



Registration of a Charge

Company name: **COUNTRYSIDE PROPERTIES (UK) LIMITED**

Company number: **00614864**



X8H84D6Y

Received for Electronic Filing: **31/10/2019**

Details of Charge

Date of creation: **28/10/2019**

Charge code: **0061 4864 1147**

Persons entitled: **RICHARD MARTYN RATHBONE ASHBY
TIMOTHY JOSLING MAXWELL DAY
EDWARD RAYMOND FERMOR
PATRICIA SALLY FERMOR**

There are more than four persons entitled to the charge.

Brief description: **FREEHOLD LAND TO SOUTH OF SUTTON ROAD, LANGLEY,
MAIDSTONE, KENT BEING PART OF TITLE NUMBER K770133 AND ALL
OF TITLE NUMBER K729048 EXCEPT LAND EDGED BLUE ON ANNEXED
PLAN**

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: **TRACY MARINA WARREN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 614864

Charge code: 0061 4864 1147

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th October 2019 and created by COUNTRYSIDE PROPERTIES (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 31st October 2019 .

Given at Companies House, Cardiff on 1st November 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

28th October

2019

COUNTRYSIDE PROPERTIES (UK) LIMITED

- and -

**RICHARD MARTYN RATHBONE ASHBY, TIMOTHY JOSLING MAXWELL DAY,
EDWARD RAYMOND FERMOR, PATRICIA SALLY FERMOR, RICHARD EDWARD
FERMOR and JAMES TIMOTHY FERMOR**

Legal Charge

relating to

land at

Sutton Road

Maidstone

Kent

Ref: FGG/719783-0001

THIS LEGAL CHARGE is made the 28th day of October 2019

BETWEEN

1. **COUNTRYSIDE PROPERTIES (UK) LIMITED** (Company Number 00614864) whose registered office is at Countryside House The Drive Brentwood Essex CM13 3AT ("**Buyer**")
2. **RICHARD MARTYN RATHBONE ASHBY** of Manor Farm, Sutton Valence, Maidstone Kent ME17 3AW **TIMOTHY JOSLING MAXWELL DAY** of Blundeston, Eden Road, Tunbridge Wells Kent TN1 1TS and **EDWARD RAYMOND FERMOR, PATRICIA SALLY FERMOR, RICHARD EDWARD FERMOR AND JAMES TIMOTHY FERMOR** all of Rumwood Nurseries, Langley, Maidstone, Kent ("**Seller**")

BACKGROUND

- (A) By the Transfers, the Seller and Sarah Elizabeth Waters transferred the Property to the Buyer.
- (B) The Buyer has agreed to pay the Deferred Purchase Price to the Seller on the terms of the Contract.
- (C) The Buyer has agreed to grant this Legal Charge to the Seller as security for the Buyer's obligation to pay the Secured Liabilities.

OPERATIVE PROVISIONS

1. **INTERPRETATION**

Defined terms

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

"1925 Act" Law of Property Act 1925

"1986 Act" Insolvency Act 1986

"Affordable Housing" land forming part of the Property which is required as a planning requirement to be occupied (at least initially) by persons in need involving (whether by way of development management transfer or other disposal) a local authority registered provider or similar body

"Business Day" a day (other than a Saturday or a Sunday) on

which commercial banks are open for general business in London and deposits are dealt with on the London Interbank Market

"Contract"

the contract for the sale and purchase of the Property dated *6th September* 2019 and made between (1) the Seller and Sarah Elizabeth Waters and (2) the Buyer

"Costs"

all reasonable and proper costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Seller or any Receiver or Delegate may charge or incur in relation to this Legal Charge, the Property or breach of any provision of this Legal Charge by the Buyer

"Deferred Purchase Price"

The sum of Sixteen Million Seven Hundred and Fifty Thousand and One Hundred and Sixty Two Pounds (£16,750,162)

"Delegate"

any person appointed by the Seller or any Receiver pursuant to clause 5.13 and any person appointed as an attorney of the Seller, Receiver or Delegate

"Developable Land"

Those areas falling within the Property and to be utilised for the construction of units including garages, outbuildings, internal roads, private driveways, gardens and any other land or buildings and their curtilage and including normal estate roads but excluding (without limitation) land required to deliver:-

- (a) open space or other amenity areas;
- (b) land required to deliver the service road or on and off site infrastructure;
- (c) land required for public, community or non-profit generating use;
- (d) land required for sustainable drainage

solutions and provision of utilities; and

- (e) any land incapable of reasonably economic development due to adverse soil conditions or other physical factors

“Encumbrance”

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.

“Environment”

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

“Environmental Law”

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

“Event of Default”

any of the events of default set out in **clause 4.6**

“First Due Date”

the date which is the first anniversary of the date of this Legal Charge

“Indebtedness”

any obligation to pay or repay money, present or future, whether actual or contingent, sole or joint

“Insolvency Act”

Insolvency Act 1986

“Interest Rate”

2% per annum above Lloyds Bank plc base rate from time to time.

