



Registration of a Charge

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

Company number: **00614864**



X8X91RUI

Received for Electronic Filing: **23/01/2020**

Details of Charge

Date of creation: **13/01/2020**

Charge code: **0061 4864 1152**

Persons entitled: **PEEL INVESTMENTS (NORTH) LIMITED**

Brief description: **ALL THAT FREEHOLD LAND AT HALL LANE AND LOCK LANE, PARTINGTON, MANCHESTER AS SHOWN EDGED RED ON THE PLAN ATTACHED TO THE LEGAL CHARGE LABELLED PLAN 1 AND BEING THE WHOLE OF THE LAND COMPRISED IN A TRANSFER OF EVEN DATE MADE BETWEEN (1) THE LENDER AND (2) THE BORROWER**

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:

LAND LAW LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 614864

Charge code: 0061 4864 1152

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th January 2020 and created by COUNTRYSIDE PROPERTIES (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd January 2020 .

Given at Companies House, Cardiff on 24th January 2020

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



LAND LAW LLP

DATED 13 January 20
2019

- (1) COUNTRYSIDE PROPERTIES (UK) LIMITED
- (2) PEEL INVESTMENTS (NORTH) LIMITED

LEGAL MORTGAGE

RELATING TO

LAND AT HALL LANE, PARTINGTON, MANCHESTER

Certified a true
copy of the
original
COUNTRYSIDE PROPERTIES
(UK) LIMITED

10-14 Market Street Altrincham Cheshire WA14 1QB
Tel: (0161) 928 8383 Fax: (0161) 928 8484 DX: 29918 Altrincham 2
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Dated 22.01.2020
Signed H. J. Boy

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A list of the members is available for inspection at the above office.

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DATE

13 January

2019/20

PARTIES

- (1) **COUNTRYSIDE PROPERTIES (UK) LIMITED** incorporated and registered in England and Wales with company number 00614864 whose registered office is at Countryside House The Drive Brentwood Essex CM13 3AT (**the Borrower**); and
- (2) **PEEL INVESTMENTS (NORTH) LIMITED** incorporated and registered in England and Wales with company number 00187724 whose registered office is at Peel Dome, intu Trafford Centre, Traffordcity, Manchester M17 8PL (**Lender**).

BACKGROUND

- (A) Immediately prior to the entering into this legal mortgage, the Lender has sold and the Borrower has purchased the Property but the Lender has agreed to defer part of the consideration payable by the Borrower to the Lender under and in accordance with the terms of the Contract.
- (B) The Borrower is now the owner of the Property.
- (C) This legal mortgage provides security which the Borrower has agreed to give the Lender for the deferred consideration due under the Contract.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions:

The definitions and rules of interpretation in this clause apply in this legal mortgage.

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;

Charged Property

that part of the Property as is shown coloured green on Plan 1 and each and every part of it;

Contract

a contract for the sale of the Property dated 13/01/2019 between (1) the Lender (2) the Borrower and (3) the Guarantor;;

Costs

all 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 Lender or any Receiver or Delegate may charge or incur in relation to any breach of any provision of this legal mortgage by the Borrower;

Covenants

as defined in clause 4.2.3;

Deferred Consideration

the instalment of the Price payable pursuant to clause 2.3 of the Contract and defined in the Contract as the "Deferred Consideration";

Delegate

any person appointed by the Lender or any Receiver pursuant to clause 11 and any person appointed as attorney of the Lender, Receiver or Delegate;

Development

the development of the Property in accordance with and as permitted pursuant to the Contract and as more particularly defined in the Contract as the Development;

Dispose or Disposal

any disposition, disposal or dealing with the Property (including, without limitation, a transfer, assent, charge, licence, lease or deed of grant or covenant);

Due Date

1 March 2021;

Dwelling

means a dwelling comprising a family house of brick built or timber framed structure for residential purposes including any garage outbuilding car parking area and garden land and any other land or structure appurtenant to it and intended to be sold therewith;

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

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 manmade 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, legally binding codes of practice and guidance notes in so far as they relate to or apply to the Environment;

Event of Default

any of the events of default set out in Schedule 5;

Flood Risk Mitigation Area

has the same meaning as in the Contract;

Green Loop

the environmental and recreational scheme to create a green route being the Green Loop Scheme (as defined in the S106 Agreement including on the Green Loop Land (as defined in the S106 Agreement));

Group Company

any subsidiary or any holding company from time to time of the Lender, and any subsidiary from time to time of a holding company of that company;

Guarantor

the guarantor under the Contract

Insurance Policy

the insurance policy in place pursuant to the provisions of paragraph 3 of Part 2 of Schedule 2 and any other insurance policy in place over the Property from time to time;

Lender Debt

the Deferred Consideration and all interest due thereon or such part thereof as is outstanding from time to time and all payment obligations and liabilities which are or may become payable or owing by the Borrower to the Lender pursuant to the Lender Security Documents which are secured by the Lender Security Interest;

Lender Debt Documents

means the Contract and the Lender Security Documents;

Lender Security Documents

means this legal mortgage granted by the Borrower in favour of the Lender over the Property;

Lender Security Interest

means any security in favour the Lender created by the Lender Security Documents;

LPA

the Law of Property Act 1925;

Open Space

the land shown coloured blue on Plan 2;

Permitted Disposal

any of the disposals and/or dealings set out in Schedule 8;

Permitted Works

the preparatory works which the Borrower is permitted to carry out pursuant to paragraph 1.1 of Part 2 of Schedule 2;

Plan 1 and Plan 2

the plans attached to this legal mortgage at appendix 1 and so numbered;

Price

the Purchase Price as so defined in the Contract;

Property

the freehold property owned by the Borrower described in Schedule 1;

Receiver

a receiver and/or manager of the Charged Property;

Release

a Land Registry form DS3 or form DS1 or such other form and or any written consent as shall be appropriate to release (when dated) the Charged Property from this Legal Charge together with a Land Registry form RX4 to release the Charged Property from the restriction which is noted at clause 4.4 below prepared by or on behalf of and at the cost of the Borrower and approved by or on behalf of the Lender (such approval not to be unreasonably withheld or delayed);

Reliance letter

a letter in substantially the form attached at appendix 2 subject to such minor modifications as may be agreed by the Lender (acting reasonably);

Reports

the reports listed in Schedule 7;

Rights

the rights set out in Part 1 of Schedule 6;

Road Infrastructure

ways comprising vehicular carriageways footpaths and/or verges with an associated kerbs lighting street furniture vision splays turning areas bridges (and bridge footings and abutments) crossings tunnels and underpasses structures earthworks and supporting banks and mounds and works;

Secured Liabilities

the Lender Debt including (but not limited to) the obligations of the Borrower set out in clause 2 of the Contract to pay the Deferred Consideration on the date specified in such clause together with Costs and default interest (if any) accruing in respect of such monies or liabilities;

Security Agreement

A security agreement dated 12 May 2016 and made between the companies listed therein as the chargors and Lloyds Bank PLC as the security agent entered into in connection with the Senior Facilities Agreement, as the same may be further amended, supplemented, novated, restated or replaced from time to time

Security Period

the period starting on the date of this legal mortgage and ending on the date on which all the Secured Liabilities have been fully paid and discharged;

Senior Facilities Agreement

a revolving facilities agreement originally dated 12 May 2016 and made between (amongst others) (1) Countryside Properties PLC as the parent and (2) Lloyds Bank PLC as the facility agent as the same may be further amended, supplemented, novated, restated, replaced or refinanced from time to time

