OF LIABILITY .....	10
	8.1	Liability for loss and damage .....	10
9		POWERS .....	10
	9.1	Execution of documents .....	10
	9.2	Power of attorney .....	10
	9.3	Extent of power of attorney .....	10
	9.4	Time for compliance .....	10
	9.5	Other indebtedness .....	10
	9.6	No liability as mortgagee in possession .....	10
	9.7	Independence of Legal Charge .....	10
	9.8	Use and disposal of chattels .....	11
	9.9	Severance of fixtures .....	11
10		NOTICES .....	11
	10.1	Form of notices .....	11
	10.2	Time of receipt .....	11
	10.3	Deemed receipt .....	11
11		LAW AND JURISDICTION .....	11
	11.1	Governing law .....	11
	11.2	Jurisdiction .....	11
12		EXECUTION .....	11

## PARTICULARS

**Date**

5<sup>th</sup> April 2019

**Chargor**

**CALA MANAGEMENT LIMITED** (company registration number SC013655) whose registered office is at Adam House, 5 Mid New Cultins, Edinburgh, EH11 4DU.

**Chargee**

**CATESBY ESTATES (DEVELOPMENTS) LIMITED** (registered number SC 305339) whose registered office is at 4th Floor, 115 George Street, Edinburgh EH2 4JN.

**Property**

The freehold land being Land at Folly Hill, on the south side of Upper Old Park Lane and on the east side of Knowles Lane, Farnham, Surrey registered at the Land Registry under the Title Number as shown edged red on the plan~~s~~ annexed.

**Title Number**

SY75818, SY79023 and SY280433

SNS  
PMS  
LLW

**THIS LEGAL CHARGE** is made on the date set out in the Particulars

**BETWEEN**

- (1) the Chargor; and
- (2) the Chargee.

**OPERATIVE PROVISIONS**

**1. INTERPRETATION**

**1.1 Defined terms**


In this Legal Charge, the following words and expressions have the following meanings:

<b>"1925 Act"</b>	Law of Property Act 1925
<b>"Act"</b>	the Town and Country Planning Act 1990
<b>"Agreement"</b>	an agreement for the sale of Land at Folly Hill, on the south side of Upper Old Park Lane and on the east side of Knowles Lane, Farnham, Surrey dated 13 <sup>th</sup> April 2019 made between (1) Catesby Estates (Developments) Limited CALA Management Limited (2) and CALA Group Limited (3)
<b>"Charged Property"</b>	that part of the Property shown hatched blue on the plan attached and charged to the Chargee by the Chargor by this Legal Charge
<b>"Event of Default"</b>	any of the events of default set out in <b>clause 4.1</b>
<b>"Exempt Land"</b>	any of the following part or parts of the Charged Property: <ul style="list-style-type: none"><li>(a) any part or parts of the Charged Property which are being transferred, leased or otherwise disposed of for the purposes of an electricity sub-station, pumping station, gas governor station or similar being transferred to an appropriate utility supplier and any easements granted in respect of the same subject to rights to use such infrastructure being reserved in favour of the Charged Property in a form satisfactory to the Chargee (acting reasonably);</li><li>(b) any part or parts of the Charged Property which are being transferred pursuant to an obligation in an agreement made pursuant to Section 106 of the Act or a deregistration order under Section 16 of the Commons Act 2006;</li><li>(c) any part or parts of the Charged Property which are being transferred for the purposes of roads, footpaths or cycleways with the intent that they be maintained at the public's expense subject to rights to use such infrastructure being reserved in favour of the Charged Property in a form</li></ul>





Ordnance Survey, (c) Crown Copyright 2015. All rights reserved. Licence number 100022432.

