



Registration of a Charge

Company name: **CONDER DEVELOPMENTS LIMITED**

Company number: **02748970**



X92EPK4H

Received for Electronic Filing: **06/04/2020**

Details of Charge

Date of creation: **31/03/2020**

Charge code: **0274 8970 0004**

Persons entitled: **HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND**

Brief description:

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: **LOWRI GWYN**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 2748970

Charge code: 0274 8970 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st March 2020 and created by CONDER DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th April 2020 .

Given at Companies House, Cardiff on 7th April 2020

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



Companies House



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

Dated: 31 March 2020

- (1) **CONDER DEVELOPMENTS LIMITED and CLOWES DEVELOPMENTS (UK) LIMITED** as Chargors
- (2) **HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)**
-

Share Charge

relating to the shares in, and the subordinated debt advanced to Fairham Pastures Developments Limited

We hereby certify this to be a true copy of the original subject to redaction under S859G Companies Act 2006.

Eversheds Sutherland (International) LLP

EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP

Contents

Clause		Page
1	DEFINITIONS AND INTERPRETATION	1
2	COVENANT TO PAY	3
3	GRANT OF SECURITY	3
5	CONSENTS	4
5	REPRESENTATIONS	5
6	UNDERTAKINGS	7
7	RIGHTS OF ENFORCEMENT	9
8	POWERS OF A RECEIVER	11
9	PAYMENTS AND ACCOUNTS	11
10	APPLICATION OF PROCEEDS	13
11	PROTECTION OF THIRD PARTIES	13
12	PROTECTION OF HOMES ENGLAND	14
13	SAVING PROVISIONS	14
14	CHANGES TO THE PARTIES	16
15	NOTICES	16
16	GOVERNING LAW	17
17	ENFORCEMENT	17
Schedule		
1	Form of notice of assignment	18

THIS DEED is made on 31 March 2020 between:

- (1) **CONDER DEVELOPMENTS LIMITED**, registered in England and Wales (registered number 02748970) at Ednaston Park Painters Lane, Ednaston, Ashbourne, Derbyshire, England, DE6 3FA, as chargor ("**Conder**");
- (2) **CLOWES DEVELOPMENTS (UK) LIMITED**, registered in England and Wales (registered number 00819793) at Ednaston Park Painters Lane, Ednaston, Ashbourne, Derbyshire, England, DE6 3FA, as chargor ("**Clowes**" and together with Conder, "the **Chargors**" and each a "**Chargor**"); and
- (3) **HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)** of One Friargate, Coventry, CV1 2GN ("**Homes England**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Deed:

"**Associated Benefits**" means, in respect of any asset:

- (a) all monies including (where relevant) all dividends, distributions, profits, compensation, damages, income or interest paid or payable relating to that asset; and
- (b) all Authorisations, rights, benefits, claims or property at any time relating to that asset.

"**Borrower**" means Fairham Pastures Developments Limited, registered in England and Wales (registered number 02707424) at Ednaston Park Painters Lane, Ednaston, Ashbourne, Derbyshire, England, DE6 3FA.

"**Delegate**" means any delegate, agent, attorney or co-trustee appointed by Homes England.

"**Event of Default**" has the meaning given to that term in the Facility Agreement.

"**Facility Agreement**" means the facility agreement dated on or about the date of this Deed between, amongst others, the Borrower and Homes England.

"**Finance Document**" has the meaning given to that term in the Facility Agreement.

"**Insolvency Act**" means the Insolvency Act 1986.

"**Insolvency Event**" means any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Chargor;
- (b) a composition, compromise, assignment or arrangement with any creditor of any Chargor;
- (c) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any Chargor or any of its assets; or

- (d) the enforcement of any Security over any assets of any Chargor,
- (e) or any analogous procedure or step is taken in any jurisdiction.

"Investments" means all stocks, shares, bonds, securities or investments issued by the Borrower.

"LPA" means the Law of Property Act 1925.

"Receiver" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Secured Property.

"Relevant Jurisdiction" means, in relation to a Chargor:

- (a) England and Wales;
- (b) any jurisdiction where any asset subject to or intended to be subject to the Security to be created by it is situated;
- (c) any jurisdiction where it conducts its business; and
- (d) the jurisdiction whose laws govern the perfection of any of the Security Documents entered into by it.

"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 Obligor to Homes England under each Finance Document.

"Secured Property" means the assets of each Chargor which from time to time are, or are expressed to be, the subject of any Security created by this Deed.

"Subordinated Debt" 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 the Borrower to each Chargor, whether under a Subordinated Debt Document or otherwise.

"Subordinated Debt Document" means any document, agreement or instrument evidencing or recording any Subordinated Debt or its terms.

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Finance Document.