“Land Area”

the area in acres of Developable Land determined in accordance with RICS, Code of Measuring Practice, 6th edition effective May 2018 (or the edition which is current at the relevant time);

“Permitted Disposal”

- (a) the disposal or dedication of any part of the Property or Services within the Property

and/or any rights or easements over any part of the Property to or in favour of any statutory undertaking, utility company, local authority or similar body for the provision and adoption of Service Installations for other infrastructure; and/or

- (b) the dedication or disposal of any part of the Property and / or any rights or easements over any part of the Property to the highway or other competent authority for roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works for the provision and adoption of such roads, footpaths, cycleways (together with ancillary areas and rights) or other highway works including any agreement made under sections 38 or 278 of the Highways Act 1980; and/or

- (c) the disposal of Affordable Housing land and a doctors' surgery site pursuant to a Works Agreement including the grant of suitable access and service rights over the Property (except as prohibited by the Transfers); and/or

- (d) the disposal of any part of the Property as common parts, open space, amenity land or similar to the local authority, a management company or similar;

"Property"

The Site LESS:-

- (a) the parcels edged blue on the plan annexed hereto; and
- (b) such part or parts of the Site as may be released from this Charge time to time

"Purchase Price"

The sum of Thirty Million Two Hundred and Fifty Thousand Two Hundred and Seventy Pounds (£30,250,270.00) exclusive of VAT.

"Receiver"

any receiver or receiver and manager appointed by the Seller under this Legal Charge or pursuant

to any statute, including the 1925 Act but does not include an administrative receiver.

"Release"

duly completed and executed forms DS3 and RX4s or such other forms or documents as shall be appropriate in relation to a Permitted Disposal and/or a release pursuant to clause 2.6.2 or clause 2.6.3 or a duly completed form DS1 or such other form or document as shall be appropriate in relation to the remainder of the Property upon final repayment of all the Secured Liabilities in each case to release it from this Legal Charge

"Release Fee"

an amount in pounds sterling equal to £710,706 per acre of the Land Area in respect of which a Release has been requested pursuant to clause 2.6.2

"Release Land"

such part (but not an area comprising a series of separate plots scattered throughout the Property) of the Property as comprises a separate and distinct area intended for development as a whole in accordance with planning permission obtained by or on behalf of the Buyer

"Second Due Date"

the date which is the second anniversary of the date of this Legal Charge

"Secured Liabilities"

the Deferred Purchase Price and all other present and future monies, obligations and liabilities owed by the Buyer to the Seller and/or Sarah Elizabeth Waters, whether actual or contingent and whether owed jointly or severally, as principal or surety and/or in any other capacity, under this Legal Charge together with all interest accruing in respect of such monies or liabilities and any costs and expenses due and payable by the Buyer under this charge.

"Security"

any legal charge, debenture, mortgage, lien or other form of security granting any legal or equitable charge over the Property whether fixed or floating.

"Services"	heat, electricity, gas, water, sewage, air conditioning, energy, telecommunications, data and all other services and utilities.
"Service Installations"	drains channels sewers ducts conduits pipes wires cables watercourses channels flues gutters and other conducting media and installations including ancillary or connected equipment fixings louvres cowls and covers and construction works.
"Site"	That part of the freehold property known as land to the south of Sutton Road, Langley, Maidstone Kent being that part of the land registered at HM Land Registry under the Title Numbers as is shown edged red on the plan annexed hereto.
"Third Due Date"	the date which is third anniversary of the date of this Legal Charge
Title Numbers	K770133, K795191 and K729048.
"Transfers"	three transfers dated the same date as this Legal Charge by the Seller and Sarah Elizabeth Waters to the Buyer.
"Warranties"	the warranties given by the Buyer to the Seller under clause 8 .
"Works Agreement"	<p>all or any of the following as the case may be:</p> <ul style="list-style-type: none"> (a) an agreement in respect of and affecting the Property (whether or not also affecting other property) pursuant to: <ul style="list-style-type: none"> (ii) section(s) 38 and/or 278 of the Highways Act 1980; and/or (iii) section 104 of the Water Industry Act 1991 or any provision to similar intent or an agreement with a water undertaker or a drainage undertaker (within the meaning of the Water Industry Act 1991) or the Environment Agency or an Internal Drainage Board

(within the meaning of the Water Resources Act 1991 or the Land Drainage Act 1991) or other appropriate authority as to water supply or drainage of surface and/or foul water from the Property,

or any agreement or deed with any competent authority or body relating to installation provisions supply maintenance and adoption of Services Installations; and/or

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

(c) any variation of amendment to any element referred to in (a) or (b) above

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 Property include any part of it;

1.2.5. A reference in this Legal Charge to a charge or mortgage of or over the Property includes:

1.2.5.1. all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery which are situated on or form part of the Property at any time;

1.2.5.2. all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.2.6. if the Seller considers acting reasonably and properly that an amount paid by the Buyer in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Seller or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Legal Charge.