REV. DATE A 21.02.19	REVISIONS: Access road included, aligned to plot boundaries	CLIENT: CALA Homes		PROJECT: Folly Hill Farm, Farnham Surrey		Broadmead House Farnham Business Park Weydon Lane Farnham, Surrey GU8 8QT Tel. 01252 267678 name.surname@osp architecture.com www.osparchitecture.com	
		SCALE: 1:1250 (A2 ORIGINAL)	DRAWING: Land Sale Contract Plan				
<p>© COPYRIGHT EXISTS ON THE DESIGNS AND INFORMATION SHOWN ON THIS DRAWING</p> <p>This drawing may be scaled or cross referenced to the title bar for planning application purposes only. Do not hold for any other purpose. Use for planning purposes only. Subject to site survey and all necessary comments. All dimensions to be checked by user and any discrepancies errors or omissions to be reported to the Architect before work commences. This drawing is to be read in conjunction with all other relevant documents.</p>		DRAWN: AL	16018	S205	A		
		DATE: 19.02.2019					

satisfactory to the Chargee (acting reasonably);

- (d) any part or parts of the Charged Property which are being transferred for use in perpetuity only as open space or amenity land to the Local Planning Authority or to a management company
- (e) any land transferred for use for affordable housing

**"Expenses"**

all fees and other charges, legal and professional fees and unpaid interest and all other expenses and costs which in each case are reasonable and properly incurred, on a full indemnity basis, together with Value Added Tax, incurred in connection with:

- (a) enforcing or exercising any power under this Legal Charge; or
- (b) any breach of any provision of and the protection, realisation or enforcement of this Legal Charge

**"Insolvency Act"**

Insolvency Act 1986

**"Interest"**

interest calculated on the Secured Amount in the event of it not being paid on the due date for payment at a rate of 10% per annum above the base lending rate from time to time of National Westminster Bank plc from and including the due date of payment to and including the date on which the payment is actually made

**"Letting"**

any lease of the whole or any part of the Charged Property and includes:

- (a) any underlease, sublease, tenancy or licence and any agreement for a lease, underlease, sublease, tenancy or licence; and
- (b) any agreement for the sharing of occupation of the Charged Property

**"Planning Agreement"**

a planning obligation (whether entered into by agreement or otherwise) in respect of or affecting the Property (whether or not also affecting other property) pursuant to Section 106 of the Act which is either entered into as a pre-condition of the grant of Planning Permission or as a condition of the grant of Planning Permission

**"Receiver"**

any receiver or manager appointed by the Chargee under this Legal Charge or pursuant to any statute, including the 1925 Act but does not include an administrative receiver

**"Secured Amount"**

the sum of £4,410,000 (four million four hundred and ten thousand pounds) due from the Chargor to Catesby Estates (Developments) Limited pursuant to

clause 3.1.2 of the Agreement together with all Expenses and Interest

**"Security"**

any legal charge, debenture, mortgage, pledge, hypothecation, lien, assignment or other form of security or trust arrangement granting any legal or equitable charge over the Charged Property, whether fixed or floating, or conferring priority of payment

**"Warranties"**

the warranties given by the Chargor to the Chargee in **clause 7**

**"Working Day"**

has the meaning given to it in the Standard Commercial Property Conditions (Second Edition)

**"Works Agreement"**

any agreement that is made under one or more of Sections 38 and/or 278 Highways Act 1980 and Section 104 Water Industry Act 1991 or under the Gas Act 1980 or the Water Act 1989 or any statutory provision with a similar purpose or any agreement with a local water authority, the Environment Agency, an Internal Drainage Board or other appropriate authority about water supply to and drainage of foul and surface water and effluent from the Property or any other agreement with a competent authority or body relating to other services for the benefit of or access to and from the Property.

