



Registration of a Charge

Company name: **COUNTRYSIDE PROPERTIES (UK) LIMITED**
Company number: **00614864**



X74GKPU0

Received for Electronic Filing: **23/04/2018**

Details of Charge

Date of creation: **19/04/2018**
Charge code: **0061 4864 1125**
Persons entitled: **THREE RIVERS DISTRICT COUNCIL**
Brief description: **PHASE 2A, SOUTH OXHEY ESTATE, OXHEY DRIVE, FAIRFIELD AVENUE,
PRESTWICK ROAD, WATFORD**
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 M WARREN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 614864

Charge code: 0061 4864 1125

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th April 2018 and created by COUNTRYSIDE PROPERTIES (UK) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd April 2018 .

Given at Companies House, Cardiff on 25th April 2018

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated

19th April

2018

- (1) COUNTRYSIDE PROPERTIES (UK) LIMITED
- (2) THREE RIVERS DISTRICT COUNCIL
- (3) COPTHORN HOLDINGS LIMITED

Legal charge

relating to Phase 2A of the South Oxhey Estate, Henbury Way, Three Rivers, Watford

PARTICULARS

Date

19th April 2018

Council

THREE RIVERS DISTRICT COUNCIL of Three Rivers House, Northway, Rickmansworth, Hertfordshire WD3 1RL

Developer

COUNTRYSIDE PROPERTIES (UK) LIMITED (registered number 00614864) whose registered office is at Countryside House The Drive Great Warley Brentwood Essex CM13 3AT

Guarantor

COPTHORN HOLDINGS LIMITED (registered number 05137095) whose registered office is Countryside House aforesaid

Interest Rate

4% above the base rate from time to time of Lloyds Bank PLC or such other clearing bank nominated by the Council at any time or, if the clearing banks cease at any time to publish a base lending rate, such comparable rate of interest as the Council may reasonably determine

Property

The leasehold property known as Phase 2A South Oxhey Estate, Oxhey Drive, Fairfield Avenue, Prestwick Road, Watford being all of the land comprised in a lease of even date and made between the parties hereto

Title Number

TO BE ALLOCATED

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

BETWEEN

- (1) the Developer;
- (2) the Council; and
- (3) the Guarantor

BACKGROUND

- (A) By a lease dated the same date as this Legal Charge, the Council granted a lease of the Property to the Developer ("Lease").
- (B) The Developer has agreed to pay the Deferred Purchase Price to the Council on the terms of the Development Agreement.
- (C) The Developer has agreed to grant this Legal Charge to the Council as security for the Developer's obligation to pay the Secured Liabilities.

OPERATIVE PROVISIONS

1 INTERPRETATION

1.1 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
"Deferred Purchase Price"	the sum of £1,780,807.50 payable under the Lease nine months from the date hereof
"Delegate"	Any person appointed by the Council or any Receiver pursuant to clause 5.13 and any person appointed as an attorney of the Council, Receiver or Delegate
"Due Date"	1 ST October 2018
"Development Agreement"	An agreement dated 18 th December 2015 made between (1) the Council (2) the Developer and (3) Others (as varied)
"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
"Excluded Disposition"	<p>(a) a completed Unit; and/or</p> <p>(b) sites for services including (without prejudice to the generality) gas governor sites electricity substation sites sewerage pumping stations and balancing pond sites requisite for the residential development of the Property or any part thereof, areas of open space, areas on which any community facility is to be provided in accordance with the requirements of the local planning authority; or</p> <p>(c) land pursuant to the requirements of a planning agreement;</p>
"Insolvency Act"	Insolvency Act 1986
"Receiver"	any receiver or receiver and manager appointed by the Council under this Legal Charge or pursuant to any statute, including the 1925 Act but does not include an administrative receiver
"Secured Liabilities"	The Deferred Purchase Price and all other present and future monies, obligations and liabilities owed by the Developer to the Council, 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

"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

"Underlease"

any permitted underlease granted by the Developer to Home Group Limited or Home Group Developments Limited out of the Lease;

"Unit"

a Unit of residential or commercial accommodation constructed or to be constructed on the Property together with any substations, pumping stations, gas governors, areas of public open space or any other similar items (where a disposition of such items would ordinarily be for value (which shall include sales price and/or any rental income.))