1.2.7. references to the powers of the Seller or the Receiver are references to the respective powers, discretions and rights given to the Seller or a Receiver under this Legal Charge, the 1925 Act, the Insolvency Act or otherwise given to or exercisable by the Seller or the Receiver;

1.2.8. references to a Receiver includes a reference to a Delegate appointed in accordance with the terms of this Legal Charge.

1.2.9. "including" means "including, without limitation";

1.2.10. "indemnify" means to indemnify against all actions, claims, demands and proceedings taken or made against the Seller and all costs, damages, expenses, liabilities and losses incurred by the Seller;

1.2.11. where two or more people form a party to this Legal Charge, the obligations they undertake may be enforced against them all jointly or against each individually; and

1.2.12. 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. 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 Buyer covenants with the Seller to pay the Deferred Purchase Price to the Seller as follows:-

2.1.1. on the First Due Date the sum of Five Million Five Hundred Thousand and Fifty-four Pounds (£5,500,054.00) plus any interest arising on such sum under clause 2.2 less any Release Fee paid on or before the First Due Date;

2.1.2. on the Second Due Date the sum of Five Million Five Hundred Thousand and Fifty-four Pounds (£5,500,054.00) plus any interest arising on such sum under clause 2.2 less any Release Fee paid from and excluding the First Due Date to and including the Second Due Date; and

2.1.3. On the Third Due Date the sum of Five Million Seven Hundred and Fifty Thousand and Fifty-four Pounds (£5,750,054.00) plus any interest arising on such sum under clause 2.2 less any Release Fee paid from and excluding the Second Due Date to and including the Third Due Date

2.2. Covenant to pay interest

The Buyer covenants with the Seller that it will pay interest at the Interest Rate on the Deferred Purchase Price (but exclusive of any Value Added Tax on the same) or so much of it as shall from time to time be outstanding, from day to day from the date of this legal charge until the date of actual repayment by the Buyer under clause 2.1 (whether before or after judgement, liquidation, winding-up or administration of the Buyer).

2.3. Legal mortgage

The Buyer with full title guarantee charges the Property to the Seller by way of first fixed legal mortgage.

2.4. Continuing security

This Legal Charge is made for securing the Secured Liabilities and is a continuing security and will not be discharged by any payment on account of the whole or any part of the Deferred Purchase Price save as prescribed in

clause 2.6 below.

2.5. Permitted Disposals

- 2.5.1. When the Buyer intends to make a Permitted Disposal of part of the Property it shall notify the Seller and provide the Seller with a copy of the instrument that will effect it and the Seller shall within 10 Business Days, SUBJECT ALWAYS TO clause 2.7 below, give the Buyer (the Buyer having provided the draft form to the Seller) such form of Release as shall be required to release the relevant part of the Property from this Legal Charge and the restriction created pursuant to Clause 2.9 and/or provide such Land Registry forms as are required in relation to this Legal Charge for the registration of the relevant transaction against the registered title to the Property.
- 2.5.2. The Seller shall (at the Buyer's reasonable and proper cost) within 10 Business Days of request consent to and join in any Works Agreement to give its consent to the terms of the Works Agreement subject to those terms only being binding on the Seller if it becomes a mortgagee in possession provided that the Buyer indemnifies the Seller and its successors in title from any liability arising under or as a result of any Works Agreement.

2.6. Release

- 2.6.1. Within 10 Business Days after the payment of the entirety of the Secured Liabilities the Seller will give to the Buyer (at the Buyer's expense) such form of Release as shall be required to release the whole of the Property remaining subject to this Legal Charge and the restriction created pursuant to clause 2.9 (together with any relevant Land Registry form(s)).
- 2.6.2. The Buyer may at any time or times in advance of payment of each instalment of the Deferred Purchase Price under clause 2.1 by not less than ten Business Days' written notice to the Seller request the issue of a Release duly executed by the Seller for such Release Land as the Buyer may require, such request to be accompanied by the form of Release required to be executed the area of the Release Land and a calculation of the Release Fee. Upon payment to the Seller of the Release Fee by way of cleared funds, the Seller shall, SUBJECT ALWAYS TO clause 2.7 below, provide the Release to the Buyer. Each payment of a Release Fee shall be treated as part payment of the Deferred Purchase Price and reduce the amount due to the Seller on the date for payment of the next tranche of Deferred Purchase Price that is payable.