1.2 Construction

1.2.1 Unless a contrary indication appears, in this Deed:

- 1.2.1.1 terms defined in the Facility Agreement have the same meaning in this Deed;
- 1.2.1.2 the provisions of clause 1.2 (*Interpretation*) of the Facility Agreement apply to this Deed as if set out in full in this Deed, except that references to the Facility Agreement shall be construed as references to this Deed; and
- 1.2.1.3 all provisions in the Facility Agreement that are deemed to apply to the Finance Documents apply to this Deed as if set out in full in this Deed.

1.2.2 Unless a contrary indication appears, any reference in this Deed to:

- 1.2.2.1 any "**asset**" includes present and future properties, revenues and rights of every description, all proceeds of sale of such asset, all rights under any agreement for the sale, lease or licence of such asset and any monies paid or payable in respect of such asset;
- 1.2.2.2 any "**disposal**" includes a sale, transfer, assignment, grant, lease, licence, declaration of trust or other disposal, whether voluntary or involuntary, and "dispose" will be construed accordingly; and
- 1.2.2.3 a "**Finance Document**" or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended, restated or replaced from time to time.
- 1.2.3 Where this Deed includes the words "**including**", "**in particular**" or "**or otherwise**" (or similar words or phrases), the intention is to state examples and not to be exhaustive.
- 1.2.4 References to any Security "**created by this Deed**" are to be deemed to include such Security created or intended to be created, constituted, given, made or extended by, under or evidenced by this Deed.
- 1.3 **Third party rights**
 - 1.3.1 Unless expressly provided to the contrary in this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Third Parties Act") to enforce or enjoy the benefit of any term of this Deed.
 - 1.3.2 Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
 - 1.3.3 Any Receiver or Delegate may, subject to this Clause 1.3 and the Third Parties Act, rely on any clause of this Deed which expressly confers rights on it.
- 2. **COVENANT TO PAY**
 - 2.1 Each Chargor, as principal debtor and not just as surety, covenants with Homes England to pay or discharge the Secured Liabilities.
 - 2.2 The total amount recoverable by Homes England from a Chargor in relation to the Secured Liabilities shall be limited to the amount realised from the proceeds of sale or other disposal or realisation of the Secured Property together with all costs, expenses, interest and other amounts payable by that Chargor under the terms of this Deed.
 - 2.3 Clause 2.2 shall only limit the liability of a Chargor for the discharge of the Secured Liabilities and shall not:
 - 2.3.1 reduce or discharge the Secured Liabilities themselves or limit or restrict the accrual of interest (including default interest) on any amount; or
 - 2.3.2 limit the rights of Homes England to recover any amount from any person other than that Chargor under or in connection with the Finance Documents.
- 3. **GRANT OF SECURITY**
 - 3.1 **Fixed charges**

Each Chargor charges by way of first fixed charge:

 - 3.1.1 all its Investments;

- 3.1.2 all the Subordinated Debt, to the extent not effectively assigned under Clause 3.2 (*Assignment*);
- 3.1.3 all the Subordinated Debt Documents, to the extent not effectively assigned under Clause 3.2 (*Assignment*); and
- 3.1.4 all Associated Benefits relating to its Secured Property.

3.2 **Assignment**

Each Chargor assigns by way of security:

- 3.2.1 all the Subordinated Debt; and
- 3.2.2 all the Subordinated Debt Documents;

in each case, together with all Associated Benefits relating to such Secured Property.

3.3 **General**

All Security created by this Deed:

- 3.3.1 is created in favour of Homes England;
- 3.3.2 unless specifically stated otherwise, is created over the present and future assets of each Chargor to the extent of its rights, title and interest in, under and to such assets at any time; and
- 3.3.3 is created with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994.

3.4 **Continuing security**

The Security created by this Deed is continuing security for the payment and discharge of the Secured Liabilities. The provisions of this Deed will apply at all times:

- 3.4.1 regardless of the date on which any of the Secured Liabilities were incurred;
- 3.4.2 notwithstanding any intermediate payment or discharge; and
- 3.4.3 in respect of the full amount of the Secured Liabilities at the relevant time even if the amount of the Secured Liabilities had previously been less than that amount or had been nil at any time.

3.5 **Additional security**

The Security created by this Deed is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by Homes England. No prior Security held by Homes England over the whole or any of the Secured Property will merge with the Security created by this Deed.

4. **CONSENTS**

- 4.1 Each Chargor represents to Homes England on the date of this Deed that the Subordinated Debt and each Subordinated Debt Document which it has any right, title or interest in, under or to, is capable of being freely assigned by it without the consent of any other person.
- 4.2 Each Chargor shall ensure that any Subordinated Debt or any Subordinated Debt Document which it has any right, title or interest in, under or to after the date of this Deed is capable of being freely assigned by it without the consent of any other person.

5. **REPRESENTATIONS**

Each Chargor makes the representations and warranties set out in this Clause 4 to Homes England on the date of this Deed.