Services

soil waste water gas electricity air smoke light telecommunications and other information and any other such services;

Services Infrastructure

pipes wires cables and other conduits for conveyance of water gas electricity light telecommunications and other services (together with any associated sub-stations gas governor houses junction boxes poles and stays inspection chambers and other works and equipment);

Sewerage Infrastructure

sewers drains outfalls and other sewerage and drainage conduits (with any associated manholes inspection chambers ponds attenuation and other equipment and works) including the Flood Risk Mitigation Area;

S106 Agreement

the Section 106 Agreement dated 25 September 2019 and made between (1) Trafford Metropolitan Borough Council (2) the Seller (3) Manchester Ship Canal Company Limited and (4) Lloyds Bank plc including any co-operation agreement ancillary thereto as the same may be varied from time to time and all documents ancillary thereto;

Transfer

a transfer of the Property dated 13/01/2019 made between the Lender (1) and the Borrower (2);

Uncharged Property

all of the Property (excluding the Charged Property) and each and every part of it;

VAT

value added tax chargeable under the Value Added Tax Act 1994 and any similar replacement and any additional replacement tax;

Warranty Provider

those contractors and consultants to be responsible for constructing implementing treating designing and/or verifying the Permitted Works; and

Works Agreement

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.

1.2 Interpretation

In this legal mortgage:

- 1.2.1 a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force for the time being, taking account of any amendment or re-enactment or extension and includes any former statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.2.2 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.2.3 unless the context otherwise requires, words in the singular shall
- 1.2.4 include the plural and in the plural include the singular.
- 1.2.5 a reference to a clause or Schedule is to a clause of, or Schedule to, this legal mortgage and references to paragraphs are to paragraphs of the relevant Schedule, unless the context otherwise requires.
- 1.2.6 a reference to this legal mortgage (or any provision of it) or any other document shall be construed as a reference to this legal mortgage, that provision or that document as it is in force for the time being and as amended in accordance with its terms or with the agreement of the relevant parties.
- 1.2.7 a reference to a person shall include a reference to an individual, firm, company, partnership, corporation, unincorporated body of persons, or any state or any agency of any person.
- 1.2.8 a reference to an amendment includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly).
- 1.2.9 a reference to assets includes present properties, undertakings, revenues, rights and benefits of every description.
- 1.2.10 a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution.

- 1.2.11 a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.
- 1.2.12 a reference to determines or determined means, unless the contrary is indicated, a determination at the discretion of the person making it, acting reasonably.
- 1.2.13 clause, Schedule and paragraph headings shall not affect the interpretation of this legal mortgage.

1.3 Nature of security over real property

A reference in this legal mortgage to a charge or mortgage of or over the Charged Property includes:

- 1.3.1 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 Charged Property at any time;
- 1.3.2 the proceeds of sale of any part of the Charged Property and any other monies paid or payable in respect of or in connection with the Charged Property;
- 1.3.3 the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Charged Property and any monies paid or payable in respect of those covenants; and
- 1.3.4 all rights under any licence, agreement for sale or agreement for lease in respect of the Charged Property.

1.4 Third party rights

A third party (being any person other than the Borrower, the Lender and its permitted successors and assigns, any Receiver and any Delegate) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce, or to enjoy the benefit of, any term of this legal mortgage.

1.5 Schedules

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

2. COVENANT TO PAY

2.1 Payment of Secured Liabilities

The Borrower covenants that it will discharge and pay to the Lender the Secured Liabilities in the case of the Deferred Consideration on the Due Date and otherwise as they fall due or in each case, if earlier, on the occurrence of an Event of Default.

2.2 Payment of interest

The Borrower shall pay interest on any amounts due under clause 2.1 from the date on which they are due from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate of 3% per annum above the base rate from time to time of Lloyds Bank plc.

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 Lender:

- 3.1.1 by way of first legal mortgage the Charged Property together with the Rights and the benefit of the covenants over the Property set out in Schedule 6;
- 3.1.2 by way of first fixed charge, the benefit of all licences, consents and authorisations held in connection with the use of any Charged Property, and the right to any compensation in respect of any of them excluding any plans, designs and drawings relating to house types produced by the Borrower.

4. **PERFECTION OF SECURITY**

- 4.1 The Borrower hereby grants with full title guarantee out of the Uncharged Property for the benefit of the Charged Property and the Lender and its successors in title to the Charged Property and anyone else deriving title from the Lender the Rights (only to be exercised after the Lender Debt has not been repaid in full when due) in common with the Borrower and any other persons lawfully entitled to the same or similar rights.
- 4.2 The Borrower covenants with the Lender (only to be enforced after the Lender Debt has not been repaid in full when due) for the benefit of the Charged Property to observe and perform the covenants set out in Part 2 of Schedule 6 and it is agreed and declared that:
 - 4.2.1 the benefit of this covenant is to be attached to and endure for each and every part of the Charged Property;
 - 4.2.2 the burden of these covenants is intended to bind and binds each and every part of the Uncharged Property into whosoever hands it may come but not so as to render any lender of the Uncharged Property personally liable for any breach of this covenant arising after the date that party has parted with all interest in the Uncharged Property or the part of the Uncharged Property on which such breach is committed; and
 - 4.2.3 an obligation in the covenants set out in Part 2 of Schedule 6 ("the Covenants") not to do any act or thing includes an obligation not to permit or suffer that act or thing to be done by another person.
- 4.3 The Borrower agrees with the Lender that it will not:
 - 4.3.1 Dispose of the Charged Property or any part of it (nor agree to do so) unless the whole of the Lender Debt has been paid to the Lender;
 - 4.3.2 Dispose of the Open Space unless the whole of the Lender Debt has been paid to the Lender;
 - 4.3.3 Dispose of the Uncharged Property or any part of it (nor agree to do so) (other than the Open Space) without ensuring any Disposal (other than a Permitted Disposal) is effected such that the Rights are reserved for the benefit of the Charged Property and a deed of covenant is given by the disponent to the Lender or its nominee to observe and perform the Covenants and not to Dispose without obtaining such a deed of covenant from the disponent unless the whole of the Lender Debt has been paid to the Lender;; or
 - 4.3.4 make a Permitted Disposal of the Uncharged Property or any part of it (nor agree to do so) (other than the Open Space) without ensuring that any such Permitted Disposal is effected such that the Rights are reserved for the benefit of the Charged Property and where the land disposed of relates to the Green Loop Sewerage Infrastructure surface water attenuation pond and/or the Open Space or is land within which such things are to be constructed without ensuring a deed of covenant is given by the disponent to the Lender or its nominee to observe and

perform the Covenants and not to Dispose without obtaining such a deed of covenant from the disponent unless the whole of the Lender Debt has been paid to the Lender;

- 4.4 The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction to be registered against its title to the Charged Property:

"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 a certificate signed by Peel Investments (North) Limited of Peel Dome, intu Trafford Centre, Traffordcity, Manchester M17 8PL or their conveyancer that the provisions of clause 4.3 of a charge dated 13.01.2020 in favour of Peel Investments (North) Limited have been complied with"

13.01.2020

- 4.5 The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction to be registered against its title to the Uncharged Property:

"No disposition of the registered estate (other than a charge) 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 a certificate signed by a conveyancer that the provisions of clause 4.3 of a charge dated 13.01.2019 in favour of Peel Investments (North) Limited have been complied with or that they do not apply to the disposition"

- 4.6 Upon payment of the Lender Debt from the Borrower to the Lender the Lender shall as soon as possible (and in any event within 10 working days) apply to the Land Registrar to remove the restrictions at 4.4 and 4.5 above from the title(s) of the Charged Property and the Uncharged Property respectively and provide the Borrower with evidence that it has done so, together with copies of the updated register of title(s) from the Land Registrar within 10 working days of receipt by the Lender.