**1.2 Construction**

In this Legal Charge:

- 1.2.1 the clause headings do not affect its interpretation;
- 1.2.2 unless otherwise indicated, references to clauses and Schedules are to clauses of and Schedules to this Legal Charge and references in a Schedule to a Part or paragraph are to a Part or paragraph of that Schedule;
- 1.2.3 references to any statute or statutory provision include references to:
  - 1.2.3.1 all Acts of Parliament and all other legislation having legal effect in the United Kingdom; and
  - 1.2.3.2 any subsequent statutes directly or indirectly amending, consolidating, extending, replacing or re-enacting that statute and also include any orders, regulations, instruments or other subordinate legislation made under that statute;
- 1.2.4 references to the Chargee and the Chargor include their respective successors in title to this Legal Charge and, in the case of individuals, their personal representatives.
- 1.2.5 references to the Property and the Charged Property include any part of them;
- 1.2.6 references to this Legal Charge include any deeds and documents varying or supplemental or ancillary to this Legal Charge or entered into pursuant to the terms of this Legal Charge;
- 1.2.7 references to the powers of the Chargee or the Receiver are references to the respective powers, discretions and rights given to the Chargee or a Receiver under this Legal Charge, the 1925 Act, the Insolvency Act or otherwise given to or exercisable by the Chargee or the Receiver;

- 1.2.8 "including" means "including, without limitation";
- 1.2.9 "indemnify" means to indemnify against all actions, claims, demands and proceedings taken or made against the Chargee or any Receiver and all costs, damages, expenses, liabilities and losses incurred by the Chargee or any Receiver;
- 1.2.10 where two or more persons form a party to this Legal Charge, the obligations they undertake may be enforced against them all jointly or against each individually; and
- 1.2.11 if any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Legal Charge is to be unaffected.

### 1.3 Particulars

The Particulars form part of this Legal Charge and words and expressions set out in the Particulars are to be treated as defined terms in this Legal Charge.

### 1.4 Effect of this Legal Charge

This Legal Charge is in addition to, and does not operate so as in any way to prejudice or affect, or be prejudiced or affected by, any other security or guarantee which the Chargee may now or at any time after the date of this Legal Charge hold for or in respect of the Secured Amount.

### 1.5 Contracts (Rights of Third Parties) Act 1999

The parties to this Legal Charge do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

## 2. CHARGE

### 2.1 Covenant to pay

The Chargor covenants with the Chargee to pay the Secured Amount to the Chargee on 2 September 2019.

### 2.2 Charges

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

### 2.3 Continuing security

This Legal Charge is made for securing the payment and discharge of the Secured Amount. It is a continuing security and will not be discharged by any payment on account of any part of the Secured Amount.

### 2.4 Release

2.4.1 If and when no Secured Amount is due to the Chargee and the Chargor has paid the Secured Amount to the Chargee in accordance with **clause 2.1**, the Chargee will at the request and reasonable cost of the Chargor release the Charged Property from this Legal Charge.

2.4.2 Without prejudice to the generality of **clause 2.4.1**, the Chargee agrees, following a written request from, and cost of, the Chargor,:

2.4.2.1 within 20 Working Days of a request from the Chargor, to release any Exempt Land from the security constituted by this Legal Charge in respect of the Exempt Land; and

2.4.2.2 to provide to the Chargor within 20 Working Days of a request from the Chargor executed forms of discharge in respect of both this Legal Charge and the restriction referred to in **clause 2.5** (which shall in each case be compliant with the Land Registry's requirements from time to time) in respect of Exempt Land which shall be held by the Chargor's solicitors and released to the Chargor on a sale in order to secure the discharge referred to in **clause 2.4.2.1**.

2.4.3 The Chargee will if so requested by and at the cost of the Chargor in order to facilitate the development of the Property enter into (as the mortgagee only and subject to a full indemnity from the Chargor in terms acceptable to the Chargee in respect of all liabilities in the relevant Works Agreement and/or Planning Agreement) and return to the Chargor and/or consent to the entering into by the Chargor of any relevant Works Agreement within 15 Working Days of service of such Works Agreement upon the Chargee.

## 2.5 Land Registry restriction

2.5.1 The Chargor is to apply to the Land Registrar on Land Registry form RX1 to enter a restriction on the register of the part of the Title Number comprised in the Charged Property in the following Land Registry standard form:

"No disposition of the registered estate by the proprietor of the registered estate of the part of the Property hatched blue on the plan annexed is to be registered without a written consent signed by the proprietor for the time being of the charge dated ~~[date of this Legal Charge]~~ in favour of Catesby Estates (Developments) Limited referred to in the charges register."