5.1 **Status**

5.1.1 It is a limited liability corporation, duly incorporated and validly existing under the laws of England and Wales.

5.1.2 It has the power to own its assets and carry on its business as it is being conducted.

5.2 **Binding obligations**

The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations.

5.3 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, this Deed and the granting of the Security created by this Deed do not and will not conflict with:

5.3.1 any law or regulation applicable to it;

5.3.2 its constitutional documents; or

5.3.3 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.

5.4 **Power and authority**

5.4.1 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 Deed and the transactions contemplated by this Deed.

5.4.2 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 Deed.

5.5 **Validity and admissibility in evidence**

All Authorisations required or desirable:

5.5.1 to enable it lawfully to enter into, exercise its rights and comply with its obligations under this Deed; and

5.5.2 to make this Deed admissible in evidence in England and Wales,

have been obtained or effected and are in full force and effect except any Authorisation referred to in Clause 5.8 (*No filing or stamp taxes*), which Authorisation(s) will be promptly obtained or effected after the date of this Deed.

5.6 **Governing law and enforcement**

5.6.1 The choice of English law as the governing law of this Deed will be recognised and enforced in its Relevant Jurisdictions.

5.6.2 Any judgment obtained in England and Wales in relation to this Deed will be recognised and enforced in its Relevant Jurisdictions.

5.7 **Deduction of Tax**

As at the date of this Deed, it is not required to make any Tax Deduction for or on account of Tax from any payment it may make under this Deed.

5.8 **No filing or stamp taxes**

It is not necessary that this Deed be registered, filed, recorded, notarised or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to this Deed or the transactions contemplated by this Deed except registration of particulars of this Deed at Companies House under the Companies Act 2006 and payment of associated fees, which will be made and paid promptly after the date of this Deed.

5.9 **Information**

5.9.1 All information supplied by it or on its behalf to Homes England in connection with this Deed or any Secured Property was true and accurate as at the date it was provided or as at any date at which it was stated to be given.

5.9.2 It has not omitted to supply any information which, if disclosed, would make the information referred to in Clause 5.9.1 untrue or misleading in any respect.

5.9.3 As at the date of the first Claim, nothing has occurred since the date of the information referred to in Clause 5.9.1 which, if disclosed, would make that information untrue or misleading in any material respect.

5.10 **Pari passu ranking**

Its payment obligations under this Deed rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

5.11 **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, are reasonably likely 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.

5.12 **Insolvency**

No creditors' process, corporate action, legal proceeding or other procedure or step described in clauses 14.2.6 or 14.2.21 (*Events of Default*) of the Facility Agreement has been taken or, to its knowledge, threatened in relation to it and none of the circumstances described in the aforementioned clauses apply to it.

5.13 **Centre of main interests and establishments**

For the purposes of Regulation (EU) 2015/848 of 20 May 2015 on Insolvency Proceedings (recast) (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 and it has no "establishment" (as that term is used in Article 2(10) of the Regulation) in any other jurisdiction.

5.14 **Ranking of Security**

The security conferred by this Deed constitutes a first priority security interest of the type described, over the assets referred to, in this Deed and those assets are not subject to any prior or pari passu Security.

5.15 **Secured Property**

- 5.15.1 The entire issued share capital of the Borrower is, legally and beneficially, directly owned and controlled by Conder.
- 5.15.2 Conder is the sole legal and beneficial owner of, and has good and marketable title to, the Secured Property, in each case, free from Security or restrictions (other than those created by or pursuant to the Finance Documents).
- 5.15.3 The shares in the capital of the Borrower are fully paid and are not subject to any option to purchase or similar rights.
- 5.15.4 The constitutional documents of the Borrower do not and could not restrict or inhibit any transfer of the shares of the Borrower on creation or enforcement of the Security conferred by this Deed.

5.16 **Repetition**

Each of the representations and warranties set out in this Clause 4 are deemed to be made by each Chargor by reference to the facts and circumstances then existing on the date of each Claim, the date of each Funding, the date of each Recycled Funding Request, the date of each Recycled Funding and the first Business Day of each calendar month.

6. **UNDERTAKINGS**

The undertakings in this Clause 6 remain in force from the date of this Deed for so long as any amount is outstanding under the Finance Documents or any Funding is available.

6.1 **Negative pledge**

No Chargor may create or permit to subsist any Security over any Secured Property other than as permitted under the Facility Agreement.

6.2 **Disposals**

No Chargor shall enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to dispose of all or any part of any Secured Property, other than as permitted under the Facility Agreement.

6.3 **Information relating to Secured Property**

Each Chargor shall promptly supply to Homes England such further information regarding its Secured Property as Homes England may reasonably request.

