



**Registration of a Charge**

Company Name: **DORRINGTON HOUSING LIMITED**

Company Number: **01067638**



Received for filing in Electronic Format on the: **04/11/2022**

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**Details of Charge**

Date of creation: **28/10/2022**

Charge code: **0106 7638 0159**

Persons entitled: **BARCLAYS BANK PLC**

Brief description: **LAND AT 1 SPRING COTTAGES, CHAPEL LANE, LITTLE BADDOW, CHELMSFORD (CM3 4BB) WITH TITLE NUMBER EX514662; LAND AT NEW HOUSE, DUNMOW ROAD, LITTLE CANFIELD, DUNMOW (CM6 1TA) WITH TITLE NUMBER EX640488; AND LAND AT 81 CRESCENT ROAD, WARLEY, BRENTWOOD (CM14 5JG) WITH TITLE NUMBER EX655015, FOR FURTHER DETAILS OF THE LAND CHARGES, REFER TO THE SECURITY AGREEMENT.**

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

Certified by:

**NICK SWISS**



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

Company number: 1067638

Charge code: 0106 7638 0159

The Registrar of Companies for England and Wales hereby certifies that a charge dated 28th October 2022 and created by DORRINGTON HOUSING LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 4th November 2022 .

Given at Companies House, Cardiff on 8th November 2022

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**

EVERSHEDS  
SUTHERLAND

We certify this document as a true copy of the original, save for material redacted pursuant to section 859G Companies Act 2006

*Eversheds Sutherland (International) LLP*  
.....

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**EXECUTION VERSION**

Dated 28 October 2022

- (1) DORRINGTON HOUSING LIMITED as Chargor
- (2) BARCLAYS BANK PLC

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**Security Agreement**

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**THIS SECURITY AGREEMENT** is made on 28 October 2022

**BETWEEN**

- (1) **DORRINGTON HOUSING LIMITED**, registered in England and Wales (registered number 01067638) at 16 Hans Road, London, SW3 1RT as chargor ( the "**Chargor**"); and
- (2) **BARCLAYS BANK PLC** as lender pursuant to the Facility Agreement (as defined below) (the "**Lender**").

**WHEREAS**

- (A) By a facility agreement dated 27 December 2018 and as amended and restated on 20 June 2019 (as amended from time to time) and made between (1) Dorrington Estates Limited as borrower (the "**Borrower**") and (2) Barclays Bank PLC as lender (the "**Facility Agreement**"), the Lender agreed to provide certain loan facilities to the Borrower on the terms set out in the Facility Agreement.
- (B) The provision of this Security Agreement is a condition precedent to the provision of additional charged properties under the Facility Agreement.
- (C) This document is the deed of the Chargor, even if it has not been duly executed by the Lender or has been executed by the Lender but not as a deed.

**OPERATIVE PROVISIONS**

**1. INTERPRETATION**

**1.1 Terms defined in the Facility Agreement**

Terms defined in the Facility Agreement but not in this Security Agreement shall have the same meaning in this Security Agreement as in the Facility Agreement.

- 1.2 This Security Agreement is a Security Agreement for the purposes of the Facility Agreement.

**1.3 Definitions**

In this Security Agreement:

**"Associated Rights"** means, in relation to any Mortgaged Property and asset associated with any Mortgaged Property, all Disposal Proceeds and/ or proceeds of sale of such Mortgaged Property and/ or asset, all rights, powers, benefits, covenants, warranties, guarantees or Security given or implied in respect of such Mortgaged Property and/ or asset, all rights under any agreement for sale, agreement for lease or licence of or in respect of such Mortgaged Property and/ or asset, and any monies and proceeds paid or payable in respect of such Mortgaged Property and/ or asset (save in each case where such Mortgaged Property and/or asset associated with such Mortgaged Property has been released by the Lender in accordance with the terms of the Facility Agreement).

**"Charged Contracts"** means:

- (a) each building contract, consultant appointment, and collateral warranty in respect of the development, maintenance or management of any Property and any warranties and guarantees in respect of any Property, brief particulars of which are set out in Part 2 of Schedule 1 (*Charged Contracts*); and
- (b) any other document to which the Chargor is a party, which is designated as a Transaction Document (other than a Finance Document) in accordance with the Facility Agreement,

and where the context shall so require or permit any of such contracts or agreements and the expression **"Charged Contract"** shall also mean any one of such contracts or agreements.

**"Derivative Payment"** means, in relation to any Mortgaged Property and asset associated with any Mortgaged Property, any damages, compensation, remuneration, profit, bonus, royalties, fee, rent, income or other benefit which the Chargor may derive from or be awarded or entitled to in respect of such Mortgaged Property and/or asset.

**"Disposal Proceeds"** means in respect of the disposal of an interest in all or part of any Property (other than by way of an Occupational Lease) or the shares of Investment in accordance with clause 22.5 (*Disposals*) of the Facility Agreement, the gross consideration recoverable by the relevant Security Provider for that disposal (including compensation or damages received for any blight or disturbance affecting any Property) less reasonable costs and expenses associated with that disposal.

**"Event of Default"** means any event or circumstance specified as such set out in clause 24 (*Events of Default*) of the Facility Agreement.

**"Losses"** means losses, claim, demands, actions, proceedings, damages, and other payments, expenses and other liabilities of any kind save where they arise in the case of gross negligence or wilful misconduct on the part of the Lender or any Receiver (as applicable).

**"Mortgaged Properties"** has the meaning given to it in Clause 3.1 (*Land*), **"Mortgaged Property"** means any of them and any reference to one or more of the Mortgaged Properties includes all or any part of it or each of them.

**"Obligors"** means the Borrower and the Chargor and **"Obligor"** means any of them and any reference to the Obligors includes all or any of them;

**"Property"** means the property brief details of which are set out in Schedule 1, Part 1 (*The Property*) (and any other property which is from time to time designated in writing as forming part of the Property by the Lender and the Borrower) and any reference to the Property includes all or any part of it.

**"Receiver"** means any one or more receivers and/or managers of any or all of the Security Assets appointed pursuant to Schedule 3, Paragraph 3.1 (*Appointment of a Receiver*).

**"Secured Liabilities"** means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Transaction Obligor to any Secured Party under each Finance Document.

**"Security Assets"** means the Mortgaged Properties and the other assets from time to time the subject of this Security Agreement, **"Security Asset"** means any of them and any reference to the Security Assets includes all or any of them.

**"Security Period"** means the period beginning on the date of this Security Agreement and ending on the date on which all the Secured Liabilities have been irrevocably paid and discharged in full.

#### 1.4 Construction

1.4.1 Unless a contrary indication appears, any reference in this Security Agreement to:

1.4.1.1 **assets** includes present and future properties, revenues and rights of every description;

- 1.4.1.2 a **Clause, Section or Schedule** is to a clause or section of or a schedule to this Security Agreement (as the case may be) and any reference in a Schedule to a **Paragraph** is to a paragraph of that Schedule;
- 1.4.1.3 **this Security Agreement** includes the Schedules, which form part of this Security Agreement for all purposes;
- 1.4.1.4 a **disposal** includes a lease, licence, transfer, sale or other disposal of any kind;
- 1.4.1.5 a **Finance Document** or any other agreement or document is a reference to that Finance Document or other agreement or document as amended, novated, supplemented, extended or restated or replaced from time to time;
- 1.4.1.6 the masculine, feminine or neuter **gender** respectively includes the other genders and references to the **singular** include the plural (and vice versa);
- 1.4.1.7 **including** means "including without limitation" (with related words being construed accordingly), **in particular** means "in particular but without limitation" and other **general words** shall not be given a restrictive interpretation by reason of their being preceded or followed by words indicating a particular class of assets, matters or things;
- 1.4.1.8 **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- 1.4.1.9 a **person** includes any individual, firm, company or other corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of them and any reference to the **Chargor**, the **Lender**, the **Borrower** or to a **Party** includes its successors in title, permitted assignees and permitted transferees;
- 1.4.1.10 **pounds, sterling** and **£** is to the lawful currency from time to time of the United Kingdom;
- 1.4.1.11 a **provision of law** is to that provision as amended, re-enacted or replaced from time to time and includes any subordinated legislation in force under it from time to time;
- 1.4.1.12 a **regulation** includes any regulation, rule, official directive, notice, request, code of practice, guideline, demand or decision (in each case whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- 1.4.1.13 a **right** includes any estate, interest, claim or other right of any kind, both present and future; and
- 1.4.1.14 a **time of day** is to London time.
- 1.4.2 The index and Section, Clause, Schedule and Paragraph headings are for ease of reference only and shall not affect the meaning of this Security Agreement.