- 4.7 The Lender shall, at the reasonable request and proper cost of the Borrower and within not more than 10 Business Days following such reasonable request, consent to and join in any Works Agreement, the draft form of which has been previously approved by the Lender (such approval not to be unreasonably withheld or delayed) and under which the Lender has no liability unless it takes possession of the Charged Property, and the Borrower and its successors in title shall indemnify and keep the Lender indemnified against all actions, proceedings, claims, demands, losses, costs, expenses, damages and liabilities whatsoever arising from complying with a request of the Borrower pursuant to this clause 4.

5. LIABILITY OF THE BORROWER

5.1 Liability not discharged

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

- 5.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is or becomes wholly or partially illegal, void or unenforceable on any ground; or
- 5.1.2 the Lender 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
- 5.1.3 any other act or omission, which 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 Lender to enforce any security or other right, or claim any payment from, or otherwise proceed against any other person before enforcing this legal mortgage against the Borrower.

6. COVENANTS

The Borrower covenants with the Lender in the terms set out in Schedule 2.

7. POWERS OF THE LENDER

The Lender shall have the powers set out in Schedule 3.

8. ENFORCEMENT

8.1 When security becomes enforceable

The security constituted by this legal mortgage shall be immediately enforceable and the power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall be immediately exercisable at any time after the occurrence of an Event of Default.

8.2 When statutory powers arise

Section 103 of the LPA shall not apply to this legal mortgage and the statutory power of sale and other powers given by section 101 of the LPA (as varied or extended by this legal mortgage) shall arise on the execution of this legal mortgage and be exercisable at any time after such execution, but the Lender shall not exercise such power of sale until the security constituted by this legal mortgage has become enforceable under clause 8.1.

8.3 Enforcement of security

After the security constituted by this legal mortgage has become enforceable, the Lender 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 but subject to the terms of this legal mortgage.

8.4 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this legal mortgage has become enforceable, whether in its own name or in that of the Borrower, to make any lease or agreement for lease, accept surrenders of leases or grant any option of the whole or any part of the Charged Property with whatever rights relating to other parts of it, containing whatever covenants on the part of the Borrower, 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 Lender or Receiver thinks fit without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA.

8.5 Privileges

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

8.6 No liability as mortgagee in possession

Save as required by law, neither the Lender, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect 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, the Charged Property for which a mortgagee in possession might be liable as such.

8.7 Relinquishing possession

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

8.8

8.8.1 The Borrower will use all reasonable but commercially prudent endeavours to procure and deliver to the Lender or its nominee a Reliance Letter in relation to each of the Reports in connection with the Property and shall use all reasonable but commercially prudent endeavours to do so within 30 Business Days of request by the Lender.

8.8.2 The Borrower agrees that the Lender or its nominee may proceed with any planning application relevant to the Charged Property any planning appeal relevant to it and any other proceedings or applications relating thereto as the Lender or its nominee considers fit.

8.8.3 The Borrower will within 20 Business Days after written request by the Lender:

- (a) complete and sign any documentation as may be required by the local planning authority or other authority to enable the Lender or its nominee to proceed with such planning application, planning appeal and any other proceedings or applications relating thereto;
- (b) assign or procure the assignment to the Lender or its nominee of the full copyright in, and take any other steps required to ensure that the Lender or its nominee has the rights to use, any plans or drawings (excluding the Borrower's house type drawings/plans) prepared for the development of the Charged Property without payment to any person; and
- (c) deliver to the Lender or its nominee all documentation under the Borrower's control relating to such planning application, any Planning Agreement (as defined in the Contract), planning appeal and any other proceedings or applications relating thereto.

9. RECEIVERS

9.1 Appointment and removal of a Receiver

At any time after an Event of Default or at the request of the Borrower, the Lender may, without further notice:

9.1.1 appoint under seal or in writing, any one or more person or persons to be a receiver or a receiver and manager, of all or any part of the Charged Property; and

9.1.2 (subject to section 45 of the Insolvency Act 1986) from time to time, under seal or in writing, remove any person appointed to be Receiver and may, in a similar manner, appoint another in his place.

Where more than one person is appointed Receiver, they shall have power to act separately (unless the appointment by the Lender specifies to the contrary).

9.2 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this legal mortgage shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA.

9.3 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this legal mortgage or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property.

9.4 Remuneration of a Receiver

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA

10. **POWERS AND CAPACITY OF A RECEIVER**

10.1 Powers of a Receiver

Any Receiver appointed by the Lender under this legal mortgage shall, in addition to the powers conferred on him by the LPA and the Insolvency Act 1986, have the powers set out in Schedule 4.

10.2 Scope of Receiver's powers

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

10.3 Receiver is agent of the Borrower

Any Receiver appointed by the Lender under this legal mortgage shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts and remuneration, as well as for any defaults committed by him. 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 Lender.

11. **DELEGATION**

Each of the Lender 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 mortgage. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender or any Receiver shall think fit. Neither the Lender 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 unless in the case of the Lender caused directly by its own gross negligence or wilful misconduct.

12. **APPLICATION OF PROCEEDS**

12.1 Order of application

All monies received by the Lender, a Receiver or a Delegate pursuant to this legal mortgage after the security constituted by this legal mortgage has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA) be applied:

- 12.1.1 first in paying all proper costs, charges and expenses of, and incidental to, the appointment of any Receiver and the exercise of his powers and all outgoings properly paid by him;
- 12.1.2 second in paying the reasonable and proper remuneration of any Receiver (as agreed between the Receiver and the Lender);
- 12.1.3 third in or towards discharge of the Secured Liabilities in such order and manner as the Lender determines; and

12.1.4 finally in paying any surplus to the Borrower or any other person entitled to it.

12.2 Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA, 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.

13. PROTECTION OF THIRD PARTIES

13.1 Protection of third parties

No purchaser, mortgagee or other person dealing with the Lender or any Receiver or Delegate shall be concerned:

13.1.1 to enquire whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged, or whether the power the Lender or a Receiver or Delegate is purporting to exercise has become exercisable; or

13.1.2 to see to the application of any money paid to the Lender or any Receiver or Delegate.

13.2 Conclusive discharge to purchasers

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

14. COSTS AND INDEMNITY

14.1 Costs

The Borrower shall pay to, or reimburse, the Lender and any Receiver within three Business Days of demand, all Costs properly incurred by the Lender, any Receiver or Delegate in relation to:

14.1.1 the exercise of powers, rights, discretions or obligations under this legal mortgage or the Charged Property;

14.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, Receiver's or Delegate's rights under this legal mortgage;

14.1.3 suing for, or recovering, any of the Secured Liabilities, (including without limitation the Costs of any proceedings in relation to this legal mortgage or the Secured Liabilities) together with interest from day to day until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate of 4% per annum above the base rate from time to time of Royal Bank of Scotland plc. In the case of any Costs which have been properly demanded but have not been paid within 5 Business Days of written demand such interest shall accrue and be payable as from the date on which the relevant Costs became due, without the need for any further demand for payment being made; and

14.1.4 approving, executing or providing any documentation required to be entered into by the Lender, any Receiver or Delegate pursuant to the terms of this legal mortgage.