6.4 **Notice of assignment**

Each Chargor shall serve notice of each assignment created by this Deed in respect of the Subordinated Debt and each of the Subordinated Debt Documents, by sending a notice substantially in the form of Schedule 1 (*Form of notice of assignment*) to each counterparty to that Subordinated Debt or Subordinated Debt Document (as applicable) on the date of this Deed in the case of any Subordinated Debt or Subordinated Debt Document existing on the date of this Deed and, otherwise, on the date of providing (or agreeing to provide) any Subordinated Debt or entering into any Subordinated Debt Document.

6.5 **Acknowledgment of assignment**

Each Chargor shall procure that each notice served by it under Clause 6.4 (*Notice of assignment*) is, on the date of such notice, acknowledged by the recipient in the form attached to such notice.

6.6 Documents relating to Secured Property

Each Chargor shall:

- 6.6.1 on the date of this Deed (in the case of any Secured Property existing on the date of this Deed), on the date of acquisition or receipt of any Secured Property (in the case of any Secured Property acquired or received after the date of this Deed) and, at any other time, promptly upon request by Homes England, deposit with Homes England:
 - 6.6.1.1 all documents of title or other evidence of ownership relating to its Secured Property;
 - 6.6.1.2 transfers of the Investments, each executed in blank; and
 - 6.6.1.3 such deeds, certificates and documents relating to its Secured Property as Homes England may reasonably request; and
- 6.6.2 promptly supply to Homes England such further information regarding its Secured Property as Homes England may reasonably request.

6.7 Maintenance of Secured Property

No Chargor may:

- 6.7.1 take or permit the taking of any action which may adversely affect the value of any of the Secured Property, prejudice the interests of Homes England under any Finance Document or result in the rights attaching to any of the Secured Property being altered or diluted; or
- 6.7.2 except where Homes England so requires or permits, nominate another person to enjoy or exercise any of its rights in relation to any of the Secured Property.

6.8 Dividends and voting rights

- 6.8.1 Subject to Clause 6.7 (*Maintenance of Secured Property*) and provided that no Event of Default is continuing, each Chargor may:
 - 6.8.1.1 receive and retain all dividends or other income paid or payable in respect of its Investments; and
 - 6.8.1.2 exercise all voting and other rights attaching to its Investments, provided that it does so for a purpose not inconsistent with any Finance Document.
- 6.8.2 While any Event of Default is continuing, each Chargor shall:
 - 6.8.2.1 hold any dividends or other income received in respect of the Investments on trust for Homes England and pay such amounts into a separate account or otherwise as Homes England may direct; and
 - 6.8.2.2 exercise all voting and other rights attaching to the Investments as Homes England may direct.

6.9 Further assurance

Each Chargor shall promptly take all such actions, including executing all such documents, notices and instructions in such form as Homes England may reasonably require:

- 6.9.1 to create, perfect, protect and (if necessary) maintain the Security created by this Deed or for the exercise of any rights, powers and remedies of Homes England provided by or under this Deed or by law or regulation; and/or
- 6.9.2 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by this Deed.

6.10 Power to remedy

If any Chargor fails to comply with any of its obligations under this Deed, Homes England (or its nominee) may (at that Chargor's expense) take such action as is necessary to protect any assets against the consequences of that Chargor's non-compliance and/or to ensure compliance with such obligations. Homes England is not obliged to perform any obligation of a Chargor nor to take any action which it may be entitled to take under this Deed.

6.11 Power of attorney

- 6.11.1 As security for the performance of its obligations under this Deed, each Chargor irrevocably appoints Homes England, each Receiver and each Delegate to be its attorney, with full power of substitution.
- 6.11.2 Each attorney may, in the name of the relevant Chargor and on its behalf and at its expense, do anything which that Chargor is obliged to do under any Finance Document to which it is a party but has failed to do or which Homes England, Receiver or Delegate may in their absolute discretion consider appropriate in connection with the exercise of any of their rights, powers, authorities or discretions in relation to the Secured Property or under or otherwise for the purposes of any Finance Document or any law or regulation.
- 6.11.3 Each Chargor ratifies and confirms anything done by any attorney under this Clause 6.11. Each Chargor agrees to indemnify each attorney against all actions, claims, demands and proceedings taken or made against it and all costs, damages, expenses, liabilities and losses incurred by each attorney as a result of or in connection with anything lawfully done by it under or in connection with this power of attorney.

7. RIGHTS OF ENFORCEMENT

7.1 Secured Liabilities deemed payable

For the purposes of all rights and powers implied by statute, the Secured Liabilities are due and payable on the date of this Deed.

7.2 When Security enforceable

The Security created by this Deed is enforceable at any time while an Event of Default is continuing.