2.5.2 It is hereby agreed that the Chargor is authorised by the Chargee under this Legal Charge to execute and deliver to the Land Registry any Land Registry forms RX4 which are necessary to enable the Chargor to apply for the above restriction to be removed from the title to any disposal of Exempt Land.

## COVENANTS

### 2.6 Restriction on further security

The Chargor is not to create or permit any further Security to be created in or over the Charged Property without the prior written consent of the Chargee.

### 2.7 Disposals of the Charged Property

(Save for any disposal of Exempt Land and subject to **clause 2.4.3**), the Chargor is not to sell or otherwise dispose of the Charged Property or any legal or equitable interest in the Charged Property without the consent of the Chargee.

### 2.8 Restrictions on leasing

Save for a disposal of Exempt Land the Chargor is not to create any Letting of the Charged Property without the prior written consent of the Chargee.

### 2.9 Insurance of the Property

The Chargor is to insure the buildings and fixed plant, machinery and fixtures on the Property

### 2.10 Additional insurance obligations

The Chargor is to:

2.10.1 pay all insurance premiums as soon as they become due;

2.10.2 hold all monies received by virtue of any insurance policies on trust for the Chargee and apply them in making good the loss of or damage to the Charged Property or, if the Chargee so directs following an Event of Default which is continuing, in or towards discharging the Secured Amount; and

2.10.3 pay to the Chargee on demand the costs of any insurance effected by the Chargee to remedy any default by the Chargor in insuring under **clause 2.9**.

## **2.11 Statutory requirements**

The Chargor is to comply with all statutory and other requirements affecting the Property.

## **2.12 Covenants and conditions**

The Chargor is to comply with all covenants, encumbrances and conditions which affect the Charged Property or title to the Property.

## **2.13 Taxes and outgoings**

The Chargor is punctually to pay all existing and future rents, taxes, rates, duties, fees, renewal fees, charges, assessments, impositions and outgoings whatsoever, whether imposed by deed or statute or otherwise and whether in the nature of capital or revenue and even though of a wholly novel character, which now or at any time during the continuance of this Legal Charge are properly payable in respect of the Charged Property or by the owner or occupier of the Property.

## **2.14 Expenses**

The Chargor is to pay all Expenses due to the Chargee on demand.

# **3. VARIATION OF STATUTORY POWERS**

## **3.1 Consolidation of mortgages**

The restrictions on the consolidation of mortgages in section 93 of the 1925 Act do not apply to this Legal Charge.

## **3.2 Power of leasing**

The restriction on the powers of the Chargee or the Receiver to grant Leases or to accept the surrender of Leases in sections 99 and 100 of the 1925 Act do not apply to this Legal Charge.

## **3.3 Power of sale**

For the purposes only of section 101 of the 1925 Act, the Secured Amount becomes due and the statutory power of sale and other powers of enforcement arise immediately following an Event of Default.

## **3.4 Exercise of power of sale**

Section 103 of the 1925 Act does not apply to this Legal Charge and all moneys secured by this Legal Charge are immediately payable immediately following an Event of Default which is continuing.

## **3.5 Protection for buyers**

A buyer from, tenant or other person dealing with the Chargee or the Receiver will not be concerned to enquire whether any of the powers which they have exercised or purported to exercise have arisen or become exercisable.

### **3.6 Chargee's powers**

The power of sale and the other powers conferred by the 1925 Act or otherwise are extended and varied to authorise the Chargee in its absolute discretion to do all or any of the things or exercise all or any of the powers which a Receiver is empowered to do under this Legal Charge.