2.6.3. On receipt by the Seller from the Buyer of the following instalments of the Deferred Purchase Price:

2.6.3.1. the sum of £5,500,054.00 plus any interest due under clause 2.2 less any Release Fee paid by the Buyer on or before the First Due Date and an appropriate Release, on the First Due Date the Seller shall, SUBJECT ALWAYS TO clause 2.7 below, execute and forward such Release to the Buyer in respect of no more than X acres of Land Area where X is 7.66 LESS the number of acres of Land Area (if any) released before the First Due Date under clause 2.6.2 above;

2.6.3.2. the sum of £5,500,054.00 plus any interest due under clause 2.2 less any Release Fee paid from but excluding the First Due Date to and including the Second Due Date and an appropriate Release the Seller shall, SUBJECT ALWAYS TO clause 2.7 below, execute and forward such Release to the Buyer in respect of no more than Y acres of Land Area where Y is 7.66 LESS the number of acres of Land Area (if any) released between the period commencing on the date falling after the First Due Date and before the Second Due Date under clause 2.6.2 above;

2.6.3.3. the sum of £5,750,054.00 plus any interest due under clause 2.2 less any Release Fee paid after the Second Due Date and an appropriate Release in respect of the remainder of the Property the Seller will execute and forward such Release to the Buyer.

2.7. Seller's Right to refuse to Release Land

2.7.1. Where the Seller is asked to release land from its security under either clause 2.5.1 or clause 2.6.2 or clause 2.6.3 above, the Seller shall be entitled to refuse to release such land or any part thereof if, in the Seller's reasonable opinion, such land or any part thereof:

2.7.1.1. is intended to serve as a means of access to, or to provide Services to, the Property which following such release remains under charge to the Seller; and/ or

2.7.1.2. is required to provide rights of entry for development of the Property which following such release remains under charge to the Seller

and without which it would not be possible for the Seller, in the event of enforcing its security, to develop out the said Property remaining under charge pursuant to the planning consent under which the Buyer is developing out the Property without securing third party rights.

2.8. Consent to Rights

2.8.1. The Buyer shall not grant any rights over the Property without the consent of the Seller, which the Seller may withhold in its absolute discretion save where otherwise stipulated in this clause 2.8.

2.8.2. The Seller shall not unreasonably withhold its consent to the grant of any rights over the Property but shall be permitted to reasonably withhold such approval where:-

2.8.2.1. the ability to develop the remainder of the Property is in the reasonable opinion of the Seller adversely affected as a result of such grants; and

2.8.2.2. the instrument of such disposal does not in the reasonable opinion of the Seller reserve or imposes for the benefit of the Property such rights as may reasonably be required for the development of the remainder of the Property; and/or

2.8.2.3. the grant of such rights is prohibited by the Transfers.

2.8.3. The Seller shall be deemed to have approved the terms of any easements contained within a disposal if no written notification of refusal is served by the Seller on the Buyer within 15 working days of the date of service by the Buyer on the Seller of a written request for approval (including a copy of the instrument of such disposal).

2.8.4. For the sake of expediency, the Buyer may request and the Seller will not unreasonably withhold approval to a block of multiple disposals (being a number of dwellings) all in materially the same form.

2.8.5. Following approval or deemed approval by the Seller pursuant to this clause, the Seller shall (at the Buyer's expense) promptly provide to the Buyer a letter in the Seller's capacity as mortgagee in such form as the Buyer may reasonably require in order for the rights granted by the disposal over the Property to be registered at the Land Registry.

2.8.6. Any dispute between the Buyer and the Seller as to whether the

Buyer is unreasonably withholding its approval pursuant to this clause shall be determined by an independent expert appointed by either party.

2.9. Land Registry restriction

- 2.9.1. The Buyer is to apply to the Land Registrar on Land Registry form RX1 to enter a restriction on the register of the Title Number in the following Land Registry standard form:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without either (i) a written consent signed by the proprietor for the time being of the charge dated ^{28 October 2019} ~~date of this Legal Charge~~ in favour of Richard Martyn Rathbone Ashby, Timothy Josling Maxwell Day, Edward Raymond Fermor, Patricia Sally Fermor, Richard Edward Fermor and James Timothy Fermor referred to in the charges register or (ii) a certificate signed by the solicitor to the registered proprietor that such consent is not required." T8

- 2.9.2. The Seller, in its absolute discretion, may make an application referred to in **clause 2.9.1** in place of the Buyer. In such a case, the Buyer consents to the entry of the relevant restriction and will pay all fees, costs and expenses incurred in connection with the application.