7.3 Enforcement powers

At any time (a) when the Security created by this Deed is enforceable or (b) following a request by any Chargor, Homes England may, without further notice:

- 7.3.1 sell, appropriate, realise or transfer, including to itself or to any other person, all or any part of the Secured Property;
- 7.3.2 appoint one or more persons to be a Receiver of all or any part of the Secured Property;
- 7.3.3 exercise any of the powers, authorities and discretions conferred on mortgagees, administrators or receivers, under the LPA, the Insolvency Act, any other legislation or regulation or under this Deed; and/or

7.3.4 take such further action as it sees fit to enforce all or any part of the Security created by this Deed.

7.4 Rights in relation to a Receiver

Homes England may remove any Receiver appointed under this Deed, appoint another person as Receiver or appoint additional Receivers. Each Receiver will be deemed to be the agent of the relevant Chargor who alone will be responsible for the acts and defaults of the Receiver and for any liabilities incurred by the Receiver. Homes England may fix the remuneration of a Receiver which will be payable by the relevant Chargor and form part of the Secured Liabilities.

7.5 Redemption of prior Security

Where there is any Security created over any of the Secured Property which ranks in priority to the Security created by this Deed and:

7.5.1 the Security created by this Deed becomes enforceable; and/or

7.5.2 the holder of such other Security takes any steps to enforce that Security,

Homes England or any Receiver may, at its sole discretion and at the cost and expense of the relevant Chargor, redeem, take a transfer of and/or repay the indebtedness secured by such other Security. All amounts paid by Homes England or a Receiver under this Clause will form part of the Secured Liabilities.

7.6 Appropriation of payments

Any appropriation by Homes England or a Receiver under this Deed will override any appropriation by any Chargor.

7.7 Financial collateral

7.7.1 To the extent that any of the assets charged under this Deed constitute "financial collateral" and this Deed constitutes a "financial collateral arrangement" (in each case, for the purpose of and as defined in the Financial Collateral Arrangements (No. 2) Regulations 2003 (the "**FC Regulations**")), Homes England will have the right at any time when such Security is enforceable to appropriate all or any part of that financial collateral in such manner as it sees fit in or towards the satisfaction of the Secured Liabilities.

7.7.2 Where any financial collateral is appropriated, its value shall be:

7.7.2.1 in the case of cash, its face value at the time of the appropriation;

7.7.2.2 if the financial collateral is listed or traded on a recognised exchange, the value at which it could have been sold on that exchange at the time of appropriation; and

7.7.2.3 in any other case, the amount reasonably determined by Homes England by such process as it may select, including independent valuation,

and each Chargor agrees that the method of valuation provided for in this Clause 7.7.2 is commercially reasonable for the purposes of the FC Regulations.

7.8 Demands

Any demand for payment made by Homes England shall be valid and effective even if it contains no statement of the relevant Secured Liabilities or an inaccurate or incomplete statement of them.

8. POWERS OF A RECEIVER

8.1 General powers

Any Receiver will have:

- 8.1.1 the rights, powers, privileges and immunities conferred on receivers, receivers and managers and mortgagees in possession under the LPA;
- 8.1.2 the rights, powers, privileges and immunities conferred on administrative receivers (whether or not that Receiver is an administrative receiver) under the Insolvency Act; and
- 8.1.3 all other rights, powers, privileges and immunities conferred by law or regulation on receivers, receivers and managers, mortgagees in possession and administrative receivers.

8.2 Specific powers

The rights, powers and remedies provided in this Deed are in addition to any rights, powers and remedies under law or regulation. Any Receiver will have the following additional powers:

- 8.2.1 the power to do or omit to do anything which the relevant Chargor could do or omit to do in relation to the Secured Property which is the subject of the appointment;
- 8.2.2 the power to do all other acts and things which the Receiver may consider desirable or necessary for realising any of the Secured Property or incidental or conducive to any of the rights, powers and discretions conferred on a Receiver under this Deed or by law or regulation; and
- 8.2.3 the power to use the relevant Chargor's name for all the above purposes.

8.3 Variation of statutory powers

The following statutory provisions do not apply to this Deed or any Security created by this Deed:

- 8.3.1 the restriction on the consolidation of mortgages in section 93 of the LPA;
- 8.3.2 the restrictions on the power to grant or accept the surrender of leases in sections 99 and 100 of the LPA;
- 8.3.3 the conditions to the exercise of a power of sale in section 103 of the LPA;
- 8.3.4 the restrictions on the application of proceeds by a mortgagee or receiver in sections 105, 107(2) and 109(8) of the LPA; and
- 8.3.5 the restrictions on the appointment of a receiver in section 109(1) of the LPA and the provisions regarding a receiver's remuneration in section 109(6) of the LPA.

9. PAYMENTS AND ACCOUNTS

9.1 Set-off and other remedies

- 9.1.1 All payments to be made by any Chargor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

9.1.2 Homes England may set off any matured obligation due from the relevant Chargor under this Deed (to the extent beneficially owned by Homes England) against any matured obligation owed by Homes England to the relevant Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, Homes England may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

9.1.3 Homes England may, at any time, combine or consolidate any accounts held by it for any Chargor.

9.2 **No withholding**

9.2.1 Each Chargor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

9.2.2 Each Chargor shall, promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction), notify Homes England accordingly.