"Warranties"

the warranties given by the Developer to the Council under **clause 8**

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:

- (a) all Acts of Parliament and all other legislation having legal effect in the United Kingdom; and
- (b) 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 references to the powers of the Council or the Receiver are references to the respective powers, discretions and rights given to the Council or a Receiver

under this Legal Charge, the 1925 Act, the Insolvency Act or otherwise given to or exercisable by the Council or the Receiver;

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

1.2.7 "including" means "including, without limitation";

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

1.2.9 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

1.2.10 If any provision is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remainder of this Legal Charge is to be unaffected.

1.3 Particulars

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

1.4 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 Developer covenants with the Council to pay the Deferred Purchase Price to the Council on the Due Date and any other Secured Liabilities.

2.2 Covenant to pay interest

The Developer covenants with the Council to pay interest at the Interest Rate on the Deferred Purchase Price from day to day from the Due Date until full discharge (whether before or after judgment, liquidation, winding-up or administration of the Developer)

2.3 Legal mortgage

The Developer with full title guarantee charges the Property to the Council 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.

2.5 Release

2.5.1 The Council will release from this Legal Charge the subject matter of Excluded Dispositions at the request and cost of the Developer SUBJECT TO the value of the Property remaining under charge to the Council following such release equating to a sum no less than the Deferred Purchase Price

2.5.2 Once the Developer has paid the Secured Liabilities, the Council will at the request and cost of the Developer release the Property from this Legal Charge.

2.6 Consent to Underleases

Without prejudice to clause 2.5.1, the Council hereby confirms its consent to the grant of any Underlease and the subsequent registration of the same at the Land Registry and agrees to release the subject matters land from this Legal Charge.

2.7 Land Registry restriction

2.7.1 The Developer 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, 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 19th April 2018 in favour of Three Rivers District Council referred to in the charges register or (ii) a certificate signed by a conveyancer that the disposition is an Excluded Disposition or the grant of an Underlease."

And for the avoidance of doubt, it is not intended that this restriction gets carried forward to the subject title of an Excluded Disposition

2.7.2 The Council, in its absolute discretion, may make an application referred to in **clause 2.7.1** in place of the Developer. In such a case, the Developer 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 Developer shall not create, extend, or permit to subsist, any Security over any of the Property (or purport to do so); nor (save for an Excluded Disposition or the grant of an Underlease) may it, without the prior consent of the Council, (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 Developer 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 Developer 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 Council may require from time to time.

3.3 Notice of Breaches

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

3.3.1 any representation or warranty set out in clause 8; 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 Developer, 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 Council may reasonably require) in favour of the Council as the Council, (acting reasonably), requires from time to time over all or any part of the Property and give all notices, orders and directions which the Council may reasonably require.

3.5 Developer's Waiver of Set-off

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

3.6 Insurance of the Property

The Developer is to insure and keep insured the buildings and fixed plant, machinery and fixtures forming part of the Property in accordance with the terms of the Lease.

3.7 Additional insurance obligations

The Developer is to:

- 3.7.1 pay all insurance premiums as soon as they become due;
- 3.7.2 provide the Council on request with a copy of the insurance policies effected by the Developer 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 Council so directs, in or towards discharging the Secured Amounts; and
- 3.7.4 pay to the Council on demand the costs of any insurance effected by the Council to remedy any default by the Developer in insuring under this **clause 3.7**.

3.8 No Invalidation of Insurance

The Developer 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 Developer shall:

- 3.9.1 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 Council so requires) produce to the Council evidence sufficient to satisfy the Council 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 Developer shall:

- (a) give full particulars to the Council 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

- (b) (If the Council so requires) immediately, and at the cost of the Developer, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Council in making, such objections or representations in respect of any such Notice as the Council may desire.

3.10.2 The Developer shall give full particulars to the Council 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 Developer 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 Developer 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 Developer shall permit the Council 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 Developer shall not, without the prior written consent of the Council, 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.

3.15 Statutory requirements

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

3.17 Costs and expenses

The Developer is to pay on demand to the Council or the Receiver:

3.17.1 all costs and expenses which may be incurred by either of them in connection with:

- (a) any consents or approvals which may be required in respect of the Property;
- (b) 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);
- (c) 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 and expenses 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 Developer 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 Council 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 Council 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 Council 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 Developer, 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 Developer, 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 Council 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 Council 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 Council and the Receiver exercisable in any of the following events:

- 4.6.1 the Developer does not pay the Deferred Purchase Price on the Due Date
- 4.6.2 the Developer does not comply materially with its obligations in this Legal Charge;
- 4.6.3 there is any breach by the Developer 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 a receiver or administrative receiver is appointed of the whole or any part of the Property or any person takes possession of or exercises or attempts to exercise any power of sale in relation to the Property;
- 4.6.6 where the Developer is a company, an administrator is appointed over the Developer;
- 4.6.7 where the Developer is a company, a resolution is passed or an order made for the winding up of the Developer;
- 4.6.8 where the Developer is a company, a voluntary arrangement is made in respect of the Developer under Part I Insolvency Act;