15. INDEMNITY

The Lender, any Receiver and any Delegate, and their respective employees and agents, shall be indemnified on a full indemnity basis out of the Charged Property in respect of all actions, liabilities and Costs incurred or suffered in or as a result of:

- 15.1.1 the exercise, or purported exercise, of any of the powers, authorities or discretions vested in them under this legal mortgage; or
- 15.1.2 any matter or thing done, or omitted to be done, in relation to the Charged Property under those powers; or
- 15.1.3 any default or delay by the Borrower in performing any of its obligations under this legal mortgage.

16. RELEASE

On the expiry of the Security Period or the earlier discharge of the Secured Liabilities and all costs and other sums payable to the Lender under this legal mortgage in full in accordance with the terms hereof (but not otherwise), the Lender shall at the request and cost of the Borrower within 10 Business Days issue a Release to the Borrower and take whatever action is necessary to release and discharge the Charged Property from the security constituted by this legal mortgage.

17. GRANT OF EASEMENTS AND COVENANTS

- 17.1 On any sale or other Disposal of the Charged Property or any part of it by the Lender or a Receiver or Delegate pursuant to the powers conferred by this Legal Charge, the Borrower will (at its own cost) on demand enter into such deed as the Lender requires to grant to the purchaser or other donee the Rights for the benefit of the Charged Property over the Uncharged Property set out in Part 1 of Schedule 6 and impose the covenants at Part 2 of Schedule 6 (*mutatis mutandis*) and such other rights and covenants as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property (including but not limited to development and use for residential development) and the Borrower will (at the cost of the Borrower (such costs to be reasonable and proper)) on demand enter into such Works Agreements, adoption agreements and/or deeds of easement as the Lender or the relevant authority, statutory body, statutory undertaker or utilities supplier may require in respect of the Services Infrastructure and/or Sewerage Infrastructure and/or Road Infrastructure and/or access roads and/or footpaths.
- 17.2 If the Lender Debt has not been repaid in full when due the Borrower shall allow the Lender or a Receiver to exercise the Rights over the Uncharged Property set out in Part 1 of Schedule 6 and such other rights as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property including but not limited to use for residential development.
- 17.3 If the Lender Debt has not been repaid in full when due the Borrower shall observe and perform the covenants set out in Part 2 of Schedule 6 and such other covenants as may reasonably be required for the beneficial use, development and enjoyment of the Charged Property including but not limited to use for residential development.
- 17.4 If the Borrower fails to execute any agreements, deed of easement, deed of covenant, dedication and/or adoption agreement in accordance with its obligation in clause 17.1, the Borrower hereby irrevocably appoints the Lender its attorney by way of security to execute the relevant deed or document.

18. ASSIGNMENT AND TRANSFER

18.1 The Borrower may not assign or otherwise deal with any of its rights, or transfer any of their obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person.

18.2 The Lender may not assign or otherwise deal with any of its rights, or transfer any of its obligations, under this legal mortgage or enter into any transaction which would result in any of those rights or obligations passing to another person other than:-

18.2.1 A person to whom the benefit of the Contract has been transferred;

18.2.2 a bona fide funder (being a UK funding institution regulated by the FCA or other appropriate regulatory body); or

18.2.3 to a Group Company

or a combination of such persons.

19. FURTHER PROVISIONS

19.1 Independent security

This legal mortgage shall be in addition to, and independent of, every other security or guarantee (if any) which the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this legal mortgage.

19.2 Continuing security

This legal mortgage 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 Secured Liabilities have been discharged in full under the terms hereof.

19.3 Rights cumulative

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

19.4 Waivers

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

19.5 Delay

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

19.6 Further exercise of rights

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

19.7 Single or partial exercise

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

19.8 Consolidation

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

19.9 Partial invalidity

The invalidity, unenforceability or illegality of any provision (or part of a provision) of this legal mortgage 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.

19.10 Counterparts

This legal mortgage may be executed and delivered in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

19.11 Copyright Licence

Where the Lender has enforced the security constituted by this Legal Charge the Borrower will at the request of the Lender grant to the Lender or such other person as the Lender may direct such copyright licences as are within its control (excluding the Borrower's house type drawings/plans) and are reasonably required to enable the Lender or other person to carry out and complete the part of the Development on the Charged Property.

20. **NOTICES**

20.1 Service

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

20.1.1 in writing, delivered personally or sent by pre-paid first-class recorded delivery letter; and

20.1.2 sent:

(a) to the Borrower at its registered office at the relevant time for the attention of the Company Secretary;

(b) to the Lender at the addresses set out in page 1 and marked for the attention of the Director of Land and Planning

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

20.2 Receipt of Notices

Any notice or other communication that either party gives shall be deemed to have been received:

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

20.2.2 if posted, on the second Business Day after the day it was sent by pre-paid first-class recorded delivery.

A notice or other communication given as described in clause 20.2.1 or clause 20.1.1 on a day which 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.

21. GOVERNING LAW AND JURISDICTION

21.1 Governing law

This legal mortgage 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.

21.2 Jurisdiction

The parties to this legal mortgage irrevocably agree that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this legal mortgage or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender 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.

21.3 Other service

The Borrower irrevocably consents to any process in any proceedings under clause 21.2 being served on it in accordance with the provisions of this legal mortgage relating to service of notices. Nothing contained in this legal mortgage 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

All that freehold land at Hall Lane and Lock Lane, Partington, Manchester as shown edged red on Plan 1 and being the whole of the land comprised in a transfer of even date made between (1) the Lender and (2) the Borrower.

SCHEDULE 2

Covenants

Part 1 - General Covenants

1. Negative Pledge And Disposal Restrictions

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

- 1.1 create, purport to create or permit to subsist any Encumbrance on or in relation to, the Charged Property other than this legal mortgage save for the Security Agreement; or
- 1.2 sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- 1.3 create or grant (or purport to create or grant) any covenant right or interest in the Charged Property in favour of a third party save that the Borrower may grant and reserve such easements and impose such covenants over the roads footpaths Services Infrastructure and Sewerage Infrastructure within the Charged Property as would usually be granted reserved and imposed upon a sale of Dwellings on a housing estate on reasonable terms with lift and shift provisions regarding such infrastructure within the Charged Property.

2. Preservation of the Property

The Borrower shall not:

- 2.1 do or knowingly permit to be done, any act or thing by act or omission which would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of the Charged Property or the effectiveness of the security created by this legal mortgage; or
- 2.2 do any act or thing (or permit any act or thing to be done) by act or omission which will or may or would reasonably be likely to result in the development or redevelopment of the Charged Property being materially more difficult or objectively challenging in the eyes of a reasonable developer (whether due to increased costs or otherwise) and/or restrict or adversely affect the ability of the Lender or its nominee to develop and use the Charged Property.
- 2.3 lay Services Infrastructure or Sewerage Infrastructure which is used or to be used in common between the Charged Property and the Uncharged Property within Dwellings.

3. Compliance with Laws

- 3.1 The Borrower shall not use or permit the Charged Property to be used in any way contrary to law.
- 3.2 The Borrower shall comply with all laws and regulations for the time being in force relating to or 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, renew or develop the Charged Property.

4. Notice of breaches

The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of any breach of any covenant set out in this Schedule 2.

5. Further assurance

The Borrower, 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 Lender may

reasonably require) in favour of the Lender as the Lender, in its absolute discretion (acting reasonably), requires from time to time over all or any part of the Charged Property and give all notices, orders and directions which the Lender may require, in its absolute discretion, solely for perfecting, protecting or facilitating the realisation of its security over the Charged Property.