9.2.3 If a Tax Deduction is required by law to be made by any Chargor, the amount of the payment due from the relevant Chargor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

9.2.4 If any Chargor is required to make a Tax Deduction, the relevant Chargor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

9.3 **VAT**

Clause 20 (VAT) of the Facility Agreement applies to this Deed as if set out in full in this Deed, except that references to a Party shall be construed as references to a party to this Deed.

9.4 **Default interest**

If any Chargor fails to pay any amount payable by it under this Deed on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which is 2 per cent. per annum higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted Funding in the currency of the overdue amount for successive Interest Periods, each of a duration selected by Homes England. Any interest accruing under this Clause shall be immediately payable by the relevant Chargor on demand by Homes England. Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

9.5 **General**

9.5.1 Subject to Clause 9.5.2, sterling is the currency of payment for any sum due from any Chargor under this Deed.

9.5.2 Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

9.5.3 If any Chargor pays any amount in a different currency, it shall as an independent obligation immediately on demand indemnify Homes England against any cost, loss or liability arising out of or as a result of the conversion into the required currency.

- 9.5.4 All amounts payable by any Chargor under this Deed shall be paid immediately on demand by, and in accordance with the instructions of, Homes England.
- 9.5.5 Any certification or determination by Homes England of a rate or amount under this Deed is, in the absence of manifest error, conclusive evidence of the matters to which it relates.
- 9.5.6 Any demand for payment made by Homes England shall be valid and effective even if it contains no statement of the relevant liabilities or an inaccurate or incomplete statement of them. Homes England may make any number of demands under this Deed.

10. APPLICATION OF PROCEEDS

10.1 Order of priority

All amounts received by Homes England in connection with the enforcement of the Security created by this Deed will be applied, to the extent permitted by applicable law, in accordance with the provisions of the Facility Agreement.

10.2 New accounts

If at any time:

- 10.2.1 any of a Chargor's obligations cease to be continuing obligations for any reason; or
- 10.2.2 Homes England receives or is deemed to have received notice of subsequent Security over any of the Secured Property,

Homes England may open a new account with the relevant Chargor. If Homes England does not open a new account, it will be treated as having done so at the time when the relevant Chargor's obligations cease to be continuing obligations or, as the case may be, the relevant notice of subsequent security was received and, as from that time, all payments made by or on behalf of that Chargor to Homes England will be credited or be treated as having been credited to the relevant new account and not as having been applied in discharge of the Secured Liabilities.

10.3 Release of Secured Property

If Homes England is satisfied that all the Secured Liabilities have, subject to Clauses 13.1 (*Reinstatement*) and 13.2 (*Avoidable payments*), been unconditionally and irrevocably paid and discharged in full and all facilities which might give rise to Secured Liabilities terminated, Homes England will, at the request and cost of the relevant Chargor, execute such documents and take such steps necessary to release the Secured Property from the Security created by this Deed.

11. PROTECTION OF THIRD PARTIES

- 11.1 No buyer from, or other person dealing with, Homes England or a Receiver will be concerned to enquire whether:
- 11.1.1 any money remains due under the Finance Documents;
- 11.1.2 any power which Homes England or Receiver is purporting to exercise has arisen or become exercisable; or
- 11.1.3 Homes England or Receiver is validly appointed and acting within its powers in accordance with this Deed.

- 11.2 The receipt of Homes England, any Receiver or any Delegate will be an absolute and conclusive discharge to a purchaser of any of the Secured Property who will have no obligation to enquire how any monies are applied.

12. PROTECTION OF HOMES ENGLAND

12.1 No liability as mortgagee in possession

Neither Homes England nor any Receiver will not be liable to account to any Chargor as mortgagee in possession by reason of entering into possession of any of the Secured Property, nor for any cost, loss or liability on realisation, nor for any default or omission for which a mortgagee in possession might be liable.

12.2 Tacking

The Security created by this Deed is intended to secure any further advances which Homes England is obliged to make under the Finance Documents.

12.3 Discretion of Homes England

Homes England is entitled to exercise its rights, powers and discretions under this Deed in accordance with the terms of the Finance Documents and no Chargor has any right to control or restrict Homes England's exercise of any of its rights, powers or discretions under this Deed.