3 COVENANTS

3.1. Restriction on further security

The Buyer shall not create, extend, or permit to subsist, any Security over any of the Property (or purport to do so); nor may it, without the prior consent of the Seller or as otherwise herein provided, (a) execute, or agree to grant, vary, or accept any surrender of, any conveyance, transfer, lease or assignment, or any other right of occupation or use, of the Property (or purport to do so), (b) create any legal or equitable estate, or other interest, in, over, or relating to, the Property or (c) otherwise dispose of its interest (whether legal or beneficial) in the Property (or purport to do so)

3.2. Enforcement of Rights

The Buyer shall use all reasonable endeavours to:

- 3.2.1. procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Buyer and

forming part of the Property of the covenants and other obligations imposed on such counterparty; and

3.2.2. enforce any rights and institute, continue or defend any proceedings relating to any of the Property which the Seller may require from time to time.

3.3. Notice of Breaches

The Buyer shall, promptly on becoming aware of any of the same, give the Seller notice in writing of any breach of:

3.3.1. any representation or warranty set out in clause 0; and

3.3.2. any covenant set out in this clause 3.

3.4. Further Assurance

Solely for the perfecting, protecting or facilitating the realisation of its security over the Property, the Buyer, at its own cost, shall prepare and execute such further legal or other mortgages, charges or transfers (containing a power of sale and such other provisions as the Seller may reasonably require) in favour of the Seller as the Seller, (acting reasonably), requires from time to time over all or any part of the Property and give all notices, orders and directions which the Seller may reasonably require.

3.5. Buyer's Waiver of Set-off

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

3.6. Insurance of the Property

The Buyer is to insure and keep insured the buildings and fixed plant, machinery and fixtures forming part of the Property in the Buyer's name, but noting the Seller's interest as chargee:

3.6.1. against loss or damage by fire and such other risks as the Seller may reasonably require;

3.6.2. in their full reinstatement cost, including the costs of demolition, site clearance and professional costs and expenses;

3.6.3. through an insurance office or underwriters approved by the Seller (acting reasonably); and

3.6.4. on terms acceptable to the Seller (acting reasonably)

3.7. Additional insurance obligations

The Buyer is to:

- 3.7.1. pay all insurance premiums as soon as they become due;
- 3.7.2. provide the Seller on request with a copy of the insurance policies effected by the Buyer together with evidence for the payment of the last premiums for those policies;
- 3.7.3. apply all monies received by virtue of any insurance policies in making good the loss of or damage to the Property or, if the Seller so directs, in or towards discharging the Secured Amounts; and
- 3.7.4. pay to the Seller on demand the costs of any insurance effected by the Seller to remedy any default by the Buyer in insuring under this **clause 3.7.**

3.8. No Invalidation of Insurance

The Buyer shall not do or omit to do or permit to be done or omitted anything that may invalidate or otherwise prejudice the insurance policies in respect of the Property.

3.9. Compliance with and Enforcement of Covenants

The Buyer shall:

- 3.9.1. (by way of indemnity only) 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 Seller so requires) produce to the Seller evidence sufficient to satisfy the Seller that those covenants, stipulations and conditions have been observed and performed; and
- 3.9.2. 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.

3.10. Notices or Claims Relating to the Property

- 3.10.1. The Buyer shall:

3.10.1.1. give full particulars to the Seller 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

3.10.1.2. (if the Seller so requires) immediately, and at the cost of the Buyer, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Seller in making, such objections or representations in respect of any such Notice as the Seller may desire.

3.10.2. The Buyer shall give full particulars to the Seller of any claim, notice or other communication served on it in respect of any alleged breach of any Environmental Law relating to the Property.

3.11. Environment

The Buyer shall in relation to the Property:

3.11.1. properly discharge in all material respects all duties of care and responsibility placed upon it by Environmental Law; and

3.11.2. observe and perform in all material respects all the requirements of Environmental Law.

3.12. Conduct of Business on Property

The Buyer 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.

3.13. Inspection

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

3.14. No Restrictive Obligations

The Buyer shall not, without the prior written consent of the Seller (acting reasonably), 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 whatsoever in or over the whole or any part of the Property save as herein provided.

3.15. Statutory requirements

The Buyer is to comply with all statutory and other requirements affecting the Property and shall obtain and promptly renew from time to time and comply with the terms of all authorisations which may be necessary to enable it to preserve, maintain or renew the Property.

3.16. Taxes and outgoings

The Buyer is punctually to pay all taxes, duties, rates and outgoings payable in respect of the Property.

3.17. Costs and expenses

The Buyer is to pay on demand to the Seller or the Receiver:

3.17.1. all Costs which may be incurred by either of them in connection with:

3.17.1.1. any consents or approvals which may be required in respect of the Property;

3.17.1.2. negotiating, preserving, perfecting, enforcing or seeking to preserve or enforce this Legal Charge or their respective rights and powers (or any attempts to do so);

3.17.1.3. stamp duty land tax and other fees and costs arising from preserving or improving the security created by this Legal Charge; and

3.17.2. interest on any Costs payable under this Legal Charge from the date upon which they were demanded until repayment and as well after as before judgment at the Interest Rate.