1.4.3 Unless a contrary indication appears, a term used in any other Finance Document or in any communication given under or in connection with any Finance Document has the same meaning in that Finance Document or communication as in this Security Agreement.

1.4.4 A Default is "**continuing**" if it has not been remedied to the satisfaction of the Lender or waived and an Event of Default is "**continuing**" if it has not been waived.

## 1.5 **Third party rights**

1.5.1 Unless expressly provided to the contrary in this Security Agreement a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or to enjoy the benefit of any term of this Security Agreement.

1.5.2 Notwithstanding any term of this Security Agreement, the consent of any person who is not a Party to this Security Agreement is not required to rescind or vary this Security Agreement at any time.

1.5.3 Any Receiver, Delegate or any person described in Clause 27.2.1 (*Exclusion of liability*) may, subject to this Clause 1.5 and the Third Parties Act, rely on any clause of this Security Agreement which expressly confers rights on it.

## 1.6 **Incorporation**

For the purposes of s2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of any Finance Document to which the Lender and the Chargor are parties (other than this Security Agreement) are incorporated in this Security Agreement.

## 1.7 **Inconsistency**

If there is any inconsistency between the terms of this Security Agreement and those of the Facility Agreement, the terms of the Facility Agreement shall prevail.

## 2. **COVENANT TO PAY**

### 2.1 **Covenant to pay**

The Chargor hereby, as primary obligor and not merely as surety, covenants with the Lender that it shall pay or discharge each of the Secured Liabilities on demand as the same become due at the time and in the manner provided in the relevant Finance Document for their payment or discharge by the relevant Obligor.

### 2.2 **Limited Recourse**

Notwithstanding Clause 2.1 (*Covenant to pay*) and any other provision of this Security Agreement:

2.2.1 the liability of the Chargor to the Lender under this Security Agreement shall be:

2.2.1.1 limited in aggregate to an amount equal to that recovered by the Lender as a result of the enforcement of this Security Agreement with respect to the Security Assets; and

2.2.1.2 satisfied only from the proceeds of sale or other disposal or realisation of the Security Assets pursuant to this Security Agreement; and

2.2.2 the Lender shall not have any recourse under this Clause 2.2 (*Limited Recourse*) to any assets of the Chargor other than the Security Assets.

## 2.3 Further advances

This Security Agreement is made to secure any further advances or other facilities made available by the Lender under the Finance Documents; but it does not create any obligation on the Lender to make any further advances or other facilities available.

## 3. SECURITY

### 3.1 Land

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender by way of first legal mortgage all of its rights as at the date of this Security Agreement in the Property (the "**Mortgaged Properties**") in each case together with all of its rights in all buildings, structures, erections, fixtures and fittings (including trade fixtures and fittings) from time to time on any of the Mortgaged Properties.

### 3.2 Fixed charges

As security for the payment and discharge of the Secured Liabilities, the Chargor with full title guarantee charges to the Lender by way of first fixed charge:

- 3.2.1 **First fixed charges in respect of Rental Income** - to the extent that such Rental Income is incapable for any reason of being effectively assigned pursuant to Clause 3.3.2 but is capable of being effectively charged, by way of first fixed charge any Rental Income;
- 3.2.2 **First fixed charges in respect of Insurances** - to the extent that the Insurances and/or the Insurance Proceeds are incapable for any reason of being effectively assigned pursuant to Clause 3.3.3 but are capable of being effectively charged, by way of first fixed charge, the Insurances and all Insurance Proceeds either now or in the future held by or payable to it or in which it otherwise has an interest (to the extent of such interest);
- 3.2.3 **First fixed charge on contracts** - to the extent that they do not fall within any other provision of this Clause 3.2 (*Fixed Charges*) and are not effectively assigned under Clause 3.3.1, by way of first fixed charge all of its respective rights under each agreement or document relating to the Property to which it is a party;
- 3.2.4 **First fixed charges in respect of Derivative Payments** - to the extent that such Derivative Payments are incapable for any reason of being effectively assigned pursuant to Clause 3.3.4 but are capable of being effectively charged, by way of first fixed charge the right to recover and receive all Derivative Payments which may at any time become payable to the Chargor;
- 3.2.5 **Chattels:** all of its rights in any plant, machinery, vehicles, equipment and other chattels (but excluding its stock-in-trade) which are located or usually located at any Mortgaged Property;
- 3.2.6 **First fixed charge on other Associated Rights** - by way of first fixed charge, the benefit of all Associated Rights relating to any of its respective assets in relation to any Mortgaged Property, in each case to the extent that such Associated Rights are capable of being made the subject of a fixed charge and are not otherwise the subject of any valid fixed charge pursuant to this Security Agreement; and
- 3.2.7 **Other documents:** all of its rights in any agreements, reports and other documents from time to time relating to all or any part of the Security Assets.

### 3.3 **Assignments by way of security**

As further continuing security for the payment of the Secured Liabilities, the Chargor assigns absolutely to the Lender all (if any) its right, title and interest in and to the following assets (to the extent such assets are capable of assignment):

- 3.3.1 **Charged Contracts** - the Charged Contracts and the benefit of any Derivative Payment in respect of the Charged Contracts;
- 3.3.2 **Rental Income** - any Rental Income;
- 3.3.3 **Insurances and Insurance Proceeds** - the Insurances and the benefit of all Insurance Proceeds; and
- 3.3.4 **Associated Rights and Derivative Payments** - any Associated Rights or Derivative Payment which are not the subject of a valid fixed charge pursuant to Clause 3.2 (*Fixed charges*) of this Security Agreement or valid assignment pursuant to Clauses 3.3.1 to 3.3.3 and which relate to any of the assets of the Chargor in relation to any Mortgaged Property, whether or not such assets are subject to a valid legal mortgage, fixed charge or assignment pursuant to this Security Agreement.

### 3.4 **Notice of charge or assignment**

- 3.4.1 The Chargor shall, promptly give notice of each charge or assignment of all (if any) its right, title and interest in and to:
  - 3.4.1.1 the Insurances and Insurance Proceeds (other than such Insurances in respect of any leasehold Property owned by the Chargor which are administered by the landlord of such leasehold Property), by sending a notice in the form of Part 1 of Schedule 5 (*Notices*) (with such amendments as the Lender may agree and/or require) duly completed to each of the other parties to the Insurances; and
  - 3.4.1.2 the Charged Contracts other than the Charged Contracts listed in Part 2 of Schedule 1 (*Charged Contracts*), by sending a notice in the form of Part 2 of Schedule 5 (*Notices*) (with such amendments as the Lender may agree and/or require) duly completed to each of the other parties to the Charged Contracts.
- 3.4.2 With respect to the Charged Contracts listed at 1 of Part 3 of Schedule 1 (*Charged Contracts*), the Chargor shall, promptly following an Event of Default or otherwise at the Lender's request, give notice of each charge or assignment of all (if any) its right, title and interest in and to such Charged Contracts, by sending a notice in the form of Part 2 of Schedule 5 (*Notices*) (with such amendments as the Lender may agree and/or require) duly completed to each of the other parties to the Charged Contracts.
- 3.4.3 The Chargor shall use its reasonable endeavours to procure that each such other party delivers an acknowledgement to the Lender in the form of the acknowledgement of notice endorsed on a copy of the relevant notice as set out in Part 1 or Part 2 of Schedule 5 (*Notices*).

### 3.5 **Exercise of rights under Charged Contracts**

- 3.5.1 Whilst no Event of Default exists and is continuing, the Lender shall permit the Chargor to exercise its rights under any of the Charged Contracts to which it is party, provided that the exercise of those rights in the manner proposed would not result in an Event of Default.

- 3.5.2 Where an Event of Default exists and is continuing, the Chargor shall, if requested by the Lender, exercise its rights under the Charged Contracts only in accordance with the instructions of the Lender.