## **4. EVENTS OF DEFAULT**

4.1 This Legal Charge will become immediately enforceable and the powers of the Chargee and the Receiver exercisable in any of the following events which are continuing:

- 4.1.1 the Chargor does not pay the Secured Amount when it falls due in accordance with this Legal Charge;
- 4.1.2 there is any breach by the Chargor of the Warranties or the covenants set out in **clause 2**;
- 4.1.3 an order is made for the compulsory purchase of the whole or any part of the Property;
- 4.1.4 a receiver or administrative receiver is appointed of the whole or any part of the Property or any person takes possession of or exercises or attempts to exercise any power of sale in relation to the Property;
- 4.1.5 an administrator is appointed over the Chargor;
- 4.1.6 a resolution is passed or an order made for the winding up of the Chargor;
- 4.1.7 a voluntary arrangement is made in respect of the Chargor under Part I of the Insolvency Act; or
- 4.1.8 the Chargor asks the Chargee to appoint a Receiver in respect of the Charged Property.

## **5. APPOINTMENT OF RECEIVERS**

### **5.1 Appointment of receivers**

At any time after the Chargee's power of sale has become exercisable, the Chargee may appoint one or more than one Receiver in respect of the Charged Property.

### **5.2 Removal of restrictions on appointment**

None of the restrictions imposed by the 1925 Act in relation to the appointment of receivers or to the giving of notice or otherwise will apply.

### **5.3 Joint and several powers**

If more than one Receiver is appointed the Receiver may act jointly and severally or individually.

### **5.4 Additional or alternative receivers**

The Chargee may remove the Receiver and appoint another Receiver and the Chargee may also appoint an alternative or additional Receiver.

### **5.5 Agent of the Chargor**

The Receiver will, so far as the law permits, be the agent of the Chargor.

## **5.6 Chargor's liability**

The Chargor alone will be responsible for the acts or defaults of the Receiver and will be liable on any contracts or obligations made or entered into by the Receiver.

## **5.7 Liability for default**

The Chargee will be not be responsible for any misconduct, negligence or default of the Receiver.

## **5.8 Continuation of powers following liquidation or bankruptcy**

The powers of the Receiver will continue in full force and effect following the liquidation or bankruptcy of the Chargor.

## **5.9 Receiver's remuneration**

The remuneration of the Receiver may be fixed by the Chargee but will be payable by the Chargor. The amount of the remuneration will form part of the Secured Amount.

## **5.10 General powers of a Receiver**

A Receiver will have the power on behalf and at the cost of the Chargor:

- 5.10.1 to do or omit to do anything which the Chargor could do or omit to do in relation to the Charged Property; and
- 5.10.2 to exercise all or any of the powers conferred on the Receiver or the Chargee under this Legal Charge or conferred upon receivers by the Insolvency Act, the 1925 Act or any other statutory provision (whether or not the Receiver was appointed pursuant to the relevant statutory provision).

## **5.11 Specific powers of a Receiver**

Without limitation to the powers of the Receiver, the Receiver will have full power and discretion:

- 5.11.1 to take possession of and generally manage the Charged Property;
- 5.11.2 to carry out on the Charged Property any new works or complete any unfinished works of building, reconstruction, maintenance, furnishing or equipment;
- 5.11.3 to purchase or acquire any land and purchase, acquire or grant any interest in or right over the Property;
- 5.11.4 to sell, charge, grant or accept surrenders of leases, licences to occupy or franchises or otherwise deal with and dispose of the Charged Property without restriction
- 5.11.5 to carry into effect and complete any transaction by executing deeds or documents in the name of or on behalf of the Chargor;
- 5.11.6 to take, continue or defend any proceedings, enter into any arrangement or compromise and, where appropriate, refer any dispute to arbitration or expert determination;
- 5.11.7 to remove, store, sell or otherwise deal with any fixtures and fittings;
- 5.11.8 to insure the Charged Property and any works and effect indemnity insurance or other similar insurance and obtain bonds and give indemnities and security to any bondsmen;



- 5.11.9 to employ advisers, consultants, managers, agents, workmen and others on such terms and for such remuneration as the Receiver in the Receiver's absolute determination thinks fit;
- 5.11.10 to purchase materials, tools, equipment, goods or supplies on such terms and at such price as the Receiver in the Receiver's absolute determination thinks fit;
- 5.11.11 to borrow moneys from the Chargee or others on the security of the Charged Property or otherwise on such terms as the Receiver may in the Receiver's absolute discretion think fit for the purpose of exercising any of the rights, powers, authorities and discretions conferred on the Receiver by or pursuant to this Charge or for any other purpose; and
- 5.11.12 to do any other acts which the Receiver may consider to be incidental or conducive to any of the Receiver's powers or to the realisation of the Charged Property.