3.18. Not jeopardise Security

The Buyer will not do or omit to do anything or allow anything to be done or omitted which may in any way depreciate, jeopardise or otherwise prejudice the value to the Seller of the Security created by this Legal Charge or the priority of its ranking as expressed in this Deed.

4 ENFORCEMENT

4.1. Consolidation of mortgages

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

4.2. Power of leasing

The restriction on the powers of the Seller 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. The statutory powers of leasing and accepting surrenders are extended so as to authorise the Seller and any Receiver, at any time after the security constituted by this Legal Charge has become enforceable, whether in its own name or in that of the Buyer, to make any lease or arrangement for lease, accept surrenders of leases or grant any option of the whole or any part of the Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Buyer, generally on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) and whether or not at a premium as the Seller or Receiver thinks fit.

4.3. Power of sale

For the purposes only of section 101 of the 1925 Act, the Secured Liabilities becomes due and the statutory power of sale and other powers of enforcement given by section 101 of the 1925 Act (as varied or extended by this Legal Charge) arise immediately on execution of this Legal Charge.

4.4. 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 without any demand.

4.5. Privileges

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

4.6. Events of default

This Legal Charge will become immediately enforceable and the powers of the Seller and the Receiver exercisable in any of the following events:

- 4.6.1. the Buyer does not pay the Deferred Purchase Price on the due dates set out in clause 2.6.3 after receiving five working days written notice from the Seller of its intention to enforce under this clause
- 4.6.2. the Buyer does not comply materially with its obligations in this Legal Charge after receiving five working days written notice from the Seller of its intention to enforce under this clause;
- 4.6.3. there is any breach by the Buyer of the Warranties;
- 4.6.4. an order is made for the compulsory purchase of the whole or any part of the Property;
- 4.6.5. if any representation or warranty made by the Buyer hereunder is or shall prove to be or to have been incorrect, untrue or misleading when made;
- 4.6.6. if the Buyer repudiates or shows an intention to repudiate this agreement;
- 4.6.7. if any formal legal step (including without limitation petition, proposal, convening a meeting or service of a notice of intention to appoint an administrator under paragraphs 15 or 26 of Schedule B1 to the Insolvency Act 1986, or any statutory modification or re-enactment thereof) is taken with a view to the administration, liquidation, winding-up or dissolution of the Buyer, or any other insolvency proceedings involving the Buyer;
- 4.6.8. if a receiver, administrator or other similar officer be appointed of the whole or any part of the assets or undertaking of the Buyer an encumbrancer takes possession of, or any person exercises or attempts to exercise any power of sale in relation to all or any part thereof;
- 4.6.9. if the Buyer shall stop payment of its debts or be deemed, for the purposes of Section 123(1) of the Insolvency Act 1986 or any statutory modification or re-enactment thereof, to be unable to pay its debts, or shall cease or threaten to cease to carry on its business or substantially the whole of its business or shall enter into or become the subject of any composition or arrangement with its creditors or any one or more of them;
- 4.6.10. if a moratorium is declared in respect of any Indebtedness of the Buyer;

4.6.11. if a distress, attachment, execution, expropriation, sequestration or other analogous legal process is levied, enforced or sued out on, or against, the Buyer's assets and is not stayed within 15 Business Days;

4.6.12. if any event occurs (or circumstances exist) which, in the reasonable opinion of the Lender, has or is likely to materially and adversely affect the Buyer's ability to perform all or any of its obligations under, or otherwise comply with the terms of the Option.

4.7. Enforcement of Security

After the security constituted by this Legal Charge has become enforceable, the Seller 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 Property.

4.8. No liability as mortgagee in possession

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

4.9. Relinquishing possession

If the Seller, any Receiver or any Delegate enters into or takes possession of the Property, it or he may at any time relinquish possession

4.10. Seller's powers

The power of sale and the other powers conferred by the 1925 Act or otherwise are extended and varied to authorise the Seller at its absolute discretion to

4.10.1. 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 without first appointing a Receiver or notwithstanding the appointment of a Receiver.

4.10.2. remedy a breach at any time by the Buyer of any of its obligations contained in this Legal Charge. The Buyer irrevocably authorises the Seller and its agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Seller in

remedying a breach by the Buyer of any of its obligations contained in this Legal Charge shall be reimbursed by the Buyer to the Seller on a full indemnity basis and shall carry interest at the Interest Rate in accordance with the terms of this Legal Charge;

4.10.3. In remedying any breach in accordance with clause [4.11.2] the Seller, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Seller may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

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

4.10.5. grant time or other indulgence or make any other arrangement, variation or release with any person that is not party to this Legal Charge (whether or not such person is jointly liable with the Buyer) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this Legal Charge or to the liability of the Buyer for the Secured Liabilities.