#### 4. REPRESENTATIONS AND WARRANTIES

The Chargor makes the representations and warranties set out in this Clause 4 to the Lender on the date of this Security Agreement by reference to the facts and circumstances existing on that date and, save for the representation described in Clause 4.8, further on the date of each Utilisation Request, on each Utilisation Date and the first day of each Interest Period by reference to the facts and circumstances existing at each such later date PROVIDED THAT in respect of the representation in Clause 4.10.2 only, not on the date of a Utilisation Request or on the Utilisation Date relating to a Rollover Loan (as referred to in clause 4.2 (Further Conditions precedent) of the Facility Agreement):

- 4.1 **Status** - The Chargor is a limited liability corporation, duly incorporated and validly existing under the law of its Relevant Jurisdiction. The Chargor has the power to own its assets and carry on its business as it is being conducted.
- 4.2 **Binding obligations** - The obligations expressed to be assumed by it in this Security Agreement are, subject to the Legal Reservations, legal, valid, binding and enforceable obligations.
- 4.3 **Non-conflict with other obligations** - The entry into and performance by it of, and the transactions contemplated by, this Security Agreement and the granting of this Security Agreement do not and will not conflict with:
- 4.3.1 any law or regulation applicable to it;
- 4.3.2 its constitutional documents; or
- 4.3.3 any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument.
- 4.4 **Power and authority** - It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Security Agreement and the transactions contemplated by this Security Agreement. No limit on its powers will be exceeded as a result of the grant of security or giving of guarantees or indemnities contemplated by this Security Agreement.
- 4.5 **Validity and admissibility in evidence** - All Authorisations required or desirable to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Security Agreement and to make this Security Agreement admissible in evidence in its Relevant Jurisdiction have been obtained or effected and are in full force and effect. All Authorisations necessary for the conduct of the business, trade and ordinary activities of the Chargor have been obtained or effected and are in full force and effect if failure to obtain or effect those Authorisations has or is reasonably likely to have a Material Adverse Effect.
- 4.6 **Governing law and enforcement** - Subject to the Legal Reservations, the choice of English law as the governing law of the Finance Documents to which it is a party will be recognised and enforced in its Relevant Jurisdiction. Subject to the Legal Reservations, any judgment obtained in England in relation to a Finance Document to which it is a party will be recognised and enforced in its Relevant Jurisdictions.
- 4.7 **Deduction of Tax** - No Rental Income payable to the Chargor is subject to a requirement to make a deduction or withholding for or on account of Tax from that Rental Income.

- 4.8 **VAT** – The Chargor has not opted to tax any Property under Part 1 of Schedule 10 of the Value Added Tax Act 1994.
- 4.9 **Tax** – The Chargor has duly and punctually paid all material Taxes applicable to, or imposed on or in relation to its business, its assets or otherwise and it is not materially overdue in the filing of any tax returns or filings. No claims or investigations are being made or conducted against it in respect of Taxes. The Chargor is resident for Tax purposes only in its Relevant Jurisdiction and it does not have a branch, agency, permanent representative or permanent establishment in any other jurisdiction.
- 4.10 **No default -**
- 4.10.1 No Event of Default has occurred or is continuing or might reasonably be expected to result from the execution or the performance of this Security Agreement; and
- 4.10.2 No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or a termination event (however described) under any other agreement or instrument which is binding on it or to which any of its assets are subject which has or is reasonably likely to have a Material Adverse Effect.
- 4.11 **Commercial benefit** - It enters into this Security Agreement in good faith and for the purposes of the promotion of the success of its business and it has given due consideration to the terms and conditions of the Finance Documents and of this Security Agreement and has satisfied itself that there are reasonable grounds for believing that by executing this Security Agreement it will derive commercial benefit.
- 4.12 **No proceedings pending or threatened** - No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, might reasonably be expected to have a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it.
- 4.13 **Title to Property** - The Chargor named as beneficial and/ or legal owner of each Property in Part 1 of Schedule 1 (*The Property*) has good and marketable title to that Property in each case free from Security (other than those created by or pursuant to any Security Document) and restrictions and onerous covenants (other than those set out in the Property Report in relation to that Property).

From the Utilisation Date except as disclosed in the Property Report relating to a Property:

- 4.13.1 no breach of any law, regulation or covenant is outstanding which has or would be reasonably likely to have a Material Adverse Effect;
- 4.13.2 there is no covenant, agreement, stipulation, reservation, condition, interest, right, easement or other matter whatsoever affecting that Property which has or is reasonably likely to have a Material Adverse Effect;
- 4.13.3 nothing has arisen or has been created or is outstanding which would be an overriding interest, or an unregistered interest which overrides first registration or a registered disposition, over that Property which has or is reasonably likely to have a Material Adverse Effect;
- 4.13.4 no facility necessary for the enjoyment and use of any Property (including those necessary for the carrying on of its business at the Property) is enjoyed by any person on terms entitling any person to terminate or curtail its use where such termination or curtailment has or is reasonably likely to have a Material Adverse Effect;

- 4.13.5 the Chargor has not received any notice of any adverse claim by any person in respect of the ownership of that Property or any interest in it which might reasonably be expected to be determined in favour of that person (where any such adverse claim has or is reasonably likely to have a Material Adverse Effect), nor has any acknowledgement been given to any such person in respect of that Property in respect of any matter that has or is reasonably likely to have a Material Adverse Effect; and
- 4.13.6 that Property is held by the Chargor free from any lease or licence (other than those entered into in accordance with this Security Agreement).
- 4.14 **Ranking of Security** – the security conferred by this Security Agreement will constitute a first priority security interest of the type described, over the assets referred to, in this Security Agreement in each case and those assets are not subject to any prior or *pari passu* Security.
- 4.15 **Insolvency** - No corporate action, legal proceedings or other procedure or step described in clause 24.7 (*Insolvency proceedings*) of the Facility Agreement or creditors' process described in clause 24.8 (*Creditors' process*) of the Facility Agreement has been taken or, to the knowledge of the Chargor threatened; and none of the circumstances described in clause 24.6 (*Insolvency*) of the Facility Agreement apply.
- 4.16 **Centre of main interests** - For the purposes of The Council of the European Union Regulation No. 1346/2000 on Insolvency Proceedings (the "**Regulation**"), its centre of main interest (as that term is used in Article 3(1) of the Regulation) is situated in England and Wales.

## 5. **COVENANTS**

The Chargor covenants with (and where stated, represent and warrant to) the Lender as set out in Schedule 2 (*Covenants*).

## 6. **ENFORCEMENT**

The Lender and a Receiver shall have the powers set out in Schedule 3 (*Enforcement*) and a Receiver shall have the further powers set out in Schedule 4 (*Receiver's further powers*).

## 7. **CONTINUING SECURITY**

### 7.1 **Continuing security**

This Security Agreement is a continuing security and shall secure the ultimate balance of the Secured Liabilities, notwithstanding:

- 7.1.1 intermediate payment or discharge of all or part of the Secured Liabilities to the Lender;
- 7.1.2 the liquidation or other incapacity of the Chargor or any change in the constitution, name or style of any of them;
- 7.1.3 any change in the constitution, name or style of the Lender, its absorption in or amalgamation with any other person or the acquisition of all or part of its undertaking by any other person; or
- 7.1.4 any other event, matter or thing.

### 7.2 **Additional to other rights**

This Security Agreement is in addition to (and shall not merge with, otherwise prejudice or affect or be prejudiced or affected by) any other remedy, guarantee, indemnity, Security or other right which may be or have been created in favour of the Lender.

Accordingly, the liability of the Chargor under this Security Agreement shall not be prejudiced or affected by, and this Security Agreement may be enforced notwithstanding:

7.2.1 the existence or invalidity of all or any of those rights; and

7.2.2 the Lender at any time exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of those rights.

## **8. THIRD PARTY PROTECTION**

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

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

8.2 to see to the application of any money paid to the Lender or to a Receiver.