## 5.12 **Application of proceeds**

Sections 109(6) and 109(8) of the 1925 Act will not apply to a Receiver appointed under this **clause 5**.

## 6. **DISTRIBUTIONS**

6.1 Subject to section 176A Insolvency Act, the net proceeds arising from the exercise of the powers of the Receiver will, subject to any claims ranking in priority to the Secured Amount, be applied in or towards discharging in the following order of priority:

- 6.1.1 the costs, charges and expenses incurred and payments made by the Receiver in connection with or as a result of the exercise of the Receiver's powers and the costs, charges and expenses of and incidental to the Receiver's appointment;
- 6.1.2 the remuneration of the Receiver;
- 6.1.3 the Secured Amount in such order as the Chargee may determine; and
- 6.1.4 the claims of those entitled to any surplus.

## 7. **WARRANTIES**

7.1 The Chargor warrants to the Chargee that:

- 7.1.1 neither the execution of this Legal Charge by the Chargor nor compliance with its terms will:
  - 7.1.1.1 conflict with or result in any breach of any law or enactment or any deed, agreement or other obligation or duty to which the Chargor is bound; or
  - 7.1.1.2 cause any limitation on any of the powers of the Chargor or on the right or ability of the directors of the Chargor to exercise those powers to be exceeded;
- 7.1.2 all consents required by the Chargor for the execution, delivery, issue, validity or enforceability of this Legal Charge have been obtained and have not been withdrawn;
- 7.1.3 no person having any charge or other form of security over the Property or any other assets of the Chargor has enforced or given notice of its intention to enforce such security; and
- 7.1.4 no Event of Default has occurred or is continuing.

## **8. EXCLUSION OF LIABILITY**

### **8.1 Liability for loss and damage**

Neither the Chargee nor any Receiver will be liable to the Chargor for any loss or damage incurred by the Chargor arising out of the exercise of their respective powers or any attempt or failure to exercise those powers.

## **9. POWERS**

### **9.1 Execution of documents**

The Receiver will have power, either in the name of the Chargor or in the name of the Receiver, to execute documents and do all acts or things which may be necessary under this Legal Charge or in exercise of the Receiver's powers.

### **9.2 Power of attorney**

Following an Event of Default the Chargor irrevocably appoints the Chargee and separately the Receiver by way of security to be the attorney of the Chargor, with full power to appoint substitutes and to sub-delegate, for the purposes set out in **clause 9.3**.

### **9.3 Extent of power of attorney**

The power of attorney given in **clause 9.2** permits the Chargee or the Receiver in the name of and on behalf of the Chargor:

9.3.1 to perfect the security given by the Chargor under this Legal Charge; and

9.3.2 to execute any document or do any act or thing which the Chargor is obliged to execute or do under this Legal Charge or which the Chargee or the Receiver may consider appropriate (acting reasonably) in connection with the exercise of any of the powers of the Chargee or the Receiver.

### **9.4 Time for compliance**

The Chargee may from time to time waive or authorise, on such terms and conditions, if any, as it deems expedient, any breach or proposed breach by the Chargor of the Chargor's obligations or conditions contained in this Legal Charge without prejudice to the Chargee's rights and remedies in respect of any subsequent breach of them.

### **9.5 Other indebtedness**

The Chargor authorises the Chargee to receive from the holder of any prior or subsequent charge details of the state of account between such holder and the Chargor.

### **9.6 No liability as mortgagee in possession**

Entry into possession of the Charged Property, for whatever reason, will not render the Chargee or any Receiver liable to account as mortgagee in possession.