5 APPOINTMENT OF RECEIVERS

5.1. Powers under this Legal Charge

The powers under this Legal Charge shall be in addition to all statutory and other powers of the Seller under the 1986 Act, the 1925 Act or otherwise and shall be exercisable without the restrictions contained in sections 103 and 109 of the 1925 Act.

5.2. Appointment of receivers

At any time after the Seller's power of sale has become exercisable, the Seller may without further notice appoint one or more than one Receiver in respect of the Property or any part of the Property. The power to appoint a Receiver (whether conferred by this Legal Charge or statute) shall be and remain exercisable by the Seller despite any prior appointment in respect of all or part of the Property.

5.3. 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.

5.4. Joint and several powers

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

5.5. Additional or alternative receivers

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

5.6. Agent of the Buyer

The Receiver will, so far as the law permits, be the agent of the Buyer. The agency of each Receiver shall continue until the Buyer goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Seller.

5.7. Scope of Receiver's Powers

Any exercise of any of the powers of a Receiver by the Receiver may be on behalf of the Buyer, the directors of the Buyer or himself

5.8. Buyer's liability

The Buyer 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.

5.9. Liability for default

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

5.10. 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 Buyer.

5.11. Receiver's remuneration

The remuneration of the Receiver may be fixed by the Seller without the restrictions contained in section 109 of the 1925 Act but will be payable by the Buyer. The amount of the remuneration will form part of the Secured Amounts.

- 5.12.11. to bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Property as he thinks fit.
- 5.12.12. to 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 Buyer under this Legal Charge if the Receiver thinks fit.
- 5.12.13. to for any of the purposes authorised by this clause, raise money by borrowing from the Seller (or from any other person) on the security of all or any of the Property in respect of which he is appointed on such terms as he thinks fit (including, if the Seller consents, terms under which such security ranks in priority to this Legal Charge).
- 5.12.14. to redeem any prior Encumbrance and settle and pass the accounts to which the Encumbrance relates. Any accounts so settled and passed shall be conclusive and binding on the Buyer, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver; and
- 5.12.15. to do all such other acts and things as the Receiver may consider incidental or conducive to any of the matters or powers in this clause, or which he lawfully may or can do as agent for the Buyer

5.13. Delegation

Each of the Seller and 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 Legal Charge (including the power of attorney granted by this Legal Charge). Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Seller or any Receiver shall think fit. Neither the Seller nor any Receiver shall be in any way liable or responsible to the Buyer for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

5.14. Specific powers of a Receiver

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

- 5.14.1. to take possession of and collect the income from the Property and for that purpose to take any proceedings in the name of the Buyer;

5.14.2. to carry on, manage or permit the carrying on and managing any business of the Buyer at the Property as the Receiver may think fit;

5.14.3. to sell, whether by public auction or private contract or otherwise, exchange, license or otherwise dispose of or deal with all or any part of the Property for such consideration, if any, and upon such terms as the Receiver thinks fit; and

5.14.4. to grant any Lease and to accept or agree to accept surrenders of Leases in such circumstances and for such purposes and upon such terms as the Receiver may think fit.

5.15. Application of proceeds

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

6 DISTRIBUTIONS

6.1 Subject to section 176A Insolvency Act, all monies received by the Seller or a Receiver (other than sums received pursuant to any insurance policy over the Property) pursuant to this Legal Charge will, subject to any claims ranking in priority to the Secured Liabilities, 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 Liabilities in such order as the Seller may determine; and

6.1.4. the claims of those entitled to any surplus.

6.2. Appropriation

Neither the Seller, any Receiver or a Delegate under this Legal Charge shall be bound (whether by virtue of section 109(8) of the 1925 Act, 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

7 PURCHASER

A purchaser from, tenant or other person dealing with the Seller 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.

8 WARRANTIES

8.1. The Buyer warrants to the Seller that:

8.1.1. neither the execution of this Legal Charge by the Buyer nor compliance with its terms will:

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

8.1.1.2. cause any limitation on any of the powers of the Buyer or on the right or ability of the directors of the Buyer to exercise those powers to be exceeded;

8.1.2. all consents required by the Buyer for the execution, delivery, issue, validity or enforceability of this Legal Charge have been obtained and have not been withdrawn;

8.1.3. no person having any charge or other form of security over the Property or any other assets of the Buyer has enforced or given notice of its intention to enforce such security; and

8.1.4. no Event of Default has occurred or is continuing.

9 EXCLUSION OF LIABILITY AND MISCELLANEOUS

9.1. **Liability for loss and damage**

9.1.1. The Seller and the Receiver will not be liable to the Buyer for any loss or damage incurred by the Buyer arising out of the exercise of their respective powers or any attempt or failure to exercise those powers.