## **9. COSTS AND EXPENSES**

The Chargor shall indemnify the Lender and any Receiver fully (and in the case of legal costs and expenses on a solicitor and own client basis) within 3 days of demand against all Losses incurred by (or made or brought against) it or him (or any manager or agent appointed by it or him):

9.1 as a result of any failure by the Chargor to perform any of its obligations under this Security Agreement;

9.2 in the exercise of any of the powers or other rights conferred by this Security Agreement; or

9.3 in respect of any other matter or thing done or omitted relating to the Security Assets,

together in each case with interest calculated, on a daily basis from the date it is incurred or becomes payable by the Lender or the Receiver, under the terms of the Facility Agreement as if it were an overdue sum in accordance with clause 8.3 of the Facility Agreement.

## **10. ASSIGNMENT AND TRANSFER**

### **10.1 Assignments and transfers by the Lender**

The rights and obligations of the Lender under this Security Agreement may be assigned and transferred by the Lender to any other person other than an individual.

### **10.2 Assignments and transfers by the Chargor**

The Chargor may not assign any of its rights or transfer any of its obligations under this Security Agreement.

## **11. THE CHARGOR**

### **11.1 Chargor's liability not discharged**

The liability of the Chargor under this Security Agreement in respect of any Secured Liability shall not be discharged or otherwise prejudiced or affected by:

- 11.1.1 any present or future remedy, guarantee, indemnity, Security or other right held by or available to the Lender being or becoming wholly or in part void, voidable or unenforceable on any ground;
- 11.1.2 the Lender from time to time exchanging, releasing, varying, abstaining from perfecting or enforcing or otherwise dealing or omitting to deal with all or any of the rights referred to in Clause 11.1.1;
- 11.1.3 the Lender compounding with, discharging, releasing or varying the liability of any Obligor or any other person or granting any time, indulgence or concession to any Obligor or any other person;
- 11.1.4 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 Obligor or any other person; or
- 11.1.5 any other act or omission which would not have discharged or otherwise prejudiced or affected the liability of the Chargor had it been primary obligor or by anything done or omitted which but for this provision might operate to discharge or otherwise prejudice or affect that liability.

## 11.2 **Chargor as primary obligor**

Subject to Clause 2.2 (*Limited Recourse*), if any of the Secured Liabilities (or any purported obligation or liability of an Obligor which if valid would have been a Secured Liability) are disclaimed or are not or cease to be valid or enforceable against the relevant Obligor on any ground (whether or not known to the Lender), then the Chargor (other than the relevant Obligor, if a Chargor) shall nevertheless be liable to the Lender in respect of that purported obligation or liability as if it were the fully valid and enforceable primary obligation of the Chargor (other than the relevant Obligor, if a Chargor).

## 11.3 **Chargor as trustee**

The Chargor shall:

- 11.3.1 hold on trust for the Lender any Security from time to time held by it from the Borrower or any other person in respect of the Secured Liabilities and (if so required by the Lender) forthwith deposit with or (only insofar as the Chargor is able to do so) assign or charge to the Lender that Security;
- 11.3.2 (and does by this Security Agreement) waive the exercise of all rights of subrogation and indemnity which it may have against the Borrower and each other Obligor until such time as the Secured Liabilities are discharged in full or the Lender otherwise consents to their exercise;
- 11.3.3 if so requested by the Lender, exercise any right of proof in the bankruptcy or liquidation of the Borrower or any other Obligor or any right of contribution from a co-guarantor;
- 11.3.4 hold any money or other assets received in respect of those rights on trust for the Lender; and
- 11.3.5 subject to Clause 11.3.3, not take any step to claim or enforce any right against or in respect of the Borrower, any other Obligor or (after an Event of Default which is continuing) any other person relating to the Secured Liabilities.



**11.4 Immediate recourse**

The Chargor waives any right it may have of requiring the Lender to enforce any other Security or other right, or to claim any payment from or otherwise proceed against any other person, before enforcing this Security Agreement against it.

**12. FACILITY AGREEMENT PROVISIONS**

Clauses 29 (*Payment Mechanics*), 31 (*Notices*) and 36 (*Confidentiality*) of the Facility Agreement shall apply to this Security Agreement as if they were set out in full again here with any changes which are necessary to fit this context.

**13. COUNTERPARTS**

This Security Agreement may be executed in any number of counterparts, all of which, when taken together, shall constitute one and the same instrument and any party may enter into this Security Agreement by executing a counterpart.

**14. RELEASE**

At the end of the Security Period or if any Security Asset is to be released in accordance with clauses 22.5 (*Disposals*), 22.6 (*Release*), 22.10 (*Acquisitions and Substitutions*) of the Facility Agreement, the Lender must, at the request and cost of the Chargor, take whatever action is necessary to release the Security Assets from the Security created by this Security Agreement.

**15. AMENDMENTS**

Any term of this Security Agreement may be amended only with the prior written consent of all the parties to this Security Agreement.

**16. GOVERNING LAW**

This Security Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

**17. ENFORCEMENT AND JURISDICTION**

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Security Agreement (including a dispute relating to the existence, validity or termination of this Security Agreement or any non-contractual obligation arising out of or in connection with this Security Agreement) (a "**Dispute**").

The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

This Clause 17 is for the benefit of the Lender only. As a result, the Lender shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Lender may take concurrent proceedings in any number of jurisdictions.

The parties have shown their acceptance of the terms of this Security Agreement by executing it, in the case of the Chargor as a deed, at the end of the Schedules.

## **SCHEDULE 1**

**Part 1**  
**The Property**

|    | <b>Property Description</b>   | <b>Title Number</b> | <b>Proprietor</b>          |
|----|---|---------------------|----------------------------|
| 1  | 1 Spring Cottages, Chapel Lane, Little Baddow, Chelmsford (CM3 4BB)   | EX514662            | Dorrington Housing Limited |
| 2  | New House, Dunmow Road, Little Canfield, Dunmow (CM6 1TA)             | EX640488            | Dorrington Housing Limited |
| 3  | 81 Crescent Road, Warley, Brentwood (CM14 5JG)                        | EX655015            | Dorrington Housing Limited |
| 4  | 29a Shenfield Road, Brentwood (CM15 8AG)                              | EX988839            | Dorrington Housing Limited |
| 5  | 5 and 6, 12 and 13, 15 and 16 Gade Bank, Rickmansworth WD3 3GD        | HD383131            | Dorrington Housing Limited |
| 6  | 1 Main Road, Thurlby, Bourne (PE10 0EG)                               | LL269505            | Dorrington Housing Limited |
| 7  | 2 Wellington House, 45 Station Road, Terrington St Clement (PE34 4PL) | NK330539            | Dorrington Housing Limited |
| 8  | Land at 31 Kimberley Road, Benfleet (SS7 5NG)                         | EX834031            | Dorrington Housing Limited |
| 9  | 15 All Saints Road, Newmarket, CB8 8ES                                | SK270297            | Dorrington Housing Limited |
| 10 | 417 Goffs Lane, Goffs Oak, Waltham Cross, EN7 5HQ                     | HD199528            | Dorrington Housing Limited |
| 11 | 144 Coleridge Road, Cambridge, CB1 3PR                                | CB360329            | Dorrington Housing Limited |
| 12 | 52 Oakington Avenue, Amersham, HP6 6ST                                | BM88134             | Dorrington Housing Limited |
| 13 | 30 North Road Avenue, Brentwood, CM14 4XQ                             | EX630766            | Dorrington Housing Limited |
| 14 | 3 Church Lane, Barkway, Royston, SG8 8EJ                              | HD473401            | Dorrington Housing Limited |
| 15 | 3 Queen Street, Stotfold, Hitchin, SG5 4NX                            | BD208114            | Dorrington Housing Limited |
| 16 | 10 Chiltem Street, Aylesbury, HP21 8BT                                | BM267699            | Dorrington Housing Limited |
| 17 | 40 Wimpole Road, Great Eversden, CB3 7HR                              | CB280424            | Dorrington Housing Limited |
| 18 | 154 Coleridge Road, Cambridge, CB1 3PR                                | CB105611            | Dorrington Housing Limited |
| 19 | 184 Coldhams Lane, Cambridge, CB1 3HH                                 | CB211279            | Dorrington Housing Limited |
| 20 | 40 Hall Lane, Shenfield, Brentwood, CM15 9AN                          | EX816071            | Dorrington Housing Limited |
| 21 | 221 Harwoods Road, Watford, WD18 7RU                                  | HD550355            | Dorrington Housing Limited |
| 22 | 24 High Street, Branston, Lincoln, LN4 1NB                            | LL230151            | Dorrington Housing Limited |
| 23 | 17 St Johns Road, Hemel Hempstead, HP1 1QF                            | HD213721            | Dorrington Housing Limited |
| 24 | 11 Temperance Street, St Albans, AL3 4PZ                              | HD492643            | Dorrington Housing Limited |
| 25 | 82 York Street, Cambridge, CB1 2PY                                    | CB113355            | Dorrington Housing Limited |
| 26 | 6 Lines Hill Cottages, Lines Hill, Aston Abbotts, HP22 4NG            | BM274048            | Dorrington Housing Limited |
| 27 | 7 Fullers Avenue, Woodford Green, IG8 9EB                             | EGL527086           | Dorrington Housing Limited |
| 28 | La Morna, 58 London Road, Maldon, CM9 6HG                             | EX593354            | Dorrington Housing Limited |
| 29 | 31 Kimberley Road, Benfleet, SS7 5NG                                  | EX710296            | Dorrington Housing Limited |
| 30 | Jaggards Farm, Long Road, Comberton, Cambridge, CB23 7DQ              | CB275218            | Dorrington Housing Limited |
| 31 | 22 Upper Culver Road, St. Albans, AL1 4EE                             | HD241197            | Dorrington Housing Limited |
| 32 | 3 Frayes Chase, Beauchamp Roding, Ongar, CM5 0JX                      | EX294148            | Dorrington Housing Limited |