4.6.9 where the Developer is an individual, a petition is presented for the bankruptcy of the Developer or a bankruptcy order is made against the Developer; or

4.6.10 where the Developer is an individual, an Interim order is made for a voluntary arrangement under section 252 Insolvency Act in respect of the Developer;

4.6.11 the Developer is unable or admits inability to pay its debts as they fall due (or is deemed or declared to be unable to pay its debts under any applicable law) or the value of the assets of the Developer is less than its liabilities (taking into account contingent and prospective liabilities).

4.7 Enforcement of Security

After the security constituted by this Legal Charge has become enforceable, the Council 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 Council, 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 Council, any Receiver or any Delegate enters into or takes possession of the Property, it or he may at any time relinquish possession

4.10 Council's powers

The power of sale and the other powers conferred by the 1925 Act or otherwise are extended and varied to authorise the Council 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 Developer of any of its obligations contained in this Legal Charge. The Developer irrevocably authorises the Council and its agents to do all such things as are necessary or desirable for that purpose. Any monies expended by the Council in remedying a breach by the Developer of any of its obligations contained in this Legal Charge shall be reimbursed by the Developer to the Council on a full indemnity basis and

shall carry interest at the Interest Rate in accordance with the terms of this Legal Charge;

In remedying any breach in accordance with this clause 4.10.2 the Council, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Council may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

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

4.10.3 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 Developer) 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 Developer 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 Council 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 Council's power of sale has become exercisable, the Council 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 Council 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 Council may remove the Receiver and appoint another Receiver and the Council may also appoint an alternative or additional Receiver.

5.6 Agent of the Developer

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

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 Developer, the directors of the Developer or himself

5.8 Developer's liability

The Developer 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 Council will 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 Developer.

5.11 Receiver's remuneration

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

5.12 General powers of a Receiver

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

5.12.1 to do or omit to do anything which the Developer could do or omit to do in relation to the Property; and

5.12.2 to exercise all or any of the powers conferred on the Receiver or the Council under this Legal Charge or conferred upon receivers by the Insolvency Act, the 1925 Act or any other statutory provision (whether or not the Receiver was appointed pursuant to the relevant statutory provision).

- 5.12.3 to undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same;
- 5.12.4 in connection with the exercise of the Receiver's powers, 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 Developer.
- 5.12.5 to exercise or revoke any VAT option to tax as he thinks fit.
- 5.12.6 to charge and receive such sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) as the Council may prescribe or agree with him.
- 5.12.7 to collect and get in the Property or any part of it in respect of which he is appointed and make such demands and take such proceedings as may seem expedient for that purpose, and take possession of the Property with like rights.
- 5.12.8 to sever and sell separately any fixtures or fittings from the Property without the consent of the Developer.
- 5.12.9 to give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising any of the Property.
- 5.12.10 to make any arrangement, settlement or compromise between the Developer and any other person as he thinks fit.
- 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 Developer 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 Council (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 Council 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 Developer, 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 Developer

5.13 Delegation

Each of the Council 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 Council or any Receiver shall think fit. Neither the Council nor any Receiver shall be in any way liable or responsible to the Developer 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 Developer;

5.14.2 to carry on, manage or permit the carrying on and managing any business of the Developer 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

Subject to section 176A Insolvency Act, all monies received by the Council 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 Council may determine; and
- 6.1.4 the claims of those entitled to any surplus.

6.2 Appropriation

Neither the Council, 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 Council 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 Developer warrants to the Council that:

- 8.1.1 neither the execution of this Legal Charge by the Developer nor compliance with its terms will:
 - (a) conflict with or result in any breach of any law or enactment or any deed, agreement or other obligation or duty to which the Developer is bound; or
 - (b) cause any limitation on any of the powers of the Developer or on the right or ability of the directors of the Developer to exercise those powers to be exceeded;
- 8.1.2 all consents required by the Developer 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 Developer 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 Council and the Receiver will not be liable to the Developer for any loss or damage incurred by the Developer arising out of the exercise of their respective powers or any attempt or failure to exercise those powers.