13. SAVING PROVISIONS

13.1 Reinstatement

If, at any time, there has been a release, settlement or discharge of any Chargor's obligations under this Deed and, as a consequence of any Insolvency Event or for any other reason:

13.1.1 any payment made to any person in respect of any of the Secured Liabilities is required to be repaid; and/or

13.1.2 any Security (or other right) held by Homes England in respect of any of the Secured Liabilities (whether under this Deed or otherwise) is declared void, is set aside or is otherwise affected,

then the relevant Chargor's obligations under this Deed will continue in effect as if there had been no such release, settlement or discharge and as if the relevant payment had not been made and/or (as applicable) the relevant obligation or Security (or other right) had not been so affected; and accordingly (but without limiting Homes England's other rights under this Deed) Homes England will be entitled to recover from such Chargor the value which Homes England has placed upon such Security (or other right) or the amount of any such payment as if such release, settlement or discharge had not occurred.

13.2 Avoidable payments

If Homes England, acting reasonably, considers that any amount paid by or on behalf of any Chargor in respect of the Secured Liabilities is capable of being avoided, set aside or ordered to be refunded or reduced for any reason then, for the purposes of this Deed, such amount will not be considered to have been irrevocably paid.

13.3 Waiver of defences

The obligations of each Chargor under this Deed and the Security created by this Deed will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Deed or the Security created by this Deed (without limitation and whether or not known to it or Homes England) including:

- 13.3.1 any time, waiver or consent granted to, or composition with, any Chargor, Obligor or any other person;
- 13.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any Obligor;
- 13.3.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Chargor, any Obligor or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 13.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Chargor, any Obligor or any other person;
- 13.3.5 any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
- 13.3.6 any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- 13.3.7 any insolvency or similar proceedings.

13.4 Chargor Intent

Without prejudice to the generality of Clause 13.3 (*Waiver of defences*), each Chargor expressly confirms that it intends that the Security created by this Deed shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

13.5 Immediate recourse

Each Chargor waives any right it may have of first requiring Homes England or any Receiver (or any trustee or agent on their behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

13.6 Appropriations

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full, Homes England or any Receiver (or any trustee or agent on their behalf) may:

- 13.6.1 refrain from applying or enforcing any other moneys, security or rights held or received by Homes England (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Chargor shall be entitled to the benefit of the same; and

- 13.6.2 hold in an interest-bearing suspense account any moneys received from any Chargor or on account of any Chargor's liability under this Deed.

13.7 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Obligors or the Chargors under or in connection with the Finance Documents have been irrevocably paid in full and unless Homes England otherwise directs, no Chargor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents or by reason of any amount being payable, or liability arising, under the Finance Documents:

- 13.7.1 to be indemnified by a Chargor or an Obligor;
- 13.7.2 to claim any contribution from any Obligor or guarantor of any Obligor's obligations under the Finance Documents;
- 13.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of Homes England under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by Homes England;
- 13.7.4 to bring legal or other proceedings for an order requiring any Obligor or any Chargor to make any payment, or perform any obligation, in respect of which a Chargor has given a guarantee, undertaking or indemnity;
- 13.7.5 to exercise any right of set-off against any Obligor or Chargor; and/or
- 13.7.6 to claim or prove as a creditor of any Obligor or Chargor in competition with Homes England.

If any Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to Homes England by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for Homes England and shall promptly pay or transfer the same to Homes England or as Homes England may direct for application in accordance with Clause 10.1 (*Order of priority*).

14. CHANGES TO THE PARTIES

14.1 No assignment by Chargors

No Chargor may assign any of its rights or transfer any of its rights or obligations under this Deed.

14.2 Assignment by Homes England

Homes England may assign any of its rights or transfer any of its rights or obligations under this Deed in accordance with the terms of the Facility Agreement.

15. NOTICES

- 15.1 Any notice to be given hereunder shall be in writing addressed to the Homes England Senior Officer (in the case of notices to be given to Homes England) or the Obligor Senior Officer (in the case of notices to be given to any Chargor) and shall be sufficiently served if delivered by hand and receipted for by the recipient or sent by the Recorded Delivery Service addressed in the case of any party to the other party's registered office as set out at the beginning of this Deed or to such other addresses a party may from time to time notify to the other in writing provided that such other address is within England and Wales.

- 15.2 Any notice shall be deemed to be given by the sender and received by the recipient:

- 15.2.1 if delivered by hand, when delivered to the recipient; or

15.2.2 if delivered by the Recorded Delivery Service, three (3) Business Days after delivery including the date of postage,

provided that if the delivery or receipt is on a day which is not a Business Day or is after 4.00pm it will be deemed to have been received at 9.00am on the following Business Day.

15.3 **English language**

Any notice or document given or provided under or in connection with this Deed must be in English.

16. **GOVERNING LAW**

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

17. **ENFORCEMENT**

Jurisdiction

17.1 The courts of England and Wales have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) and any non-contractual obligations arising out of or in connection with it (a "**Dispute**").

17.2 The parties to this Deed agree that the courts of England and Wales are the most appropriate and convenient courts to settle any Dispute and accordingly no party to this Deed will argue to the contrary.