|    |   |           |                            |
|----|---|-----------|----------------------------|
| 33 | 23 Park Lane, Stonely, St Neots, PE19 5EE                                 | CB233439  | Dorrington Housing Limited |
| 34 | Three Gates, Ellesborough Road, Butlers Cross, Aylesbury, HP17 0XH        | BM208553  | Dorrington Housing Limited |
| 35 | 42 Lacey's Lane, Exning, CB8 7HL  | SK171434  | Dorrington Housing Limited |
| 36 | 62 Stradbroke Grove, Ilford   | EGL111636 | Dorrington Housing Limited |
| 37 | 7 Wey Lane, Chesham, HP5 1JH  | BM264877  | Dorrington Housing Limited |
| 38 | 26 Woodlands Road, Harold Wood, Romford, RM3 0QX                          | EGL27163  | Dorrington Housing Limited |
| 39 | 35 St Peters Avenue, Ongar, CM5 0BT                                       | EX342170  | Dorrington Housing Limited |
| 40 | 1 Wellington House, 45 Station Road, Terrington St Clement, PE34 4PL      | NK363561  | Dorrington Housing Limited |
| 41 | 29 Shenfield Road, Brentwood, CM15 8AG                                    | EX988838  | Dorrington Housing Limited |
| 42 | 19 Orchard Walk, Yaxley, Peterborough, PE7 3EZ                            | CB11042   | Dorrington Housing Limited |
| 43 | 2, 6, 8, 10 and 11 Paslow Hall Cottages, King Street, High Ongar, CM5 9NP | AA44827   | Dorrington Housing Limited |
| 44 | 12 Lisle Lane, Ely, CB7 4AS   | CB247078  | Dorrington Housing Limited |
| 45 | Sewage pumping station lying to the west of King Street, High Ongar       | EX774388  | Dorrington Housing Limited |
| 46 | 29 Shenfield Road, Brentwood (CM15 8AG)                                   | AA14920   | Dorrington Housing Limited |

**Part 2****The Charged Contracts**

|  | <b>Brief description of Charged Contract</b> | <b>Date of Charged Contract</b> | <b>Parties to Charged Contract<br/>(Include addresses for service of notices of those parties who are not parties to this Deed)</b> |
|--|--|---------------------------------|---|
|  | N/A  | N/A                             | N/A   |

## **SCHEDULE 2**

### **Covenants**

#### **1. NO SECURITY OR DISPOSALS**

##### **1.1 Negative pledge**

1.1.1 The Chargor shall not create or permit to subsist any mortgage, charge or other encumbrance (other than created under a Security Document) over any of the Security Assets.

1.1.2 Paragraph 1.1.1 above does not apply to any lien arising by operation of law and in the ordinary course of trading.

##### **1.2 No disposals**

The Chargor shall not, without the Lender's consent, sell, dispose of or lease (by one or a series of transactions, whether related or not and whether voluntary or involuntary) all or any part of the Security Assets unless such disposal is in accordance with the terms of the Facility Agreement.

#### **2. LEASES**

##### **2.1 Leases forming part of the Security Assets**

The Chargor shall not agree to any amendment, supplement, waiver, surrender or release of any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Security Assets which could reasonably be expected to be prejudicial to the Lender under the Finance Documents or do or allow anything to be done which would result in the determination, forfeiture, surrender or termination of any lease, underlease, tenancy or licence forming part of the Security Assets unless expressly permitted under the Facility Agreement.

##### **2.2 Occupational Leases**

No grant, agreement to grant or acceptance of a surrender of an Occupational Lease by the Chargor during the continuance of this Security Agreement shall have effect or force (by virtue of ss99 and 100 of the Law of Property Act 1925 or otherwise) unless expressly permitted by the Facility Agreement.

#### **3. COVENANTS, LEGAL OBLIGATIONS AND PAYMENTS**

The Chargor shall:

3.1 with respect to matters affecting or arising from its title to the Property, exercise its rights and comply in all respects with any covenant, stipulation or obligation (restrictive or otherwise) at any time affecting its Property where failure to do so could reasonably be expected to be prejudicial to the Lender under the Finance Documents;

3.2 with respect to matters affecting or arising from any Headlease, observe and perform all covenants and other obligations and matters (whether or not contained in any agreement or other document) from time to time affecting any of the Security Assets or their use or enjoyment where failure to do so could reasonably be expected to be prejudicial to the Lender under the Finance Documents;

3.3 without prejudice to the other provisions of this paragraph 3, perform all its respective obligations under the Charged Contracts in a diligent and timely manner, not make or agree to make any amendments or modifications to the Charged Contracts, nor waive

any of its rights under the Charged Contracts, nor exercise any right to terminate any of the Charged Contracts, except, in any case, in accordance with the terms of the Facility Agreement or otherwise with the prior written consent of the Lender and will promptly inform the Lender of any material disputes relating to the Charged Contracts;

- 3.4 promptly indemnify the Lender for any Losses incurred by it as a result of the breach by the Chargor of any covenant or other obligations or matters affecting the Property and/or any other Security Asset;
- 3.5 promptly inform the Lender if it becomes aware of any steps taken or proceedings commenced by any person with a view to obtaining forfeiture of or determining any lease, underlease, tenancy or licence comprised in the Security Assets;
- 3.6 comply with all (and not (insofar as the Chargor is able to do so) permit any breach of any) bye-laws, other laws and regulations (whether relating to planning, building or any other matter) affecting any of the Security Assets; and
- 3.7 pay (or procure the payment of) all rents, rates, material Taxes, charges, assessments, impositions and other outgoings of any kind which are from time to time payable (whether by the owner or the occupier) in respect of any of the Security Assets.

#### **4. ENFORCEMENT OF RIGHTS**

The Chargor shall:

- 4.1 use all reasonable endeavours to procure prompt observance and performance by the relevant party of the covenants and other obligations imposed on the lessor in any lease, underlease, tenancy or licence comprised in the Security Assets and on the lessee in any Occupational Lease; and
- 4.2 use all reasonable endeavours to enforce any rights and institute, continue or defend any proceedings relating to any of the Security Assets which the Lender may from time to time require taking into account the costs of such proceedings,

in each case at the Chargor's cost.

#### **5. MANAGEMENT OF SECURITY ASSETS**

The Chargor shall (unless otherwise agreed in writing by the Lender and subject to the terms of the Lease Documents and to the extent they are not the responsibility of third party tenants or occupiers under a Lease Document), manage its Security Assets in a proper and efficient manner and in particular shall:

- 5.1 keep its Security Assets in good and substantial repair, condition and working order;
- 5.2 not without the prior written consent of the Lender make, permit or allow any alterations or additions of a material nature to any of its Security Assets or carry out any works of demolition on them other than in accordance with the terms of the Facility Agreement; and
- 5.3 not do, permit or allow to be done anything which could reasonably be expected to depreciate to any material extent, jeopardise or otherwise prejudice the security held by the Lender or the value of any of the Chargor's Security Assets and shall promptly inform the Lender of anything which occurs which might have that effect.