6. 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 legal mortgage).

Part 2 - Property Covenants

1. Repair Maintenance and Development

1.1 The Borrower shall not allow the condition of the Charged Property to deteriorate such as will have an adverse impact upon the Lender's security and shall carry out such repairs, maintenance and other works as are required to ensure compliance with this covenant save the Borrower shall be allowed to carry out the following preparatory works:-

- Installation of boundary fencing and tree protection measures
- Tree and vegetation clearance
- Ecological mitigation works
- Removal / Treatment of invasive species
- Demolition works
- Earthwork remediation – including export of contaminated materials and import of clean material
- Service reinforcements / diversions

where planning permission is not required for such works and where any duly executed and completed warranties from Warranty Providers and/or letters of reliance (each in a form approved by the Lender (such approval not to be unreasonably withheld or delayed)) and such other supporting information as the Lender reasonably requires for or in connection with such works in favour of the Seller MSCC and/or PEL (as appropriate and where applicable) have been provided before the relevant works commence

1.2 The Borrower shall not carry out the Development on the Charged Property.

2. Alterations

The Borrower shall not make or permit any other alterations to the Charged Property without the prior written consent of the Lender.

3. Insurance

3.1 The Borrower shall insure and keep insured the Charged Property against:

- 3.1.1 loss or damage by fire;
- 3.1.2 other risks that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower.

Any such insurance must be with an insurance company or underwriters of repute and must be for not less than the replacement value of the Charged Property (meaning in the case of any premises on the Charged 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).

3.2 The Borrower shall, if requested by the Lender, produce to the Lender reasonable written evidence relating to any such insurance required by paragraph 3.1 of this Part 2 of Schedule 2.

4. Insurance Premiums

The Borrower:

4.1 shall promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep such policy in full force and effect; and

4.2 shall (if the Lender so requires) produce to the Lender the receipts for all premiums and other payments necessary for effecting and keeping up the Insurance Policies.

5. No Invalidation of Insurance

The Borrower shall not knowingly do or omit to do or permit to be done or omitted any thing that may invalidate or otherwise prejudice the Insurance Policies.

6. Insurance Policies' Proceeds

The Borrower shall apply all monies payable under any of the Insurance Policies paid in relation to a claim on or relating to or emanating from the Property at any time (whether or not the security constituted by this legal mortgage has become enforceable) to the making good or recouping expenditure in respect of the loss or damage for which such monies are received or (at the Borrower's option) in or towards discharge or reduction of the Secured Liabilities but otherwise all such monies shall belong to and be paid to the Borrower absolutely.

7. No Restrictive Obligations

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

8. Proprietary Rights

The Borrower shall use all reasonable endeavours to ensure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Charged Property excluding any right or interest arising under the Security Agreement.

9. Compliance with and Enforcement of Covenants

The Borrower shall observe and perform all covenants, stipulations and conditions to which the Charged Property, or the use of it, is or may be subject including the covenants contained in the Contract and Transfer.

10. Notices or Claims Relating to the Charged Property

The Borrower shall:

10.1 give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Charged Property, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and

10.2 (if the Lender so reasonably 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 Lender in making, such objections or representations in respect of any such Notice as the Lender may desire.

11. Payment of Outgoings

The Borrower shall pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Charged Property or on its occupier.

12. Inspection

The Borrower shall permit the Lender and any Receiver and any person appointed by either of them to enter on and inspect the Charged Property on reasonable prior notice at reasonable times subject to all health and safety instructions issued by the Borrower.

13. Environment

The Developer shall in relation to the Charged Property not cause any significant harm to the Environment or commit any material breach of Environmental Law.

SCHEDULE 3

Powers of the Lender

1. Power to Remedy

1.1 The Lender shall be entitled (but shall not be obliged) to remedy a breach at any time by the Borrower of any of its obligations contained in this legal mortgage. The Borrower irrevocably authorises the Lender and its agents to do all such things as are necessary for that purpose provided that the Lender has given the Borrower not less than 15 Business Days' notice of taking any such action. Any monies properly expended by the Lender in remedying a breach by the Borrower of any of its obligations contained in this legal mortgage shall be reimbursed by the Borrower to the Lender and shall carry interest in accordance with clause 14.1.

1.2 In remedying any breach in accordance with paragraph 1.1 of this Schedule 3, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Charged Property and so much as is reasonably necessary of the unbuilt parts of the Uncharged Property and to take any action as the Lender may reasonably consider necessary including, without limitation, carrying out any repairs, other works or development.

2. Exercise of Rights

The rights of the Lender under paragraph 1 of this Schedule 3 are without prejudice to any other rights of the Lender under this legal mortgage. The exercise of those rights shall not make the Lender liable to account as a mortgagee in possession.

3. Lender has Receiver's Powers

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

4. Indulgence

The Lender may, at its discretion, grant time or other indulgence or make any other arrangement, variation or release with any person that is not party to this legal mortgage (whether or not such 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 legal mortgage or to the liability of the Borrower for the Secured Liabilities.

SCHEDULE 4

Powers of a Receiver

1. Power to Repair and Develop the Charged Property

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

2. Power to Grant or Accept Surrenders of Leases

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

3. Power to Employ Personnel and Advisers

A Receiver may, for the purposes of this Schedule 4, provide services and employ, or engage, such managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on such salaries, for such periods and on such other terms as he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

4. Power to Make and Revoke Vat Options to Tax

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

5. Power to Charge for Remuneration

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

6. Power to Realise the Charged Property

A Receiver may take possession of the Charged Property with like rights.

7. Power to 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 Charged Property.

8. Power to Dispose of the Property

A Receiver may grant options and licences over all or any part of the Charged Property, sell or concur in selling, assign or concur in assigning, lease or concur in leasing and accept or concur in accepting surrenders of leases of, 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 such terms and conditions as he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

9. Power to Sever Fixtures and Fittings

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

10. Power to Give Valid Receipts

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

11. Power to Make Settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person as he thinks fit.

12. Power to Bring Proceedings

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

13. Power to Insure

A Receiver may, if he thinks fit, but without prejudice to any indemnity herein, effect with any insurer any policy of insurance in respect of the Charged Property either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this legal mortgage.

14. Powers Under LPA

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

15. Power to Borrow

A Receiver may, for any of the purposes authorised by this Schedule 4, raise money by borrowing from the Lender (or from any other person) on the security of all or any of the Charged Property in respect of which he is appointed on such terms as he thinks fit (including, if the Lender consents, terms under which such security ranks in priority to this legal mortgage).

16. Power to Redeem Prior Encumbrances

A Receiver may 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 Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

17. Power of Absolute Power

A Receiver may do all such acts and things as an absolute beneficial owner could do in the ownership and management of the Charged Property or any part of it.

18. Incidental Powers

A Receiver may do all such other acts and things as he may consider incidental or conducive to any of the matters or powers in this Schedule 4, or which he lawfully may or can do as agent for the Borrower.

SCHEDULE 5

Events of Default

For the purposes of this legal charge, it shall be an event of default if:

1. the Borrower does not pay and discharge any part of the Secured Liabilities in accordance with the terms of the Contract or pay or discharge any costs or other sums payable to the Lender under this legal mortgage unless such failure is caused by administrative or technical error or a disruption to the payment or communications systems or financial markets required to operate in order for that payment to be carried out and such payment is made within three Business Days of the date it is due;
2. the Borrower commits a breach (other than a breach which is only technical or otherwise immaterial or trivial) of any of the covenants and obligations contained in this legal mortgage and, where such breach is capable of remedy, it is not remedied to the reasonable satisfaction of the Lender within a reasonable period (being not less than 5 Business Days nor more than 30 Business Days) after notice of breach has been given by the Lender to the Borrower; or
3. the appointment of an administrator, a receiver or liquidator in relation to the Borrower; or
4. the Borrower is unable to pay its debts as they fall due or the value of its assets is less than its liabilities (taking into account contingent and prospective liabilities);
5. the Borrower enters into a voluntary arrangement under the Insolvency Acts or makes a resolution which would lead to such event.