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

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

SCHEDULE 1

Form of notice of assignment

To: [NAME AND ADDRESS OF COUNTERPARTY]

Dated: [DATE]

Dear Sirs,

Notice of Security

1. We refer to:
 - 1.1 all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of the Borrower to us (the "**Subordinated Debt**"); and
 - 1.2 any document, agreement or instrument evidencing or recording any Subordinated Debt or its terms[, including [INSERT DETAILS OF ANY SUBORDINATED DEBT DOCUMENTS IN EXISTENCE AS AT THE DATE OF THIS NOTICE]] (the "**Subordinated Debt Documents**").
2. We give you notice that, under a security agreement dated _____, we have assigned by way of security to Homes and Communities Agency trading as Homes England ("**Homes England**"), all of our present and future rights, title and interest in, under and to the Subordinated Debt and the Subordinated Debt Documents.
3. Until you receive written notice to the contrary from Homes England, you may continue to deal with us in relation to the Subordinated Debt and the Subordinated Debt Documents. After you receive such notice, we will cease to have any right to deal with you in relation to the Subordinated Debt and the Subordinated Debt Documents and you must deal directly with or upon the written instructions of Homes England. We will remain liable to perform all our obligations in relation to the Subordinated Debt and the Subordinated Debt Documents and Homes England is under no obligation of any kind in relation to the Subordinated Debt or the Subordinated Debt Documents and assumes no liability in the event of any failure by us to perform our obligations in relation to the Subordinated Debt or the Subordinated Debt Documents.
4. With effect from the date of this notice, we irrevocably and unconditionally authorise and instruct you to disclose such information relating to the Subordinated Debt and the Subordinated Debt Documents and to give such acknowledgements and undertakings relating to the Subordinated Debt and the Subordinated Debt Documents as Homes England may from time to time request.
5. This notice and the authority and instructions it contains may only be revoked or amended with the written consent of Homes England.
6. This notice and any non-contractual obligations arising out of or in connection with it are governed by the law of England and Wales.
7. Please confirm your agreement to the above by signing the enclosed copy of this notice and returning it to Homes England (with a copy to us).

Yours faithfully,

.....
For and on behalf of
[CHARGOR]

[To be included on copy notice:]

To: Homes England (trading as Homes and Communities Agency), One Friargate, Coventry,
CV1 2GN

Copy to: [NAME AND ADDRESS OF CHARGOR]

Dated: [DATE]

Dear Sirs

Acknowledgement of Notice of security

We acknowledge receipt of the above notice. Terms defined in the notice apply to this acknowledgement. We confirm that we:

1. have not received notice of any previous assignment of or charge over the Subordinated Debt or the Subordinated Debt Documents and will promptly notify you if we receive any such notice in the future; and
2. will comply with the terms of the notice.

Yours faithfully,

.....
For and on behalf of
[COUNTERPARTY]

EXECUTION

The Chargors

Executed as a deed by
CONDER DEVELOPMENTS LIMITED,
acting by one director in the presence of:

) Redacted - Eversheds Sutherland
) (International) LLP

Director

Name:

DAVID CLOWES

Witness signature:

Redacted - Eversheds
Sutherland (International)
LLP

Witness name: *C. J. CLOWES*

Witness address:

Redacted - Eversheds
Sutherland (International) LLP

Communications to be delivered to:

Address:

Fax number:

Attention:

Executed as a deed by
CLOWES DEVELOPMENTS (UK) LIMITED,
acting by one director in the presence of:

) Redacted - Eversheds
) Sutherland (International)
) LLP

Director *DAVID CLOWES*

Name:

Witness signature:

Redacted - Eversheds
Sutherland (International)
LLP

Witness name: *C. J. CLOWES*

Witness address:

Redacted - Eversheds
Sutherland (International)
LLP

Communications to be delivered to:

Address:

Fax number:

Attention:

Homes England

The common seal of)
HOMES AND COMMUNITIES AGENCY)
was hereunto affixed in the presence of:)

Authorised Signature:

Print Name:

EXECUTION

The Chargers

Executed as a deed by
CONDER DEVELOPMENTS LIMITED,
acting by one director in the presence of:

Director

Name:

Witness signature:

Witness name:

Witness address:

Communications to be delivered to:

Address:

Fax number:

Attention:

Executed as a deed by
CLOWES DEVELOPMENTS (UK) LIMITED,
acting by one director in the presence of:

Director

Name:

Witness signature:

Witness name:

Witness address:

Communications to be delivered to:

Address:

Fax number:

Attention:

Homes England

The common seal of
HOMES AND COMMUNITIES AGENCY
was hereunto affixed in the presence of:

Redacted -
Eversheds
Sutherland
(International) LLP

Authorised Signature:

Print Name:

Jason Essenhig
Head of Specialist Operational Risk