#### **6. INSURANCE**

##### **6.1 Maintenance of insurance**

Clause 23.10 of the Facility Agreement contains obligations on the part of the Borrower relating to the maintenance of insurance, application of insurance monies and related

matters. The Chargor shall comply with them insofar as they relate to its Security Assets.

## **7. OTHER PROPERTY OBLIGATIONS**

Clause 23 (*Property Undertakings*) of the Facility Agreement contains obligations on the part of the Borrower (including those referred to in Clause 6 (*Insurance*) above) relating to the Property. The Chargor shall comply with them insofar as they relate to its respective Security Assets.

## **8. NOTICES AND NEGOTIATIONS**

### **8.1 Chargor's obligations**

The Chargor shall within 14 days after the receipt by the Chargor of any application, requirement, order or notice served or given by any public or local or any other authority or any landlord with respect to its Security Assets (or any part of it):

8.1.1 deliver a copy to the Lender; and

8.1.2 inform the Lender of the steps taken or proposed to be taken to comply with the relevant requirement, order or notice.

## **9. COVENANTS RELATING TO LAND**

### **9.1 Registration at the Land Registry**

The Chargor shall:

9.1.1 do all things requested by the Lender to facilitate the registration of this Security Agreement against any Land Registry Title comprised in the Mortgaged Properties. For that purpose, the Chargor:

9.1.1.1 applies to HM Land Registry for a restriction to be entered on each of those Titles in the following terms: "No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the Security Agreement dated [ ], in favour of Barclays Bank PLC referred to in the charges register or, if appropriate, signed on such proprietor's behalf by its secretary or conveyancer"; and

9.1.1.2 will if the Lender so requests certify that the security over the Mortgaged Properties created by this Security Agreement does not contravene any of the provisions of its constitutional documents;

9.1.2 not permit any other person to be registered at the Land Registry as proprietor of any of the Mortgaged Properties (or of any interest in any of the Mortgaged Properties); and

9.1.3 not create or permit to arise any interest which falls within any of the paragraphs of Schedule 3 of the Land Registration Act 2002 or any interest preserved by the transitional provisions of Schedule 12 of the Land Registration Act 2002 to the extent and for so long as any interest is so preserved in or over any of the Mortgaged Properties.

### **9.2 Title documents**

All deeds and documents necessary to show good and marketable title to the Chargor's interest in a Property will from the date of this Security Agreement be:



- 9.2.1 in possession of the Lender;
- 9.2.2 held at the applicable Land Registry; or
- 9.2.3 held to the order of the Lender by a firm of solicitors approved by the Lender for that purpose.

**10. FURTHER ASSURANCE**

The Chargor shall at its own expense execute and do any documents, acts and things which the Lender may reasonably require from time to time for:

- 10.1 giving effect to, perfecting or protecting the Lender's security over the Security Assets; or
- 10.2 facilitating the realisation of any Security Assets and the exercise of all powers, authorities and discretions vested by this Security Agreement in the Lender or in any Receiver.

## **SCHEDULE 3**

### **Enforcement**

#### **1. ENTRY AND ACTION**

##### **1.1 Entry**

1.1.1 If the Chargor (having been given a reasonable opportunity and period of time in which to remedy the same) fails to take any action which it is required by the Finance Documents to take, then the Lender and/ or its agents and contractors may enter any of the Mortgaged Properties, to examine its condition to verify that the Chargor has performed all of its obligations under the Finance Documents.

1.1.2 The entry referred to in Paragraph 1.1.1 shall be permitted by the Chargor within normal working hours upon reasonable notice (but without notice in the case of emergency). It shall not cause the Lender or any person authorised by it to be liable as a mortgagee in possession.

##### **1.2 Remedying defaults**

If the Chargor fails to take any action which it is required by the Finance Documents to take, then the Lender or a Receiver may take any action to remedy that failure (including the action so required but not taken) which it or he may think fit on the Chargor's behalf.

#### **2. ENFORCEMENT**

##### **2.1 Timing of enforcement**

The Secured Liabilities are deemed to have become due on the date of this Security Agreement. This Security Agreement shall become enforceable immediately on the occurrence of an Event of Default and the Lender giving a notice under clause 24 (*Events of Default*) of the Facility Agreement.

##### **2.2 Enforcement rights**

2.2.1 The Lender may at any time after this Security Agreement has become enforceable enforce all or any of its rights under this Security Agreement as it thinks fit. In particular, it may without further notice exercise in relation to the Security Assets:

2.2.1.1 the power of sale and all other powers conferred on mortgagees by the Law of Property Act 1925 (or otherwise by law) or on an administrative receiver by the Insolvency Act 1986, in either case as extended or otherwise amended by this Security Agreement; and

2.2.1.2 (without first appointing a Receiver) any or all of the powers, authorities and discretions which are conferred by this Security Agreement (whether expressly or by implication) on a Receiver, including those relating to leases set out in Schedule 4, Paragraph 6.1 (*Disposal*).

2.2.2 Neither s93(1) nor s103 Law of Property Act 1925 shall apply to this Security Agreement.

### 2.3 **No liability**

None of the Lender and any Receiver shall be liable as a mortgagee in possession or otherwise to account in relation to the Security Assets (except to the extent of actual receipts) for any loss on realisation or for any other default or omission for which it or he would otherwise be liable.

## 3. **RECEIVERS**

### 3.1 **Appointment of a Receiver**

3.1.1 The Lender may without notice appoint any one or more persons to be a receiver and/or manager (a "**Receiver**") of some or all of the Security Assets of the Chargor if:

- 3.1.1.1 this Security Agreement becomes enforceable; or
- 3.1.1.2 the Chargor so requests.

3.1.2 Any appointment under Paragraph 3.1.1 shall be in writing, signed by a duly authorised officer of the Lender.

3.1.3 Any Receiver appointed under Paragraph 3.1.1 shall (subject to the terms of his or her appointment) have the powers referred to or set out in this Security Agreement. In the case of joint Receivers, each may (unless the Lender otherwise directs) exercise those powers independently of the other Receiver or Receivers.

### 3.2 **Replacement of a Receiver**

The Lender may (subject to any necessary approval from the court) end the appointment of any Receiver by notice in writing (signed as in Paragraph 3.1 (*Appointment of a Receiver*)) and appoint under Paragraph 3.1 (*Appointment of a Receiver*) a replacement for any Receiver whose appointment ends for any reason.

### 3.3 **Remuneration of a Receiver**

Subject to s36 Insolvency Act 1986, the Lender may from time to time fix the remuneration of any Receiver appointed by it, without being limited by the maximum rate specified in s109(6) Law of Property Act 1925.

### 3.4 **Receiver is agent of Chargor**

Any Receiver shall be the agent of the Chargor, so that the Chargor shall be (and the Lender shall not be) responsible for his or her debts, defaults and remuneration, except that if the Chargor goes into liquidation, any Receiver will after that act as a principal and not as the Chargor's agent.

## 4. **APPROPRIATION OF RECEIPTS**

### 4.1 **Application**

Subject to Paragraph 4.2 (*Suspense account*), any moneys received by the Lender or any Receiver under the powers conferred by this Security Agreement shall (subject to the payment of any claims having priority to this Security Agreement, but in substitution for s109(8) Law of Property Act 1925) be applied in the following order of priority:

- 4.1.1 in discharging the remuneration of any Receiver and all costs, charges and expenses of and incidental to his or her appointment, together with interest on that remuneration and those costs, charges and expenses calculated under the terms of the Facility Agreement as if they were an unpaid sum in accordance with clause 8.3 of the Facility Agreement;

- 4.1.2 in or towards payment or discharge of the Secured Liabilities; and
- 4.1.3 in payment of the surplus (if any) to the Chargor or other person entitled to it.

#### 4.2 **Suspense account**

Any moneys received by the Lender or any Receiver under the powers conferred by this Security Agreement may, at the Lender's discretion, be placed in an interest bearing suspense or securities realised account (before or after any application under Paragraph 4.1 (*Application*)) and kept there for so long as the Lender thinks fit.