SCHEDULE 6

Rights to be Granted and Covenants

Reference to the Borrower in this Schedule shall also refer to the Borrower's successors in title where appropriate

Part 1 - Rights to be Granted

1. The full and free right and liberty to the use of and running of foul and surface water drainage to and from the Charged Property and all buildings and roads erected thereon in through and along: -
 - (a) the Sewerage Infrastructure now or at any time hereafter in on under or over the Uncharged Property; and
 - (b) any connections from the Charged Property to such Sewerage Infrastructurein every case both before as well as after adoption.
2. The full and free right and liberty to enter such part of the Uncharged Property as is not covered by Dwellings or their private curtilages with or without plant equipment and machinery as is necessary for the purpose of: -
 - (a) laying and installing Sewerage Infrastructure in on under or over the Uncharged Property and constructing connections to and making connections with the Sewerage Infrastructure which may now or hereafter be constructed or laid in or under or over the Uncharged Property;
 - (b) inspecting repairing maintaining keeping open renewing enlarging and upgrading the Sewerage Infrastructure and the connections thereto and therewith;
 - (c) inspecting both during and after construction of the same the Sewerage Infrastructure and any connections to the same including without limitation any parts of the same which will not be adopted;
 - (d) constructing laying installing and thereafter inspecting repairing maintaining keeping open renewing enlarging and upgrading Sewerage Infrastructure as required to connect to the Charged Property or any part of it to any water pumping station and/or surface water attenuation or sustainable urban drainage pond (whether or not on the Uncharged Property) and the right to make such connections and freely use such Sewerage Infrastructure pumping station surface water attenuation and/or pond without interruption;
 - (e) (if the Sewerage Infrastructure does not abut the boundary of the Charged Property) constructing Sewerage Infrastructure to an adoptable standard and thereafter inspecting repairing maintaining enlarging and upgrading the same and using the same;
 - (f) complying with any planning conditions or obligations contained any Section 106 Agreement or any other planning agreement whether relating to the Charged Property and/or the Uncharged Property;
 - (g) exercising any of the rights granted hereunder or complying with the obligations on the part of the owner of the Charged Property;
3. The right of support from the Uncharged Property for the Charged Property.

4. A right to enter on to such part of the Uncharged Property as is not built upon as is necessary with workmen and equipment to erect maintain renew replace any boundary structures separating the Charged Property from the Uncharged Property or to carry out any works on the Charged Property.
5. The full and free right and liberty once the Green Loop has been completed to use for walking and recreational purposes such part of the Green Loop as is set out on the Uncharged Property in connection with the use and enjoyment of the Charged Property only.
6. The full and free right and liberty once the Open Space has been completed to use the Open Space at all times for recreational purposes.
7. The full and free right and liberty once the Open Space has been completed to pass and repass to and from the Charged Property at all times over and along such parts of the Uncharged Property laid out as roads and/or footpaths to exercise the rights at paragraph 6.
8. If:
 - (a) the Lender or its nominee requires the Sewerage Infrastructure surface water attenuation pond Green Loop or Open Space to be constructed in advance of the date when it would be constructed by the Borrower as part of the development of the Uncharged Land in order to develop the Charged Land; or
 - (b) the Borrower has not complied with its obligations in the Contract or there is a delay in the Borrower carrying out its works or part of them;

then the Lender or its nominee may request that the Borrower constructs such Sewerage Infrastructure surface water attenuation pond Green Loop or Open Space (as appropriate) in advance of when it would usually be provided by giving 6 months' written notice to the Borrower ("the Lender's Notice") and the Borrower must then construct such Sewerage Infrastructure surface water attenuation pond Green Loop or Open Space (as appropriate) as soon as reasonably practicable thereafter and if the Borrower fails to carry out such works within the 6 months' time period detailed in the Lender's Notice then the Lender or its nominee shall be entitled to step in so as to enable the works to be completed in accordance with the required timescale and the provisions below at paragraphs 10 to 13 shall apply.

9. If the Sewerage Infrastructure surface water attenuation pond Green Loop or Open Space is in disrepair then if the relevant works have not been carried out within a reasonable time (being no more than 1 month (or sooner in emergency) of notice having been given) then the Lender or its nominee shall be entitled to step in and the provisions of paragraph 10 shall apply.
10. In the circumstances set out above the Lender or its nominee shall have the right to step in and comply with and/or carry out the obligations and/or delayed works or any of them and/or remedy the breach and all reasonable and proper costs and liabilities incurred in connection with such delay step in and/or complying with and/or carrying out the obligations and/or delayed works shall be paid by the Borrower to the Lender or its nominee (as appropriate) (together with Interest on any sums due to a third party which the Lender or its nominee is due to pay) from time to time within 10 days of demand at 3% per annum above base rate from time to time of Lloyds Bank PLC from the due date until the date of payment.
11. If the Lender or its nominee steps in the Borrower shall irrevocably permit the same and its successors in title or those deriving title from and or its or their servants agents contractors and all those authorised by it or them full and free right with all manner of machinery and equipment to enter onto and remain upon the Uncharged Property or any part or parts of it for so long as is reasonably required and for such purposes connected with such step in as the party stepping in reasonably requires.
12. In the event of step-in:
 - (a) before completion of the relevant works the Borrower shall upon request (provided the request is reasonable) assign or cause to be assigned to the other party the copyright in all

plans and the design of the relevant works in so far as may be necessary to enable the relevant works and/or obligations to be completed or complied with; and

- (b) relating to the Green Loop then if reasonably required the Borrower shall within 10 Working Days of request assign the benefit of any document granting licence to carry out such works (including any co-operation agreement) to the Lender or its nominee.

13. The Lender may nominate a nominee to step in on its behalf in which event the provisions of this paragraph shall be construed accordingly.

Part 2 - Covenants

1. To pay the sums due pursuant to part 1 of this Schedule to the Lender or its nominee (as appropriate) if entry is taken pursuant to such rights and to comply with the obligations on the part of the Borrower at Part 1 of this Schedule.
2. To enter into (in each case providing all security or guarantees required in support thereof) and comply with its obligations in any agreement or agreements with the appropriate authorities under Section S104 of the Water Industry Act 1991 in respect of the construction and adoption (where appropriate) of the Sewerage Infrastructure and such other statutory agreement wayleave and easements as may be necessary in connection with drainage.

SCHEDULE 7

Reports

Report	Consultant	Date / Reference
SI	E3P	September 2019 / 13-201-R1
FRA	Elluc (FRA for full app only)	September 2019 / ELLUC-CP-19025-200919-FRA-F1
Drainage Strategy	Elluc	September 2019
Acoustic	E3P	28 th August 2019 / 50-049-R1-1
Ecology	E3P	September 2019 / 80-211
Ecology	ERAP	October 2019 Red 2019-036
Highways	Crofts	Awaiting detailed report
Archaeological	Landpro	July 2019 / 1477/01
Air Quality	Redmore	Awaiting detailed report
Tree Survey	Urban Green	September 2019

and all other reports prepared in connection with the Permitted Works and any design, construction, implementation, treatment and/or verification of the same.