9.1.2. The Buyer may not take any proceedings against any officer, employee or agent of the Seller or the Receiver in respect of any claim it might have against the Seller or the Receiver or in respect of any act or omission of any kind by that officer, employee or agent in relation to this Legal Charge.

9.2. Buyer's indemnity

The Buyer agrees with the Seller to indemnify the Seller and the Receiver against any exercise of the powers of the Seller or the Receiver or any attempt or failure to exercise those powers.

9.3. Continuing Security

This Legal Charge 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 Seller discharges this Legal Charge in writing.

9.4. Discharge conditional

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

9.4.1. the Seller or its nominee may retain this Legal Charge and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Property, for such period as the Seller deems necessary to provide the Seller with security against any such avoidance, reduction or order for refund; and

9.4.2. the Seller may recover the value or amount of such security or payment from the Buyer subsequently as if such release, discharge or settlement had not occurred.

9.5. Rights cumulative

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

9.6. Further exercise of rights

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

9.7. Delay

No delay or failure to exercise any right or power under this Legal Charge shall operate as a waiver.

9.8. Single or partial exercise

No single or partial exercise of any right under this Legal Charge shall prevent any other or further exercise of that or any other right.

9.9. Consolidation

The restriction on the right of consolidation contained in section 93 of the 1925 Act shall not apply to this Legal Charge.

9.10. Partial invalidity

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

10 POWERS

10.1. Execution of documents

The Receiver will have power, either in the name of the Buyer 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.

10.2. Disposal of chattels

If the Seller or the Receiver obtain possession of the Property and the Buyer does not remove any chattels on the Property, the Seller or the Receiver may remove and store or sell them without being under any liability to the Buyer other than to account for the net proceeds of the sale. All expenses and liabilities incurred by the Seller or the Receiver in connection with the removal, storage and sale of the chattels will form part of the Secured Amounts.

11 NOTICES

11.1. Form of notices

Any notice served under this Legal Charge is to be:

11.1.1. in writing;

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

11.1.3. 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.

11.2. 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.

11.3. 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;

11.3.1. if delivered by hand, at the time of delivery;

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

12 LAW AND JURISDICTION

12.1. Governing law

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

12.2. 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. This clause operates for the benefit of the Seller who retains the right to sue the Buyer and enforce any judgment against the Buyer in the courts of any competent jurisdiction.

13 EXECUTION

The Seller and the Buyer have executed this Legal Charge as a deed and it is delivered on the date set out at the beginning of it.

EXECUTED as a deed by affixing)
the common seal of)
COUNTRYSIDE PROPERTIES)
(UK) LIMITED in the presence of:)

Director

X *P.V.M.*

PL

X

X

[Signature]

X T.M.W.

Director / Secretary


Witnessed by:

Name: T.M. Warren

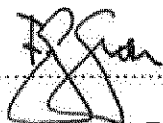
Address: The Mole Hill, Hollow Road, Molehill Green,
Nr. Felsted, Great Dunmow, Essex CM8 3JF

Occupation: Chartered Secretary

SIGNED as a deed by
Richard Martyn Rathbone Ashby
in the presence of:



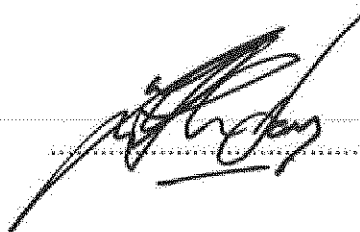
Witness'
Signature
Name (capital
letters)
Address


FG GREEN
3 Lonsdale Gardens
Tunbridge Wells
TN1 1NK

Occupation

Solicitor

SIGNED as a deed by
Timothy Josling Maxwell Day
in the presence of:



Witness'
Signature
Name (capital
letters)
Address



Occupation

as above

SIGNED as a deed by
Edward Raymond Fermor
in the presence of:



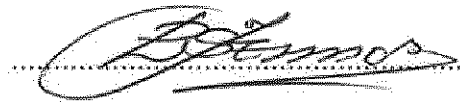
Witness'
Signature
Name (capital
letters)
Address




as above

Occupation

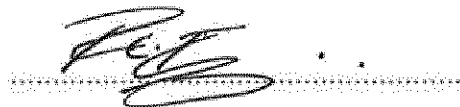
SIGNED as a deed by
Patricia Sally Fermor
in the presence of:

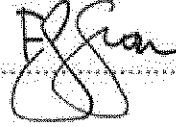


Witness'
Signature 
Name (capital
letters)
Address as above

Occupation

SIGNED as a deed by
Richard Edward Fermor
in the presence of:

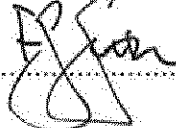


Witness'
Signature 
Name (capital
letters)
Address as above

Occupation

SIGNED as a deed by
James Timothy Fermor
in the presence of:



Witness'
Signature 
Name (capital
letters)
Address as above

Occupation