### 5. **CHARGOR'S ACCOUNT**

If a Lender receives or is deemed to be affected by notice (whether actual or constructive) of any subsequent charge or other interest affecting some or all of the Security Assets of the Chargor or their proceeds of sale, then the Lender may open a new account for the Chargor. If the Lender does not do so, it shall nevertheless be treated as if it had done so at the time when it received, or was deemed to have received, the notice. As from that time, any payment made to the Lender for the Chargor's account shall be credited (or be treated as having been credited) to the new account and shall not operate to reduce the amount for which this Security Agreement is security.

### 6. **DELEGATION AND APPOINTMENT OF ATTORNEYS**

#### 6.1 **Delegation**

The Lender may delegate to any person or persons all or any of the powers, authorities and discretions which are exercisable by it under this Security Agreement. A delegation under this Paragraph 6.1 may be made in any manner (including by power of attorney) and on any terms (including power to sub-delegate) which the Lender may think fit. The Lender shall not be liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any of its delegates or sub-delegates except in the case of negligence or wilful default.

#### 6.2 **Attorneys**

By way of security, the Chargor irrevocably appoints the Lender, every Receiver and every delegate or sub-delegate appointed under Paragraph 6.1 (*Delegation*) separately to be its attorney on its behalf, in its name and as its act or deed:

- 6.2.1 at any time the Chargor fails to do the same, to execute and do any documents, acts and things which the Chargor is required to execute and do under this Security Agreement, including to execute any document required by the Lender under Schedule 2, Paragraph 10 (*Further assurance*); and
- 6.2.2 at any time the Chargor fails to do the same, to execute and do any documents, acts and things which any attorney may deem proper or desirable in exercising any powers, authorities and discretions conferred by this Security Agreement or by law on the Lender or any Receiver.

By this Security Agreement, the Chargor ratifies and confirms and agrees to ratify and confirm anything which any of its attorneys may do in the proper and lawful exercise or purported exercise of all or any of the powers, authorities and discretions referred to in this Paragraph 6.2.

### 7. **REDEMPTION OF PRIOR SECURITY INTERESTS**

#### 7.1 **Redemption**

The Lender may at any time:

- 7.1.1 redeem, or procure the transfer to itself of, any prior Security over any Security Assets; or
- 7.1.2 settle and pass the accounts of the holder of any prior Security. Any accounts so settled and passed shall be conclusive and binding on the Chargor.

## 7.2 **Costs of redemption**

All principal moneys, interest, costs, charges and expenses incurred in and incidental to any redemption or transfer under Paragraph 7.1 (*Redemption*) shall be paid by the Chargor to the Lender on demand, in each case together with interest calculated and in the manner referred to in Clause 9 (*Costs and expenses*).

## 8. **RELEASES CONDITIONAL, RETENTION OF SECURITY**

### 8.1 **Releases conditional**

- 8.1.1 Any release, settlement, discharge, re-assignment or arrangement (in this Paragraph 8, a "**release**") made by the Lender on the faith of any assurance, security or payment shall be conditional on that assurance, security or payment not being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency.
- 8.1.2 If any avoidance or reduction occurs or order is made as referred to in Paragraph 8.1.1, then the release given by the Lender shall have no effect and shall not prejudice the right of the Lender to enforce this Security Agreement in respect of the Secured Liabilities. As between the Chargor and the Lender, this Security Agreement shall (notwithstanding the release) be deemed to have remained at all times in effect and held by the Lender as security for the Secured Liabilities.

### 8.2 **Retention**

- 8.2.1 If and for so long as any assurance, security or payment as is mentioned in Paragraph 8.1.1 (*Releases conditional*) remains in the Lender's reasonable opinion susceptible of being avoided, reduced, clawed back or ordered to be repaid under any law relating to liquidation, bankruptcy or insolvency, the Lender may in its absolute discretion retain all or part of its security and other rights under this Security Agreement as security for the Secured Liabilities after they have been paid and discharged in full.
- 8.2.2 If at any time while all or part of the Lender's rights under this Security Agreement are so retained a petition is presented to a competent court for a winding-up order to be made in respect of any Obligor (save for where, in the case of a petition which is frivolous or vexatious, such petition is discharged, stayed or dismissed within 21 days of commencement), steps are taken to wind up any Obligor voluntarily, an application is made to a competent court for an administration order to be made in respect of any Obligor, a notice of intention to appoint an administrator to any Obligor is filed at court or the appointment of an administrator to any Obligor takes effect, then the Lender may continue to retain all or part of its rights under this Security Agreement for any further period as the Lender may in its absolute discretion determine.

## **SCHEDULE 4**

### **Receiver's Further Powers**

#### **1. GENERAL**

##### **1.1 Statutory powers**

Subject to the terms of the instrument by which he or she is appointed, every Receiver shall have the powers conferred on receivers by statute, including those set out in Schedule 1 Insolvency Act 1986, even if he or she is not an administrative receiver as defined in that Act.

##### **1.2 Additional powers**

In addition, every Receiver shall (subject to the terms of the instrument by which he or she is appointed) have the power to do or omit to do anything in relation to the Security Assets over which he or she is appointed as the Chargor could do or omit to do. In particular, every Receiver shall have the powers listed in Paragraphs 2 (*Management*) to 9 (*General*).

##### **1.3 No restrictions**

The powers referred to in Paragraphs 1.1 (*Statutory powers*) and 1.2 (*Additional powers*) shall not be subject to any restrictions in the Law of Property Act 1925 and shall continue notwithstanding any liquidation of the Chargor.

#### **2. MANAGEMENT**

2.1 To manage the Security Assets as he or she may think fit.

2.2 To appoint managers, officers, agents and employees on any terms (as to remuneration and otherwise) as he or she may determine and discharge any managers, officers, agents and employees (whether or not appointed by him or her).

2.3 To raise or borrow money for any purpose and on any terms which he or she may think fit. These borrowings may be unsecured or secured (in priority to this Security Agreement or otherwise) on the Security Assets. No Receiver may exercise this power to raise or borrow money without the Lender's prior written consent. The Lender may give (unconditionally or subject to conditions) or refuse consent without incurring any liability to the Chargor or any other person. However, no person lending money shall be concerned to enquire as to the existence or terms of that consent or as to the propriety or purpose of the exercise of that power or to see to the application of any money so raised or borrowed.

#### **3. PROTECTION OF ASSETS**

To do anything which the Chargor might do for the protection or improvement of the Security Assets and in particular:

3.1 to make and effect any repairs and improvements and carry out any other works to the Security Assets which he or she may think fit;

3.2 to renew and replace any of the Security Assets which shall in his or her opinion require to be renewed and replaced; and

3.3 to effect any insurances which he or she may think fit in relation to the Security Assets or otherwise in relation to his or her powers as set out in this Security Agreement.

#### 4. **RENTS**

To exercise on the Chargor's behalf any powers conferred on it by law as landlord or tenant in respect of any of the Mortgaged Properties comprised in the Security Assets. A Receiver shall not be under any obligation to exercise these powers; nor shall he or she incur any liability in respect of any exercise or non-exercise of them.

#### 5. **CONTRACTS, COMPROMISES AND ACTIONS**

5.1 To make any contracts, compromises or arrangements which appear to him or her expedient in the interests of the Lender and/or any of the other Lender and in particular to enter into or cancel any contract and to settle, adjust, refer to arbitration, compromise or arrange any claims, accounts, disputes, questions, demands and other matters, including rent reviews, relating in any way to the Security Assets or the Chargor.

5.2 To bring, prosecute, enforce, defend or abandon any actions, suits and proceedings in relation to the Security Assets or the Chargor as may seem to him or her expedient.

#### 6. **DISPOSAL**

6.1 To sell, lease or otherwise dispose of the Security Assets, to grant easements, rights, licences and options over or in respect of them and to surrender, accept the surrender or vary any lease, agreement or arrangement relating to them. This power may be exercised without the need to comply with ss 99 and 100 Law of Property Act 1925. Any disposal or other dealing under this Paragraph 6.1 may be effected in the manner and on the terms which he or she thinks fit, for consideration consisting of cash, debentures or other obligations, shares or other valuable consideration and this consideration may be payable in a lump sum or by instalments spread over a period as he or she may think fit.