SCHEDULE 8

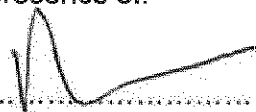
Permitted Disposal

For the purposes of this legal charge, a permitted disposal shall be any of the following to the extent required in connection with the Development of the Uncharged Property:

- (a) the transfer or grant of a lease or easements of any such part or parts of the Uncharged Property to an authority or utility company responsible for the installation and/or supply of gas, water, drainage (other than drainage to the Canal (as defined in the Transfer)), electricity and telecommunications supplies; or
- (b) a transfer of a Dwelling which contains the Requirements (as defined in the Transfer); or
- (c) the transfer of any part or parts of the Uncharged Property shown coloured pink on Plan 2 to a provider of private rented housing or an affordable or social housing provider in respect of which transfer the disponent has first entered into a deed of covenant in the form attached at Annexure 1 to the Transfer in favour of the transferor to comply with the provisions on the part of the buyer contained in the Contract and on the part of the transferee in the Transfer and that such disposition includes provisions to ensure that all further dispositions of such part or parts of the Property or any part thereof include provisions to the like effect.

Executed as a deed by
COUNTRYSIDE PROPERTIES (UK) LIMITED
acting by a director in the presence of:

Signature



Witness

Signature



Name (print)

J. L. MILLER

Address

97 ACHE AVENUE
MANHATTAN, WY 82002

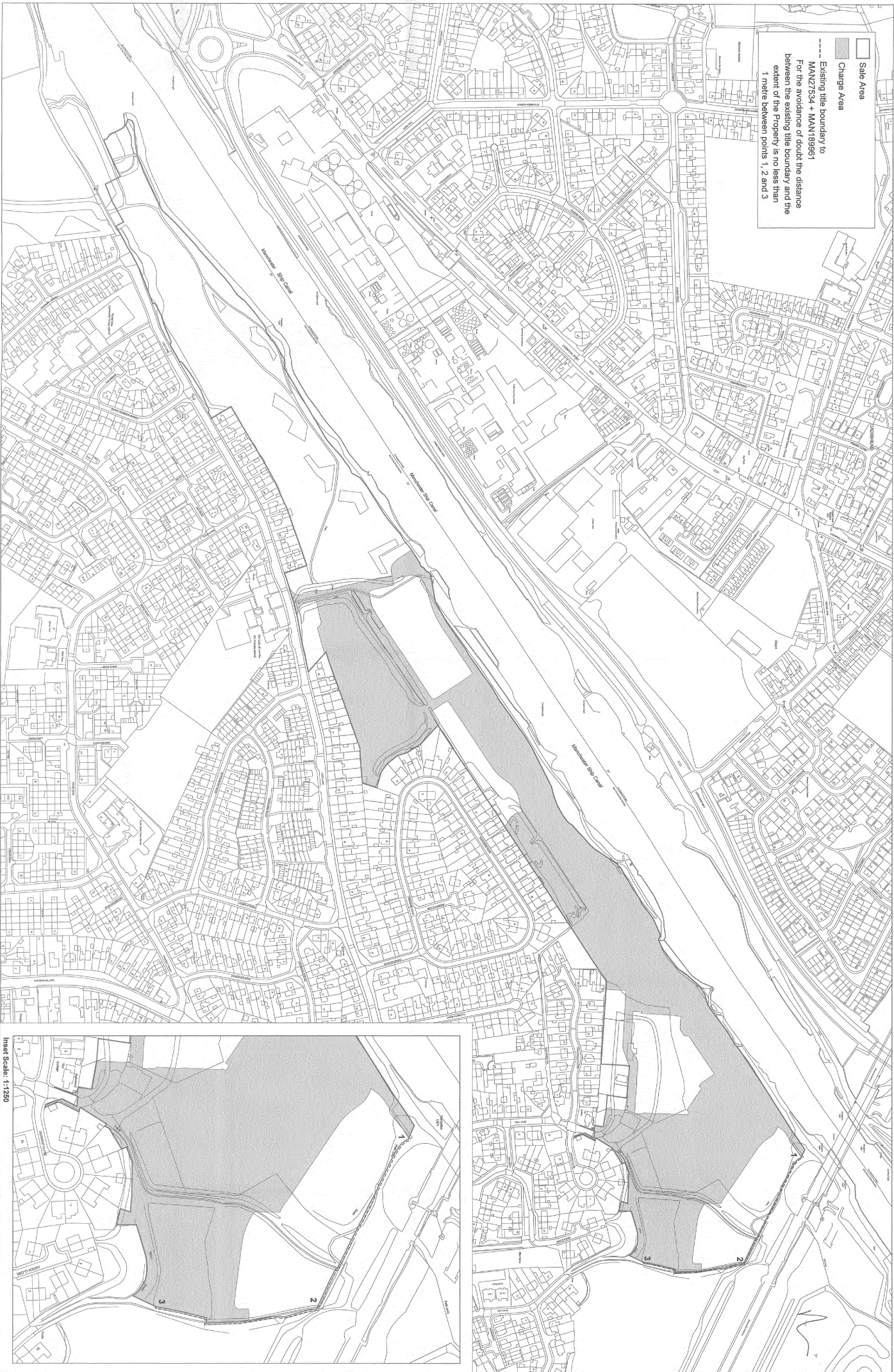
Occupation

EXECUTIVE ASSISTANT

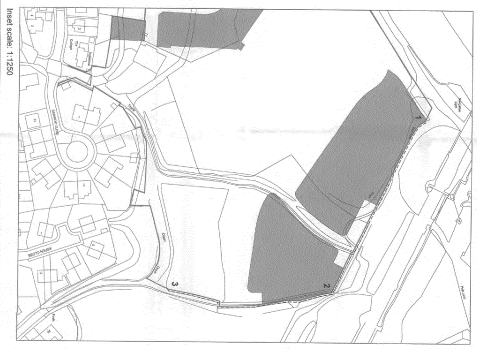
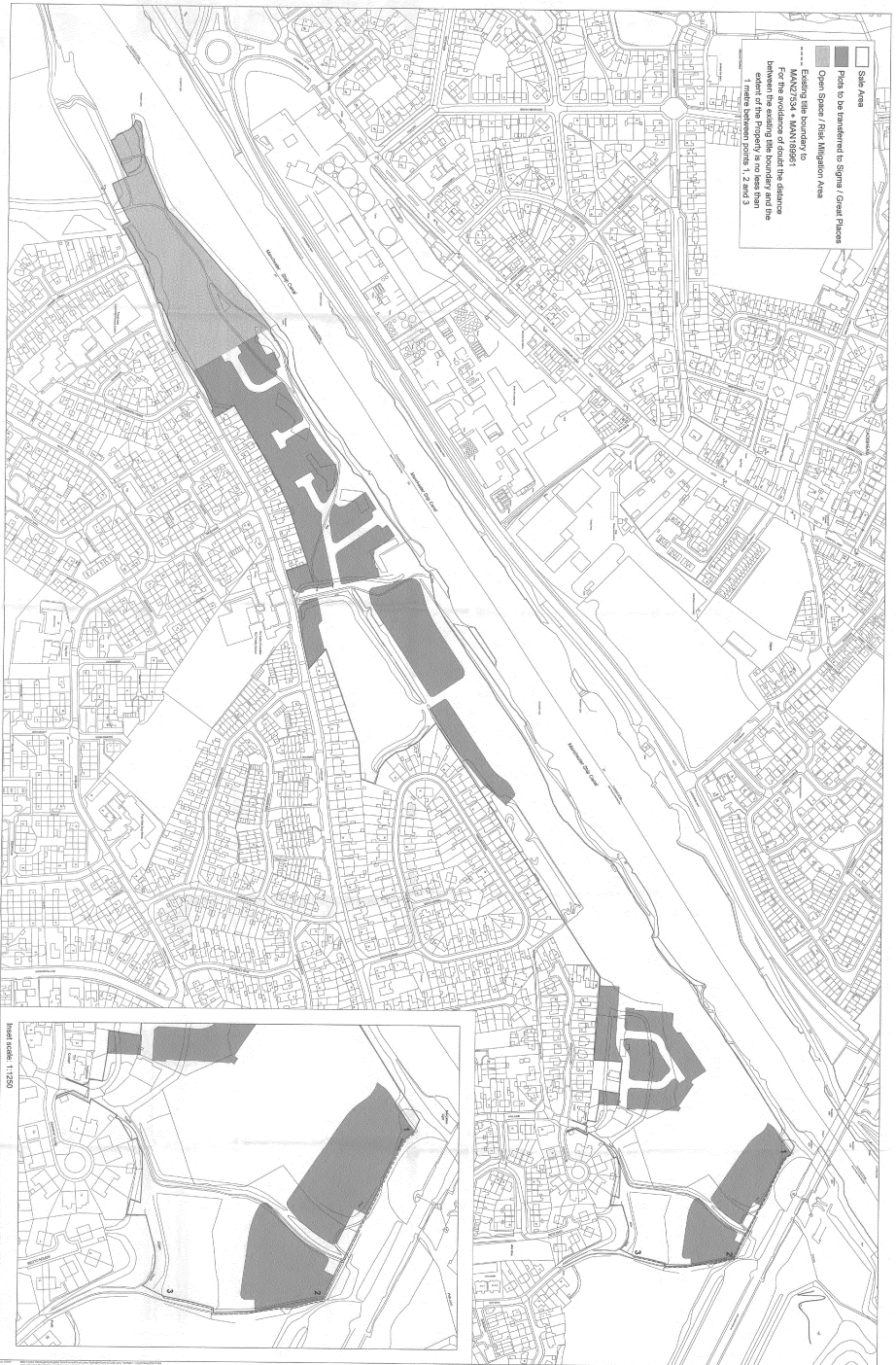
APPENDIX 1

Plan

Sale Area
Change Area
Existing title boundary to
MAN27354 + MAN159361
For the avoidance of doubt the distance
between the existing title boundary and the
extent of the Property is no less than
1 metre between points 1, 2 and 3



State Area
 Roads to be transferred to Sigma / Great Places
 Open Spaces / Risk Mitigation Area
 Existing this boundary to
 For the purpose of this plan, the distance
 between the existing the boundary and the
 extent of the Property is no less than
 1 metre between zones 1, 2 and 3



APPENDIX 2

Reliance Letter

[date]

Dear Sirs

**Report On the Site known as [DESCRIPTION OF LAND AND PROJECT]
("the Development")**

As requested by [insert name of person in whose favour report(s) were first issued] ("the Client"), we, [] ("the Consultant"), agree to allow ("the Recipient") to use, copy and rely on the content of the following report(s):

1. Report Number [figures] Dated [date] Reference [reference]
2. Report Number [figures] Dated [date] Reference [reference]
3. [INSERT FURTHER REPORTS AS APPLICABLE]

(together "the Reports").

This letter is made in consideration of the payment of one pound (£1.00) by the Recipient to the Consultant receipt of which the Consultant acknowledges.

The Consultant warrants that it has used the reasonable skill care and diligence to be expected of a professional competent properly qualified and experienced consultant of the relevant discipline in the preparation of the Reports.

The Consultant also acknowledges that having an interest in land adjacent to or within close proximity to the Site the Recipient has relied on and will rely on the Consultant's skill and judgment in preparing the Reports and the recommendations and/or strategies contained in the Reports.

All Intellectual Property in the Reports will remain vested in the Consultant. For the purposes of this letter "Intellectual Property" shall mean all copyright and all neighbouring and database rights and moral rights, registered designs, registered and unregistered design rights, or any rights or property similar to the foregoing in any part of the world whether registered or unregistered together with the right to apply for the registration of such rights in any part of the world and the rights to current applications for registration of any such intellectual property referred to above.

The Consultant grants to the Recipient with effect from the date of this letter an irrevocable, royalty-free, non-exclusive, non-terminable licence to use and to reproduce the Reports for any purpose connected with the Development. The Consultant agrees to supply to the Recipient on request copies of such documents (subject to reimbursement of the Consultant's reasonable copying charges) and warrants that the use of such documents for the purpose of the Development will not infringe the rights of any third party.

The Consultant shall not be liable for any such use by the Recipient of the Report and any drawings and other documents for any purpose other than that for which the same were prepared and provided by the Consultant.

The Consultant has in place and shall at all times maintain with reputable insurers from the date of the earlier of the Reports until [twelve] [six] years after the date of the later of the Reports, professional indemnity insurance in an amount of not less than [£5 million] Public Liability Insurance and [£5 million] Professional Indemnity Insurance [for any one occurrence or series of occurrences arising out of any one event **OR** in the annual aggregate] to cover any liability of the Recipient here under provided that such insurance is generally available in the market to members of its profession at commercially reasonable rates and terms. Upon reasonable request from time to time, the Consultant shall provide the Recipient with a broker's letter (or equivalent) confirming that such insurance is currently in place.

The Consultant agrees with the Recipient that it shall immediately inform the Recipient if such insurance ceases to be available at commercially reasonable rates in order that the Consultant and the Recipient can discuss means of best protecting their respective positions in the absence of such insurance provided always that in any event the Consultant shall take out and maintain such insurance as detailed above at the next highest limit available at commercially reasonable rates.

The Consultant's liability under this letter however that liability arises (including liability arising by breach of contract tort or breach of statutory duty), shall be limited to £[AMOUNT] [for each and every claim **OR** for each and every claim arising out of the same originating cause or source **OR** in the aggregate **OR** in the aggregate in any year of professional indemnity insurance].

The Recipient may assign the benefit of and its benefits and rights under this letter without the Consultant's prior written consent on [two] occasions only and any further assignments shall be with the Consultants prior written consent (such consent not to be unreasonably withheld or delayed).

The Recipient shall notify the Consultant of any assignment of this letter. If the Beneficiary fails to do this, the assignment will still be valid.

The construction, validity and performance of this letter shall be governed by the Law of England and Wales. The parties agree to submit to the exclusive jurisdiction of the Courts of England and Wales.

[To be inserted if appointment by Deed:

The Recipient may not commence legal action against the Consultant under this letter after 12 years from the date of the Report.

This letter is executed as a deed and delivered on the date stated at the beginning of this letter.

EXECUTED as a DEED by

[CONSULTANT]

acting by one director in the presence of:

Director

(signature)

(print name)

Witness

Signature

Name (print)

Address

Occupation

EXECUTED as a DEED by
[RECIPIENT]
acting by one director in the presence of:

Director

(signature)

(print name)

Witness

Signature

Name (print)

Address

Occupation

[To be inserted if appointment by Agreement]

The Recipient may not commence legal action against the Consultant under this letter after [12] [6]
years from the date of the Report.]

Signed for an on behalf of [CONSULTANT]

.....

Signed for an on behalf of [RECIPIENT]

.....