### **9.7 Independence of Legal Charge**

This Legal Charge is entered into as an entirely separate document to any other arrangement which might be entered into from time to time between the Chargee and the Chargor or the Chargee and any other person. Irrespective of the validity or enforceability of any such other arrangement the Chargor and the Chargee declare that, and it is intended that, this Legal Charge will remain as a valid security and in full force and effect in any event.

## **9.8 Use and disposal of chattels**

If the Chargee or the Receiver obtains possession of the Charged Property, the Chargee or the Receiver may use and remove, store or sell any chattels on the Charged Property without being under any liability to the Chargor other than to account for the net proceeds of the sale. All expenses and liabilities incurred by the Chargee or the Receiver in connection with the removal, storage and sale of the chattels will form part of the Secured Amount.

## **9.9 Severance of fixtures**

Upon any sale or other disposition in exercise of the powers contained or implied by this Legal Charge the Chargee or any Receiver may sever any fixtures owned by the Chargor from the Charged Property and sell them apart from the Charged Property without taking possession of the Charged Property and apply the net proceeds of such sale in or towards satisfaction of the Secured Amount.

## **10. NOTICES**

### **10.1 Form of notices**

Any notice served under this Legal Charge is to be:

10.1.1 in writing;

10.1.2 signed by an officer of the party serving the notice or by its solicitors;

10.1.3 delivered by hand, first class post, pre-paid or recorded delivery at the address of the party on whom it is served set out above or such other address which they may notify in writing to the other parties at any time.

### **10.2 Time of receipt**

If a notice is received after 4.00 pm on a working day, or on a day which is not a working day, it is to be treated as having been received on the next working day.

### **10.3 Deemed receipt**

Unless the time of actual receipt is proved, a notice served by the following means is to be treated as having been received;

10.3.1 if delivered by hand, at the time of delivery; or

10.3.2 if sent by post, on the second working day after posting

## **11. LAW AND JURISDICTION**

### **11.1 Governing law**

This Legal Charge is to be governed by and interpreted in accordance with English law.

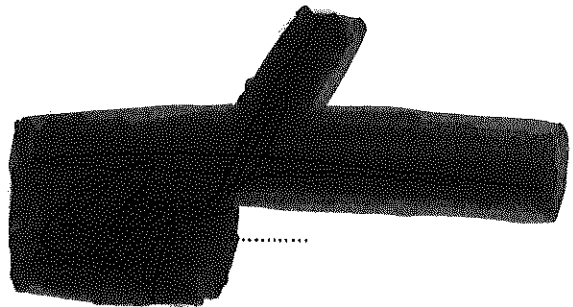
### **11.2 Jurisdiction**


The courts of England are to have jurisdiction in relation to any disputes between the parties arising out of or related to this Legal Charge.

## **12. EXECUTION**


The Chargee and the Chargor have executed this Legal Charge as a deed and it is delivered on the date set out in the Particulars.


Executed as a deed by )  
**CALA MANAGEMENT LIMITED** )  
acting by ..... *R. Williams* )  
and by ..... *S. UNITT* )  
as attorneys for CALA )  
Management Limited )  
in the presence of )



Witness signature: 

Witness Name: ..... *N. Brown* .....

Witness Address: 

Witness Occupation: ... 

Signed as a deed by )  
**CATESBY ESTATES (DEVELOPMENTS)** )  
**LIMITED** )  
acting by two directors or )  
one director and its secretary )

*Signature of director*

*Signature of*  
*director/secretary*

Executed as a deed by )  
**CALA MANAGEMENT LIMITED** )  
acting by ..... )  
and by ..... )  
as attorneys for CALA )  
Management Limited )  
in the presence of )

.....  
Attorney

.....  
Attorney

Witness signature: .....

Witness Name: .....

Witness Address: .....

.....

Witness Occupation: .....

Signed as a deed by )  
**CATESBY ESTATES (DEVELOPMENTS)** )  
**LIMITED** )  
acting by two directors or )  
one director and its secretary )

*Signature of director*

*Signature of*  
*director/~~secretary~~*