9.1.2 The Developer may not take any proceedings against any officer, employee or agent of the Council or the Receiver in respect of any claim it might have against the Council 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 Developer's indemnity

The Developer agrees with the Council to indemnify the Council and the Receiver against any exercise of the powers of the Council 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 Council discharges this Legal Charge in writing.

9.4 Discharge conditional

Any release, discharge or settlement between the Developer and the Council shall be deemed conditional on no payment or security received by the Council 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 Council 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 Council deems necessary to provide the Council with security against any such avoidance, reduction or order for refund; and

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

9.5 Rights cumulative

The rights and powers of the Council conferred by this Legal Charge are cumulative, may be exercised as often as the Council 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 Council shall, in any way, preclude the Council 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 Developer 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 Council or the Receiver obtain possession of the Property and the Developer does not remove any chattels on the Property, the Council or the Receiver may remove and store or sell them without being under any liability to the Developer other than to account for the net proceeds of the sale. All expenses and liabilities

incurred by the Council 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 Council who retains the right to sue the Developer and enforce any judgment against the Developer in the courts of any competent jurisdiction.

13 GUARANTOR

13.1 In consideration of the Council entering into this Legal Charge at the request of the Guarantor, the Guarantor undertakes with, and guarantees to, the Council that:

- 13.1.1 the Developer shall comply with, and perform, all its obligations in this Legal Charge;
- 13.1.2 the Guarantor shall make good to the Council any liability which the Council may suffer or incur to the extent caused by a failure of the Developer to perform its obligations in this Legal Charge;
- 13.1.3 the Guarantor shall at the request of the Council join in any document which the Developer is required to enter into pursuant to this Legal Charge.
- 13.2 The Guarantor is not to be exonerated from this guarantee because of:
 - 13.2.1 any forbearance or other indulgence, neglect or delay of the Council in enforcing its rights against the Developer;
 - 13.2.2 a variation of the terms of this Legal Charge to which the Guarantor is a party; or
 - 13.2.3 the Council giving consent or approval of any application to it under this Legal Charge.
- 13.3 The obligations of the Guarantor in this Clause 13 (*Guarantee*) commit the Guarantor to the Council as if the Guarantor were a primary obligor.
- 13.4 The Guarantor covenants with the Council that the Guarantor must control the Developer and not permit a change in control of the Developer without the Council's consent in accordance with Clause 56.1 of the Development Agreement.
- 13.5 The Council acknowledges that the performance of any of the Developer's obligations under this Legal Charge by the Guarantor shall be good performance of such obligations.

14 EXECUTION

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

EXECUTED as a DEED by
COUNTRYSIDE PROPERTIES (UK) LIMITED
acting by:

X
Director's Signature

In the presence of:

.....Name of witness

Y.....AS.....Y.....Signature of witness TMW

Witnessed by:.....Address of witness

Name T M Warren
Address The Mole Hill, Hollow Road, Molehill Green,
Nr. Felsted, Great Dunmow, Essex CM8 3JF
Occupation: Chartered Secretary

.....Occupation of witness

EXECUTED AS A DEED BY THE SAID
THREE RIVERS DISTRICT COUNCIL

.....)

)

)

)

Authorised Signatory

Authorised Signatory

EXECUTED as a **DEED** by)
COUNTRYSIDE PROPERTIES (UK) LIMITED)
acting by:)

Director's Signature

In the presence of:

.....Name of witness

.....Signature of witness

.....Address of witness

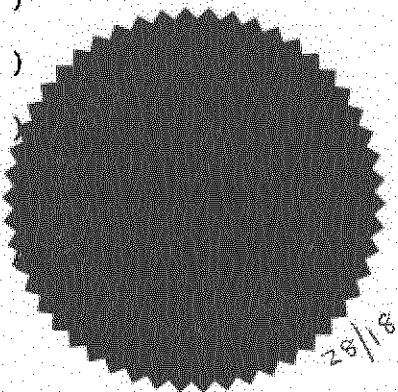
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.....Occupation of witness

EXECUTED AS A DEED BY THE SAID
THREE RIVERS DISTRICT COUNCIL

David Work)
.....)

SOLICITOR TO THE COUNCIL)



**EXECUTED as a DEED by COPTHORN
HOLDINGS LIMITED acting by**

)
)

Director's Signature

In the presence of:

.....Name of witness

Y A

V

.....Signature of witness

.....Address of witness

Witnessed by:

Name: T.M Warren

Address: The Mole Hill, Hollow Road, Molehill Green,

No. Felsdon, Great Dunmow, Essex. CM6 3JF

Occupation: Chartered Secretary

.....Occupation of witness