6.2 To sever from the premises to which they are annexed and sell separately (in accordance with Paragraph 6.1) any plant, machinery or fixtures.

6.3 To form or promote the formation of any company (whether or not as a subsidiary of the Chargor) with a view to its acquiring the Security Assets or otherwise and to arrange for it to (or cease to) trade and to acquire the Security Assets by a disposal under Paragraph 6.2 or otherwise.

6.4 To give a valid receipt for all moneys and to execute all assurances and actions which may be proper or desirable for realising the Security Assets.

#### 7. **WORKS**

To commence, complete or abandon any building operations or works of conversion, refurbishment or development on the Mortgaged Properties comprised in the Security Assets, to apply for and obtain any approvals, permissions, licences or consents which are necessary or desirable for those operations or works and to enter into or continue any contract relating to them.

#### 8. **GENERAL**

8.1 To do any other acts and things which he or she may consider either desirable or necessary for realising the Security Assets or otherwise incidental or conducive to any of the powers conferred on him or her under or by virtue of this Security Agreement.

8.2 To exercise and do in relation to the Security Assets any powers, authorities and things as he or she would be capable of exercising or doing if he or she were the absolute beneficial owner of them.

8.3 To act as the agent of the Chargor and to use the name of the Chargor in the exercise of any of the powers set out or referred to in this Schedule 4.

## **SCHEDULE 5**

### **Notices**

#### **Part 1**

##### **Notice to insurer**

To: [Allianz Insurance PLC c/o Bluefin, Cutlers Exchange, 123 Houndsditch, London EC3A 7BU]

Dated:

Dear Sirs,

##### **Re: The policies of insurance referred to in Schedule 1 below (the "Policies")**

Dorrington Housing Limited (the "**Chargor**"), give you notice that, by a security agreement dated (the "**Security Agreement**") and made by ourselves in favour of Barclays Bank PLC (the "**Lender**"), we have charged by way of fixed charge and assigned to the Lender, as first priority chargee and assignee, all of the Policies to the extent that such Policies relate to the properties listed in Schedule 3 (the "**Properties**") as are capable of being charged and/or assigned by law.

The assets charged and assigned include all our right, title and interest in and to the Policies (including, but not limited to, the benefit of all sums assured by the Policies and all bonuses, profits, returns of premium and other benefits of whatever nature arising by virtue of our ownership of the Policies and all interest on any of the secured money) to the extent that such Policies relate to the Properties.

We irrevocably and unconditionally authorise and request you:

1. to note the Lender's interest as composite insured, first chargee, assignee and sole loss payee of the proceeds of such Policies in excess of £250,000; and
2. if you receive notice from the Lender that an Event of Default has occurred and is continuing, to give the acknowledgement, undertakings and agreements required by the Lender and to act on the instructions of the Lender without any further reference to or authorisation from us.

Please sign the enclosed copy of this notice and deliver it to the Lender at 1 Churchill Place, Canary Wharf, London E14 5HP (for the attention of Barclays Real Estate) (with a further copy to us).



This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

Yours faithfully,

For and on behalf of

.....  
Dorrington Housing Limited

**SCHEDULE 1**

**The Policies\***

|  | <b>Policy number</b> | <b>Name and address of insurer</b> | <b>Name and address of broker</b> | <b>Brief description of assets insured</b> | <b>Date of expiry of policy#</b> |
|--|----------------------|------------------------------------|-----------------------------------|--|----------------------------------|
|  |                      |                                    |                                   |  |                                  |

## **SCHEDULE 2**



**[to be included on copy notice]**

To: Barclays Bank PLC  
1 Churchill Place  
Canary Wharf  
London E14 5HP  
(for the attention of [Barclays Real Estate])

Copy to: The companies listed in Schedule 1 of this acknowledgment  
16 Hans Road  
London  
SW3 1RT

We Allianz Insurance PLC acknowledge receipt of the above notice. We:

1. agree to note your interest as composite insured, first charge, assignee and sole loss payee of the proceeds of such Policies in excess of £250,000 in respect of the Properties;
2. undertake to disclose to you, promptly following request, without any reference to or further authority from the Chargor, such information relating to the Policies as you may at any time reasonably request;
3. confirm that we have not received notice of any previous assignment or charge by the Chargor of or over any of its rights, title, interests or benefits in respect of the Properties referred to in the notice;
4. agree promptly to notify you of our intention to cancel or decline renewal of any of the Policies; and
5. agree promptly to notify you of any request made, or notification given, by the Chargor to us, to cancel the Policies, or to allow the Policies to lapse.

Terms defined in the notice apply to this endorsement, which is governed by the law of England and Wales together with any non-contractual obligations arising out of or in connection with it.

Signed:.....

for and on behalf of Allianz Insurance PLC  
Dated:

**SCHEDULE 1**

## Part 2

### Form of notice to counterparties of Charged Contracts

To: [name and address of counterparty]

Dated: [date]

Dear Sirs,

**Re:** [here identify relevant Charged Contract] [the "Contract"] made between (1) **Dorrington Housing Limited (the "Chargor")** and (2) [here insert name of counterparty]

We, the Chargor, give you notice that, by a security agreement dated [date] (the "**Security Agreement**") and made by ourselves in favour of Barclays Bank PLC (the "**Lender**"), we have charged by way of fixed charge and assigned to the Lender, as first priority chargee and assignee, all of our rights, title and interest in the Contract.

We further irrevocably and unconditionally:

1. notify you that we may not agree to amend, modify or terminate the Contract without the prior written consent of the Lender;
2. confirm that, subject to paragraph 1 above, you may continue to deal with us in relation to the Contract until you receive written notice to the contrary from the Lender, but authorise and instruct you that, after you have received such notice, we will cease to have any right to deal with you in relation to the Contract except in accordance with the instructions of the Lender and therefore from that time you may deal directly with the Lender;
3. authorise and instruct you to disclose information in relation to the Contract to the Lender promptly on request, without any enquiry by you as to the justification for such disclosure or reference to or further authority from us;
4. authorise and instruct you to pay or release all monies to which we are entitled under the Contract directly into [specify designated bank account] or, if the Lender so instructs you, into such other account as the Lender shall specify;
5. authorise and instruct you that, whenever you serve any notice upon us under the Contract, you should supply a copy of such notice to the Lender at its address given in the copy of this notice (or as otherwise notified to you by it from time to time); and
6. notify you that the provisions of this notice may only be revoked with the written consent of the Lender.

Please sign the copy of this notice and deliver it to the Lender at 1 Churchill Place, Canary Wharf, London E14 5HP (for the attention of Barclays Real Estate) (with a further copy to us).

This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.

Yours faithfully,

.....  
For and on behalf of  
Dorrington Housing Limited:

By: .....

**[to be included on copy notice]**

To: Barclays Bank PLC  
1 Churchill Place  
Canary Wharf  
London E14 5HP  
(for the attention of Barclays Real Estate)

Copy to: Dorrington Housing Limited  
16 Hans Road  
London SW3 1RT

We [*name of counterparty*] acknowledge receipt of the above notice. We:

1. accept the instructions and authorisations set out in the notice and undertake to act in accordance with such instructions and authorisations; and
2. confirm that we have not received notice that the Chargor has assigned its rights under the Contract to a third party or created any other interest (whether by way or security or otherwise) in the Contract in favour of a third party.

Terms defined in the notice apply to this endorsement, which is governed by the law of England and Wales together with any non-contractual obligations arising out of or in connection with it.

Signed:.....

for and on behalf of [*name of counterparty*]

Dated: [*date*]



EXECUTION

The Chargor

Executed as a deed by  
**DORRINGTON HOUSING LIMITED**, acting  
by a director and its secretary or by two  
directors or by a director in the presence of  
a witness

)  
)  
)  
)Director  
)  
)  
)  
)Director/Secretary/Witness  
)  
)



Witness Name:  
  
Witness Address:  
  
Witness Occupation:

**The Lender**

Executed as a deed by David Libera , )  
as attorney for **BARCLAYS BANK PLC**, )  
in the presence of: )

\_\_\_\_\_  
as attorney for **BARCLAYS BANK PLC**

Witness signature:

Witness Name: Lucy Crittenden

Witness Address:

Witness Occupation: