



**Registration of a Charge**

Company Name: **DUCHY HOMES LIMITED**

Company Number: **07852681**



Received for filing in Electronic Format on the: **26/07/2022**

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**Details of Charge**

Date of creation: **22/07/2022**

Charge code: **0785 2681 0016**

Persons entitled: **HIGHGROVE GROUP PLC**

Brief description:

**Contains fixed charge(s).**

**Contains floating charge(s) (floating charge covers all the property or undertaking of the company).**

**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: **DOMINIC LUSH**



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

Company number: 7852681

Charge code: 0785 2681 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 22nd July 2022 and created by DUCHY HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 26th July 2022 .

Given at Companies House, Cardiff on 27th July 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**

**Dated** 22 July 2022

**DUCHY HOMES LIMITED**  
as Borrower

**HIGHGROVE GROUP PLC**  
as Lender

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**SECURITY AGREEMENT –  
JUNIOR DEBT**

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**Between**

- (1) **Duchy Homes Limited** (registered in England with number 07852681) (**Borrower**); and
- (2) **Highgrove Group plc** (registered in England with number 05300988) (**Lender**).

**It is agreed**

**1 Definitions and interpretation**

**1.1 Definitions**

In this deed:

**Charged Account** has the meaning given to it in clause 3.4(g) (First fixed charges)

**Debts** has the meaning given to it in clause 3.4(f) (First fixed charges)

**Facility Agreement** means the facility agreement – junior debt between the Borrower and the Lender and dated on or about the date of this deed under which the Lender agrees to make available to the Borrower the loan facility

**Fixtures** means, in respect of any Secured Property, all fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery now or at any time after the date of this deed on that Secured Property

**Floating Charge Assets** means all the assets and undertaking from time to time subject to the floating charge created under clause 3.5 (Floating charge)

**Intellectual Property** means:

- (a) any patents, trade marks, service marks, designs, business names, copyrights, database rights, design rights, topography rights, domain names, moral rights, inventions, confidential information, knowhow and any other associated or similar intellectual property rights and interests anywhere in the world (which may now or in the future subsist), and in each case whether registered or unregistered and
- (b) the benefit of all applications, rights to apply for and rights to use such assets (including, without limitation, any licences and sub-licences of the same) (which may now or in the future subsist)

**Investments** means any shares, stocks, debenture security, securities, bonds and investments of any type whatever, including but not limited to, negotiable instruments, certificates of deposit, eligible debt securities, interests in collective investment schemes, or other investments referred to in section 22 of, and as defined in Part II of Schedule 2 to, the Financial Services and Markets Act 2000 and Part III of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001, whether certificated or uncertificated, physical or dematerialised, registered or unregistered, held by the Borrower or by a trustee or clearance system or nominee

**Party** means a party to this deed

**Property** means the property described in Schedule 1 (Property)

**Property Acquisition** means an acquisition by the Borrower of the Property on the terms of the Property Acquisition Documents

**Property Acquisition Agreement** means the agreement relating to the sale and purchase of the Property

**Property Acquisition Documents** means, in respect of the Property Acquisition, the Property Acquisition Agreement together with all transfers and assignments made pursuant to that agreement, and any other document designated as a Property Acquisition Document by the Lender and the Borrower

**Receiver** means any receiver, manager or administrative receiver appointed by the Lender in respect of the Borrower or any of the Secured Assets

**Related Rights** means, in respect of any Investment:

- (a) all monies paid or payable in respect of that Investment (whether as income, capital or otherwise)
- (b) all shares, investments or other assets derived from that Investment and
- (c) all rights derived from or incidental to that Investment

**Relevant Agreement** means:

- (a) each Property Acquisition Document and
- (b) each other agreement designated as a Relevant Agreement by the Lender and the Borrower in writing

**Relevant Policies** means all policies of insurance present and future in which the Borrower has an interest (other than policies in respect of third party liability) together with all monies payable in respect of those policies

**Secured Assets** means all of the Borrower's assets and undertaking the subject of any Security created by, under or supplemental to, this deed in favour of the Lender

**Secured Obligations** means all monies and liabilities now or after the date of this deed due owing or incurred by the Borrower to the Lender under the Senior Finance Documents (or any of them) in any manner and in any currency or currencies and whether present or future, actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all interest accruing on such monies and liabilities and all costs, charges and expenses incurred by the Lender under any Senior Finance Document, except for any obligation which, if it were included here, would constitute unlawful financial assistance or its equivalent in any other jurisdiction

**Secured Property** means, at any time, the Property and all other freehold, leasehold or commonhold property which is subject to any Security created by, under or supplemental to, this deed

**Security Period** means the period beginning on the date of this deed and ending on the date on which the Lender is satisfied that the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities made available by the Lender to the Borrower have been cancelled

## 1.2 Interpretation

- (a) Unless otherwise defined in this deed, a term defined in the Facility Agreement has the same meaning when used in this deed or any notices, acknowledgements or other documents issued under or in connection with this deed.
- (b) In this deed the term **dispose** includes any sale, lease, licence, transfer or loan.
- (c) Clause 1 (Definitions and Interpretation) of the Facility Agreement is incorporated in this deed as if set out here in full but so that each reference in that clause to **this Agreement** shall be read as a reference to this deed.

## 1.3 Third party rights

- (a) Unless expressly provided to the contrary in any Senior Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this deed or any other Senior Finance Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) Unless expressly provided to the contrary in any Senior Finance Document the consent of any person who is not a Party is not required to rescind or vary this deed or any other Senior Finance Document entered into under or in connection with it.

## 1.4 Administration

- (a) Any reference in this deed, or any other Senior Finance Document entered into under or in connection with it, to the making of an administration order shall be treated as including a reference to the appointment of an administrator under paragraph 14 (by the holder of a qualifying floating charge in respect of the assets of the Borrower) or 22 (by the Borrower or the directors of the Borrower) of Schedule B1 to the Insolvency Act 1986 or any steps taken toward such order or appointment.
- (b) Any reference in this deed or any other Senior Finance Document entered into under or in connection with it, to making an application for an administration order by petition shall be treated as including a reference to making an administration application to the court under Schedule B1 to the Insolvency Act 1986, appointing an administrator under paragraph 14 or 22 of that Schedule, or giving notice under paragraph 15 or 26 of that Schedule of intention to appoint an administrator or any steps taken towards such application or notice.

## 1.5 Incorporated terms

The terms of the Senior Finance Documents and of any side letters relating to the Senior Finance Documents and the Secured Obligations are incorporated into this deed to the extent required for any purported disposition of any Secured Assets contained in this deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.



## **2 Covenant to pay**

The Borrower covenants with the Lender to pay and discharge the Secured Obligations when they become due for payment and discharge in accordance with the terms of the Senior Finance Documents.

## **3 Charging provisions**

### **3.1 General**

All Security created by the Borrower under clauses 3.2 to 3.5 inclusive is:

- (a) a continuing security for the payment and discharge of the Secured Obligations;
- (b) granted with full title guarantee;
- (c) granted in respect of all the right, title and interest (if any), present and future, of the Borrower in and to the relevant Secured Asset; and
- (d) granted in favour of the Lender.

### **3.2 First legal mortgages**

The Borrower charges by way of first legal mortgage the Property, and all Fixtures on the Property.

### **3.3 Assignments**

The Borrower assigns:

- (a) the Relevant Agreements; and
- (b) the Relevant Policies.

The Borrower shall remain liable to perform all its obligations under each Relevant Agreement and each Relevant Policy.

### **3.4 First fixed charges**

The Borrower charges by way of first fixed charge:

- (a) all interests and estates in any freehold, leasehold or commonhold property now or subsequently owned by it (other than any freehold, leasehold or commonhold property effectively charged by way of legal mortgage under clause 3.2) and, in each case, the Fixtures on each such property;
- (b) the proceeds of sale of its Secured Property and all licences to enter on or use any Secured Property;
- (c) the benefit of all other agreements, instruments and rights relating to its Secured Property;
- (d) all plant, machinery, vehicles, computers, office and other equipment, all furniture, furnishings, equipment and tools and any removals or replacement of them, present

and future and the benefit of all contracts, licences, warranties, maintenance contracts relating to them and any renewals and replacements of them;

- (e) the Investments together with all Related Rights;
- (f) all book and other debts due to the Borrower and their proceeds (both collected and uncollected) (together **Debts**) and all rights, guarantees, security or other collateral in respect of the Debts (or any of them) and the benefit of any judgment or order to pay a sum of money and all rights to enforce the Debts (or any of them);
- (g) all monies from time to time standing to the credit of each account including, without limitation, held by the Borrower with any bank, building society, financial institution or other person (each an **Account**);
- (h) all its Intellectual Property;
- (i) all its goodwill and uncalled capital;
- (j) the benefit of all Authorisations held or utilised by it in connection with its business or the use of any of its assets and the right to recover and receive compensation payable in respect of any of them; and
- (k) to the extent that any assignment in clause 3.3 is ineffective as an assignment, the assets referred to in that clause.

### **3.5 Floating charge**

The Borrower charges by way of first floating charge all its assets and undertaking wherever located both present and future other than any assets effectively charged by way of legal mortgage or fixed charge or assigned under clauses 3.2, 3.3 or 3.4.

### **3.6 Qualifying floating charge**

This deed contains a qualifying floating charge and paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by or under this deed.

### **3.7 Conversion of floating charge to a fixed charge**

The Lender may, at any time by notice in writing to the Borrower, convert the floating charge created under clause 3.5 into a fixed charge as regards any Floating Charge Asset as it shall specify in the notice if:

- (a) an Event of Default is continuing; or
- (b) in the opinion of the Lender that Floating Charge Asset is in danger of being seized or any legal process or execution is being enforced against that Floating Charge Asset.

### **3.8 Automatic conversion of floating charge to a fixed charge**

If (unless permitted in writing by the Lender or expressly permitted under the terms of any Senior Finance Document):

- (a) the Borrower creates or attempts to create any Security over any of its Floating Charge Assets;

- (b) any person levies or attempts to levy any distress, attachment, execution or other legal process against any Floating Charge Asset; or
- (c) any corporate action, legal proceedings or other procedures or steps are taken for the winding up, dissolution, administration or reorganisation of the Borrower,

the floating charge created by this deed will automatically and immediately without notice be converted into a fixed charge over the relevant assets or, in the circumstances described in clause 3.8(c), over all of the Floating Charge Assets.

### **3.9 Documents of title**

The Borrower shall:

- (a) immediately upon the execution of this deed (and on the acquisition by it of any interest in any Secured Assets at any time) deposit with the Lender all deeds, certificates and other documents in its possession constituting or evidencing title to the Secured Assets (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Lender on terms acceptable to the Lender); and
- (b) deposit with the Lender at any time after the date of this deed any further deeds, certificates and other documents constituting or evidencing title to the Secured Assets, promptly upon coming into possession of them (or otherwise procure that any such deeds, certificates and other documents are held to the order of the Lender on terms acceptable to the Lender).

### **3.10 Small company moratorium**

Where the Borrower is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986, then the obtaining of a moratorium, including any preliminary decision, or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986 shall not cause the floating charge created by this deed to crystallise into a fixed charge, nor cause restrictions which would not otherwise apply to be imposed on the disposal of its property and assets by the Borrower.

## **4 Continuing security**

### **4.1 Continuing security**

The Security constituted by this deed shall be continuing security and shall remain in full force and effect regardless of any intermediate payment or discharge by the Borrower or any other person of the whole or any part of the Secured Obligations.

### **4.2 Recourse**

The Security constituted by this deed:

- (a) is in addition to any other Security which the Lender may hold at any time for the Secured Obligations (or any of them); and
- (b) may be enforced without first having recourse to any other rights of the Lender.

## **5 Negative pledge**

### **5.1 The Borrower shall not create or permit to subsist any Security over any of its assets.**

**5.2 The Borrower shall not:**

- (a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by it;
- (b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- (c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enter into any other preferential arrangement having a similar effect,

in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

**5.3** Clauses 5.1 and 5.2 do not apply to any Security which is expressly permitted pursuant to paragraph 9.6 (Negative pledge) of the Facility Agreement.

**6 Restrictions on disposals**

**6.1** The Borrower shall not 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 Assets.

**6.2** Clause 6.1 does not apply to any disposal made by the Borrower:

- (a) in the usual course of business; or
- (b) expressly permitted pursuant to the Facility Agreement.

**7 Further assurance**

**7.1** The Borrower shall promptly do all such acts and execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Lender may reasonably specify (and in such form as the Lender may reasonably require) in favour of the Lender or its nominee(s):

- (a) to create, perfect, protect and maintain the Security created or intended to be created under or evidenced by this deed or for the exercise of any rights, powers and remedies of the Lender provided by or pursuant to this deed or by law;
- (b) to confer on the Lender Security over any property and assets of the Borrower located in any jurisdiction equivalent or similar to the Security intended to be conferred by or pursuant to this deed; and/or
- (c) (if an Event of Default is continuing) to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security created by or under this deed.

**7.2** The Borrower shall take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security conferred or intended to be conferred on the Lender by or pursuant to this deed.

**7.3** Any document required to be executed by the Borrower under this clause 7 will be prepared at the cost of the Borrower.

## **8 Land Registry**

### **8.1 Application for restriction**

- (a) In relation to land and buildings situated in England and Wales, title to which is registered or is to be registered at the Land Registry, the Borrower consents to an application being made to the Chief Land Registrar for registration of a restriction on the register of title (in Land Registry standard "Form P") of all present and future registered freehold, leasehold or commonhold property of the Borrower (and any unregistered properties subject to compulsory first registration at the date of this deed).
- (b) The Borrower confirms that so far as any of the Secured Property is unregistered, such land is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

### **8.2 Tacking and further advances**

The Lender is, subject to the terms of the Facility Agreement, under an obligation to make further advances to the Borrower and this security has been made for securing such further advances. The Lender and the Borrower by this deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title to all present and future registered property of the Borrower (and any unregistered properties subject to compulsory first registration at the date of this deed).

## **9 Future property**

If the Borrower acquires (or intends to acquire) any freehold or leasehold or other interest in property after the date of this deed it must:

- (a) notify the Lender immediately of such acquisition or its intention to acquire such property;
- (b) unless otherwise agreed by the Lender in writing, at the same time as the acquisition of such property and at the cost of the Borrower, execute and deliver to the Lender, a supplemental charge by way of first legal mortgage in the form specified in Schedule 2 (Supplemental Security Agreement) of such property and all Fixtures on such property in favour of the Lender in such form as the Lender may require;
- (c) obtain such consents as are required for the Security referred to in this clause 9;
- (d) if the title to such freehold or leasehold property is registered at the Land Registry or required to be so registered, to give the Land Registry written notice of the Security; and
- (e) if applicable, ensure that the Security is correctly noted in the register of title against that title at the Land Registry.

## **10 Notices of assignments and charges**

### **10.1 Relevant Agreements**

- (a) The Borrower shall give notice in the form specified in Part 1 (Form of notice of assignment) of Schedule 3 to the other parties to each Relevant Agreement that the

Borrower has assigned to the Lender all its right, title and interest in that Relevant Agreement.

- (b) The Borrower shall give the notices referred to in clause 10.1(a), upon a Default that is continuing:
  - (i) in the case of each Relevant Agreement in existence as at the date of this deed, on the date of this deed; and
  - (ii) in the case of each Relevant Agreement coming into existence or being designated as such after the date of this deed, on the later of that agreement coming into existence or being designated a Relevant Agreement.
- (c) The Borrower shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 (Form of acknowledgement) of Schedule 3 within 15 Business Days of that notice being given.

#### **10.2 Insurance policies**

- (a) The Borrower shall give notice in the form specified in Part 1 (Form of notice of assignment) of Schedule 4 to the insurer under each Relevant Policy that the Borrower has assigned to the Lender all its right, title and interest in that Relevant Policy.
- (b) The Borrower shall give the notices referred to in clause 10.2(a), upon a Default that is continuing:
  - (i) in the case of each Relevant Policy subsisting at the date of this deed, on the date of this deed; and
  - (ii) in the case of each Relevant Policy coming into existence after the date of this deed, on that Relevant Policy being put on risk.
- (c) The Borrower shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice in substantially the form specified in Part 2 (Form of acknowledgement) of Schedule 4 within 15 Business Days of that notice being given.

#### **10.3 Charged Accounts**

- (a) The Borrower shall give notice in the form specified in Part 1 (Form of notice of charge) of Schedule 5 to the financial institution at which each Charged Account is held that the Borrower has created a fixed charge over the balance standing to the credit of that Charged Account.
- (b) The Borrower will give the notices referred to in clause 10.3(a), upon a Default that is continuing:
  - (i) in the case of a Charged Account held by the Borrower at the date of this deed, on the date of this deed; and
  - (ii) in the case of a Charged Account opened after the date of this deed, on that Charged Account being opened.
- (c) The Borrower shall use reasonable endeavours to procure that the recipient of each such notice acknowledges that notice substantially in the form specified in Part 2 (Form of acknowledgment) of Schedule 5 within 15 Business Days of that notice being given.

## **11 Investments**

### **11.1 Delivery of documents**

On the later of:

- (a) the date of this deed; and
- (b) the date of acquisition of those Investments or Related Rights,

the Borrower shall:

- (i) deliver to the Lender all certificates of title and other documents of title or evidence of ownership in respect of its Investments and the Related Rights; and
- (ii) deliver to the Lender such transfer documents (with the transferee left blank) or any other documents as the Lender may require or otherwise request in respect of those Investments and Related Rights.

### **11.2 Dividends**

Until any steps are taken to enforce the Security created by or under this deed the Borrower shall be entitled to receive and retain all dividends, distributions and other monies receivable in respect of its Investments and Related Rights.

### **11.3 Voting rights**

The Borrower shall not exercise its voting and other rights in respect of its Investments and Related Rights in a manner which is likely to be prejudicial to the interests of the Lender.

### **11.4 Payments**

The Borrower shall make all payments which may become due and payable in respect of any of its Investments and Related Rights. If it fails to make any such payments, the Lender may, but shall not be obliged to, make such payment on behalf of the Borrower. Any sums so paid by the Lender shall be repayable by the Borrower to the Lender on demand and pending such repayment shall constitute part of the Secured Obligations.

### **11.5 Obligations**

The Borrower shall remain liable to observe and perform all of the conditions and obligations assumed by it in respect of its Investments and Related Rights and the Lender shall not be required to perform or fulfil any obligation of the Borrower in respect of any Investments or Related Rights.

### **11.6 Compliance with notices**

The Borrower shall comply with any notice served on it under the Companies Act 2006 or pursuant to the articles of association or any other constitutional document of any relevant entity in respect of or in connection with the Investments or Related Rights and will promptly provide to the Lender a copy of that notice.

### **11.7 Conversion**

Immediately on conversion of any Investments or Related Rights from a certificated to an uncertificated form, and on the acquisition of any Investments or Related Rights in an uncertificated form, the Borrower shall give such instructions or directions and take such other steps and enter into such documentation as the Lender may require in order to protect or preserve the Security intended to be created by this deed.

## **12 Security power of attorney**

The Borrower, by way of security, irrevocably and severally appoints the Lender, each Receiver and any of their delegates or sub-delegates to be its attorney to take any action which the Borrower is obliged to take under this deed. The Borrower ratifies and confirms whatever any attorney does or purports to do pursuant to its appointment under this clause 12.

## **13 Enforcement of security**

### **13.1 When security is enforceable**

On the occurrence of any Event of Default which is continuing, the Security created by and under this deed is immediately enforceable.

### **13.2 Acts of enforcement**

The Lender may, at its absolute discretion, at any time after the Security created by or under this deed is enforceable:

- (a) enforce all or any part of the Security created by or under this deed in any manner it sees fit;
- (b) exercise its rights and powers conferred upon mortgagees by the Law of Property Act 1925, as varied and extended by this deed, and rights and powers conferred on a Receiver by this deed, whether or not it has taken possession or appointed a Receiver to any of the Secured Assets;
- (c) appoint a Receiver to all or any part of the Secured Assets;
- (d) appoint an administrator in respect of the Borrower and take any steps to do so;
- (e) exercise its power of sale under section 101 of the Law of Property Act 1925 (as amended by this deed); or
- (f) if permitted by law, appoint an administrative receiver in respect of the Borrower.

### **13.3 Right of appropriation**

To the extent that the Security created by this deed constitutes a "security financial collateral arrangement" and the Secured Assets constitute "financial collateral" for the purpose of the Financial Collateral Arrangements (No 2) Regulations 2003 (**Regulations**), the Lender shall have the right on giving prior notice to the Borrower, at any time after the Security becomes enforceable, to appropriate all or any part of those Secured Assets in or towards discharge of the Secured Obligations. The parties agree that the value of the appropriated Secured Assets shall be, in the case of cash, the amount of cash appropriated and, in the case of Investments, determined by the Lender by reference to any available publicly available market price in the absence of which by such other means as the Lender (acting reasonably) may select including,



without limitation, an independent valuation. For the purpose of Regulation 18(1) of the Regulations, the Borrower agrees that any such determination by the Lender will constitute a valuation "in a commercially reasonable manner".

#### **13.4 Statutory powers - general**

- (a) For the purposes of all powers implied by statute, the Secured Obligations are deemed to have become due and payable on the date of this deed.
- (b) Section 103 of the Law of Property Act 1925 and section 93 of the Law of Property Act 1925 do not apply to the Security constituted by or under this deed.
- (c) The statutory powers of leasing conferred on the Lender are extended so that, without the need to comply with any provision of section 99 or section 100 of the Law of Property Act 1925, the Lender is empowered to lease and make agreements for lease at a premium or otherwise, accept surrenders of leases and grant options or vary or reduce any sum payable under any leases or tenancy agreements as it may think fit.
- (d) Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the Law of Property Act 1925 and the Insolvency Act 1986 on mortgagees and Receivers.

#### **13.5 Contingencies**

If the Lender enforces the Security constituted by or under this deed at a time when no amounts are due to it under the Senior Finance Documents but at a time when amounts may or will become so due, the Lender (or the Receiver) may pay the proceeds of any recoveries effected by it into an interest bearing suspense account.

#### **13.6 Mortgagee in possession - no liability**

Neither the Lender nor any Receiver will be liable, by reason of entering into possession of a Secured Asset, to account as mortgagee in possession or for any loss on realisation or for any default or omission for which a mortgagee in possession might otherwise be liable.

#### **13.7 Redemption of prior mortgages**

At any time after the Security created by or under this deed has become enforceable, the Lender may, at the sole cost of the Borrower (payable to the Lender on demand):

- (a) redeem any prior form of Security over any Secured Asset; and/or
- (b) procure the transfer of that Security to itself; and/or
- (c) settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed shall be conclusive and binding on the Borrower.

#### **13.8 Investments – following an Event of Default**

- (a) If an Event of Default is continuing, the Borrower shall on request by the Lender:
  - (i) deliver to the Lender such stock transfer forms or other transfer documents as the Lender may require to enable the Lender or its nominee or nominees to be registered as the owner of, and to obtain legal and beneficial title to, the Investments and/or Related Rights referred to in such request;

- (ii) provide to the Lender certified copies of all resolutions and authorisations approving the execution of such transfer forms and registration of such transfers as the Lender may reasonably require;
  - (iii) procure that each such transfer is promptly registered by the relevant company or other entity;
  - (iv) procure that, immediately on their issue, all share certificates or other documents of title in the appropriate form, in respect of the relevant Investments and/or Related Rights, are delivered to the Lender in each case showing the registered holder as the Lender or its nominee or nominees (as applicable); and
  - (v) exercise all voting rights in respect of its Investments and Related Rights only in accordance with the instructions of the Lender.
- (b) At any time while an Event of Default is continuing, the Lender may complete any transfer documents held by it in respect of the Investments and/or Related Rights in favour of itself or such other person or nominee as it shall select.
  - (c) At any time after the Security created by or under this deed has become enforceable, the Lender and its nominee or nominees may sell all or any of the Investments or Related Rights of the Borrower (or any of them) in any manner permitted by law and on such terms as the Lender shall in its absolute discretion determine.
  - (d) If the Borrower receives any dividends, distributions or other monies in respect of its Investments and Related Rights at a time when the Lender has made a request under clause 13.8(a) or taken any steps under clause 13.2 to enforce Security created by or under this deed, the Borrower shall immediately pay such sums received directly to the Lender for application in accordance with clause 16 (Application of monies) and shall hold all such sums on trust for the Lender pending payment of them to such account as the Lender shall direct.

## **14 Receiver**

### **14.1 Appointment of Receiver**

- (a)
  - (i) At any time after any Security created by or under this deed is enforceable, the Lender may appoint a Receiver to all or any part of the Secured Assets in accordance with clause 13.2(c) (Acts of enforcement).
  - (ii) At any time, if so requested in writing by the Borrower, without further notice, the Lender may appoint a Receiver to all or any part of the Secured Assets as if the Lender had become entitled under the Law of Property Act 1925 to exercise the power of sale conferred under the Law of Property Act 1925.
- (b) Any Receiver appointed under this deed shall be the agent of the Borrower and the Borrower shall be solely responsible for his acts or defaults and for his remuneration and liable on any contracts or engagements made or entered into by him and in no circumstances whatsoever shall the Lender be in any way responsible for any misconduct, negligence or default of the Receiver.

(c) Where the Borrower is an eligible company within the meaning of paragraphs 2 to 4 (inclusive) of Schedule A1 to the Insolvency Act 1986:

- (i) obtaining a moratorium, or
- (ii) anything done with a view to obtaining a moratorium including any preliminary decision or investigation in terms of paragraph 43 of Schedule A1 to the Insolvency Act 1986,

shall not be grounds for appointment of a Receiver.

#### 14.2 Removal

The Lender may by written notice remove from time to time any Receiver appointed by it (subject to the provisions of section 45 of the Insolvency Act 1986 in the case of an administrative receiver) and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

#### 14.3 Powers of Receiver

##### (a) General

- (i) In addition to those conferred by the Law of Property Act 1925 on any Receiver appointed under that Act, each Receiver has, and is entitled to exercise, all of the rights, powers and discretions set out in this clause 14.3.
- (ii) If there is more than one Receiver holding office at the same time, unless the document appointing him states otherwise, each Receiver may exercise all of the powers conferred on a Receiver under this deed or under the Insolvency Act 1986 individually and to the exclusion of any other Receivers.
- (iii) A Receiver of the Borrower has all the rights, powers and discretions of an administrative receiver under the Insolvency Act 1986.
- (iv) A Receiver may, in the name of the Borrower:
  - (A) do all other acts and things which he may consider expedient for realising any Secured Asset; and
  - (B) exercise in relation to any Secured Asset all the powers, authorities and things which he would be capable of exercising if he were its absolute beneficial owner.

##### (b) Borrow money

A Receiver may raise and borrow money (either unsecured or on the security of any Secured Asset, either in priority to the security constituted by this deed or otherwise) on any terms and for whatever purpose which he thinks fit. No person lending that money need enquire as to the propriety or purpose of the exercise of that power or to check the application of any money so raised or borrowed.

##### (c) Carry on business

A Receiver may carry on the business of the Borrower as he thinks fit and, for the avoidance of doubt, a Receiver may apply for such Authorisations as he considers in his absolute discretion appropriate.

(d) Compromise

A Receiver may settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Borrower or relating in any way to any Secured Asset.

(e) Delegation

A Receiver may delegate his powers in accordance with clause 15 (Delegation).

(f) Employees

For the purposes of this deed, a Receiver as he thinks appropriate, on behalf of the Borrower or for itself as Receiver, may:

- (i) appoint and discharge managers, officers, agents, accountants, servants, workmen and others upon such terms as to remuneration or otherwise as he may think proper; and
- (ii) discharge any such persons appointed by the Borrower.

(g) Leases

A Receiver may let any Secured Asset for any term and at any rent (with or without a premium) which he thinks proper and may accept a surrender of any lease or tenancy of any Secured Assets on any terms which he thinks fit (including the payment of money to a lessee or tenant on a surrender).

(h) Legal actions

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings or submit to arbitration or any form of alternative dispute resolution in the name of the Borrower in relation to any Secured Asset as he considers expedient.

(i) Possession

A Receiver may take immediate possession of, get in and collect any Secured Asset.

(j) Protection of assets

A Receiver may, in each case as he may think fit:

- (i) make and effect all repairs and insurances and do all other acts which the Borrower might do in the ordinary conduct of its business be they for the protection or for the improvement of the Secured Assets;
- (ii) commence and/or complete any building operations on the Secured Property or other Secured Asset; and
- (iii) apply for and maintain any planning permission, building regulation approval or any other permission, consent or licence.

(k) Receipts

A Receiver may give valid receipts for all monies and execute all assurances and things which may be expedient for realising any Secured Asset.

(l) Sale of assets

A Receiver may sell, exchange, convert into monies and realise any Secured Asset by public auction or private contract in any manner and on any terms which he thinks proper. The consideration for any such transaction may consist of cash, debenture or other obligations, shares, stock or other valuable consideration and any such consideration may be payable in a lump sum or by instalments spread over such period as he thinks fit. Fixtures and any plant and machinery annexed to any part of the Secured Property may be severed and sold separately from the property containing them without the consent of the Borrower.

(m) Subsidiaries

A Receiver may form a Subsidiary of the Borrower and transfer to that Subsidiary any Secured Asset.

(n) Deal with Secured Assets

A Receiver may, without restriction sell, let or lease, or concur in selling, letting or leasing, or vary the terms of, determine, surrender or accept surrenders of, leases or tenancies of, or grant options and licences over or otherwise dispose of or deal with, all or any part of the Secured Assets without being responsible for loss or damage, and so that any such sale, lease or disposition may be made for cash payable by instalments, loan stock or other debt obligations or for shares or securities of another company or other valuable consideration. The Receiver may form and promote, or concur in forming and promoting, a company or companies to purchase, lease, licence or otherwise acquire interests in all or any of the Secured Assets or otherwise, arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Secured Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as he may think fit.

(o) Voting rights

A Receiver may exercise all voting and other rights attaching to the Investments, Related Rights and stocks, shares and other securities owned by the Borrower and comprised in the Secured Assets in such manner as he may think fit.

(p) Security

A Receiver may redeem any prior Security and settle and pass the accounts of the person entitled to the prior Security so that any accounts so settled and passed shall (subject to any manifest error) be conclusive and binding on the Borrower and the money so paid shall be deemed to be an expense properly incurred by the Receiver.

(q) Acquire land

The Receiver may purchase or acquire any land and purchase, acquire or grant any interest in or right over land.

(r) Development

A Receiver may implement or continue the development of (and obtain all consents required in connection therewith) and/or complete any buildings or structures on, any real property comprised in the Secured Property and do all acts and things incidental to the Secured Property.

(s) Landlord's obligations

A Receiver may on behalf of the Borrower and without consent of or notice to the Borrower exercise all the powers conferred on a landlord or a tenant by the Landlord and Tenants Acts, the Rents Acts and Housing Acts or any other legislation from time to time in force in any relevant jurisdiction relating to rents or agriculture in respect of any part of the Secured Property.

(t) Uncalled capital

A Receiver may make calls conditionally or unconditionally on the members of the Borrower in respect of uncalled capital.

(u) Incidental matters

A Receiver may do all other acts and things including without limitation, signing and executing all documents and deeds as may be considered by the Receiver to be incidental or conducive to any of the matters or powers listed here or granted by law or otherwise incidental or conducive to the preservation, improvement or realisation of the Secured Assets and to use the name of the Borrower for all the purposes set out in this clause 14.

**14.4 Remuneration**

The Lender may from time to time fix the remuneration of any Receiver appointed by it.

**15 Delegation**

15.1 The Lender and any Receiver may delegate by power of attorney or in any other manner all or any of the powers, authorities and discretions which are for the time being exercisable by the Lender and the Receiver (as appropriate) under this deed to any person or persons as it shall think fit. Any such delegation may be made upon such terms and conditions (including the power to sub-delegate) as the Lender and Receiver (as appropriate) may think fit.

15.2 The Lender and any Receiver will not be liable or responsible to the Borrower or any other person for any losses, liabilities or expenses arising from any act, default, omission or misconduct on the part of any delegate.

**16 Application of monies**

16.1 Sections 109(6) and (8) (Appointment, powers, remuneration and duties of receiver) of the Law of Property Act 1925 shall not apply to a Receiver appointed under this deed.

16.2 All monies received by the Lender or any Receiver under this deed shall be applied in the following order:

(a) in discharging any sums owing to any Receiver or any Delegate;

- (b) in payment of all costs and expenses incurred by any Secured Party in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of the Facility Agreement and any other Senior Finance Document;
- (c) in or toward payment of the Secured Obligations; and
- (d) the balance (if any) will be applied as required by law.

16.3 The Lender and any Receiver may place any money received, recovered or realised pursuant to this deed in an interest bearing suspense account and it may retain the same for such period as it considers expedient without having any obligation to apply the same or any part of it in or towards discharge of the Secured Obligations.

## **17 Remedies and waivers**

17.1 No failure to exercise, nor any delay in exercising, on the part of the Lender or any Receiver, any right or remedy under this deed shall operate as a waiver of any such right or remedy or constitute an election to affirm this deed. No election to affirm this deed on the part of the Lender or any Receiver shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this deed are cumulative and not exclusive of any rights or remedies provided by law.

17.2 A waiver given or consent granted by the Lender or any Receiver under this deed will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

## **18 Protection of third parties**

18.1 No person (including a purchaser) dealing with the Lender or a Receiver or its or his agents has an obligation to enquire of the Lender, Receiver or others:

- (a) whether the Secured Obligations have become payable;
- (b) whether any power purported to be exercised has become exercisable;
- (c) whether any Secured Obligations or other monies remain outstanding;
- (d) how any monies paid to the Lender or to the Receiver shall be applied; or
- (e) the status, propriety or validity of the acts of the Receiver or the Lender.

18.2 The receipt of the Lender or any Receiver shall be an absolute and a conclusive discharge to a purchaser and shall relieve him of any obligation to see to the application of any monies paid to or by the direction of the Lender or any Receiver.

18.3 In clauses 18.1 and 18.2 **purchaser** includes any person acquiring, for money or monies worth, any lease of, or Security over, or any other interest or right whatsoever in relation to, the Secured Assets or any of them.

## **19 Additional security**

The Security created by or under this deed is in addition to and is not in any way prejudiced by any guarantee or security now or subsequently held by the Lender.

**20 Settlements conditional**

20.1 If the Lender (acting reasonably) believes that any amount paid by the Borrower or any other person in respect of the Secured Obligations is capable of being avoided or set aside for any reason, then for the purposes of this deed, such amount shall not be considered to have been paid.

20.2 Any settlement, discharge or release between the Borrower and the Lender shall be conditional upon no Security or payment to or for the Lender by the Borrower or any other person being avoided or set aside or ordered to be refunded or reduced by virtue of any law relating to bankruptcy, insolvency or liquidation or otherwise.

**21 Subsequent Security**

If the Lender receives notice of any other subsequent Security or other interest affecting all or any of the Secured Assets it may open a new account or accounts for the Borrower in its books. If it does not do so then, unless it gives express written notice to the contrary to the Borrower, as from the time of receipt of such notice by the Lender, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Obligations.

**22 Set-off**

The Lender may, set off any matured obligation due from the Borrower under the Senior Finance Documents (to the extent beneficially owned by the Lender) against any matured obligation owed by the Lender to the Borrower, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Lender may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

**23 Notices**

Any communication under this deed or any other Security or Senior Finance Document created by or under this deed, shall be made and given in accordance with the terms of paragraph 12 (Notices) of the Facility Agreement.

**24 Invalidity**

Paragraph 14 (Partial invalidity) of the Facility Agreement shall apply to this deed as if set out here in full but so that references to the Senior Finance Documents shall be construed as references to this deed and any Security created by or under it.

**25 Assignment**

The Lender may assign or otherwise transfer all or any part of its rights under this deed or any Security created by or under it in accordance with the terms of the Senior Finance Documents.

**26 Releases**

26.1 Upon the earlier of:

- (a) a disposal permitted in accordance with clause 6.2; and
- (b) the expiry of the Security Period.



the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to release and reassign to the Borrower:

- (a) its rights arising under this deed;
- (b) the Secured Assets from the Security created by and under this deed,

and return all documents or deeds of title delivered to it under this deed.

## **27 Currency clauses**

If a payment is made to the Lender under this deed in a currency (**Payment Currency**) other than the currency in which it is expressed to be payable (**Contractual Currency**), the Lender may convert that payment into the Contractual Currency at the rate at which it (acting reasonably and in good faith) is able to purchase the Contractual Currency with the Payment Currency on or around the date of receipt of the payment and to the extent that the converted amount of the payment falls short of the amount due and payable the Borrower will remain liable for such shortfall.

## **28 Certificates and determinations**

Any certification or determination by the Lender of a rate or amount under any Senior Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

## **29 Counterparts**

This deed or any Senior Finance Document entered into under or in connection with this deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this deed or any such Senior Finance Document entered into under or in connection with this deed by e-mail attachment or telecopy shall be an effective mode of delivery.

## **30 Governing law**

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

## **31 Enforcement**

### **31.1 Jurisdiction of English courts**

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (including a dispute relating to the existence, validity or termination of this deed or any non-contractual obligation arising out of or in connection with this deed) (**Dispute**).
- (b) 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.
- (c) This clause 31 is for the benefit of the Lender. 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.

**31.2 Service of process**

- (a) The Civil Procedure Rules regarding service and deemed service will not apply to any letter or other communication notifying a claim or serving legal proceedings under or in connection with this deed, which shall instead be served in accordance with this clause 31.2.
- (b) Any letter or other communication notifying a claim or serving legal proceedings under or in connection with this deed may not be made by way of fax and must be made pursuant to paragraph 12 (Notices) of the Facility Agreement.

**This Security Agreement** has been signed on behalf of the Lender and executed as a deed by the Borrower and is delivered on the date given at the beginning of this Security Agreement.

**Schedule 1.**

**Property**

**Registered Land**

**Country and District (or Address or Title Number  
Description London Borough)**

Intentionally left blank

**Unregistered Land**

Intentionally left blank

## Schedule 2

### Supplemental Security Agreement

This Deed is made on

20♦

Between

- (1) ♦ (registered in England with number ♦) (**Chargor**); and
- (2) ♦ (registered in England with number ♦) as (**Lender**).

It is agreed

#### 1 Definitions and interpretation

##### 1.1 Definitions

In this Deed:

**Facility Agreement** means the facility agreement between the Chargor and the Lender and dated on or about the date of this Deed under which the Lender agrees to make available to the Chargor the term loan facility

**Party** means a party to this Deed

**Property** means the property described in the Schedule (Property)

**Security Agreement** means the security agreement dated ♦ and provided by the Chargor in favour of the Lender

##### 1.2 Interpretation

- (a) Unless otherwise defined in this Deed, a term defined in the Security Agreement has the same meaning when used in this Deed or any notices, acknowledgements or other documents issued under or in connection with this Deed.
- (b) Clause 1.2(c) (Interpretation) of the Security Agreement is incorporated in this Deed as if set out here in full but so that each reference in that clause to **this Deed** (meaning the **Security Agreement**) shall be read as a reference to this Deed.

##### 1.3 Third party rights

- (a) Unless expressly provided to the contrary in any Senior Finance Document, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed or any other Senior Finance Document issued or entered into under or in connection with it but this does not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999.
- (b) Unless expressly provided to the contrary in any Senior Finance Document the consent of any person who is not a Party is not required to rescind or vary this Deed or any other Senior Finance Document entered into under or in connection with it.

#### **1.4 Security Agreement**

- (a) This deed is supplemental to the Security Agreement.
- (b) On and from the date of this Deed, the Property shall be deemed to form part of the Secured Assets and the Secured Property for the purposes of the Security Agreement.
- (c) Clauses 2 (Covenant to pay), 3.9 (Documents of Title), 3.10 (Small company moratorium), 4 (Continuing security), 5 (Negative Pledge), 6 (Restrictions on disposals), 7 (Further assurance), 12 (Security power of attorney), 13 (Enforcement of security) and 14 (Receiver) to 31 (Enforcement) (inclusive) of the Security Agreement shall apply to this Deed, the Property and the realisation of the Security created under this Deed as if set out in this Deed in full but so that each reference in those clauses to **this Deed** (meaning the Security Agreement) shall be read as a reference to this Deed.
- (d) The Security Agreement shall remain in full force and effect and all references in the Senior Finance Documents to the Security Agreement shall be to the Security Agreement as amended and/or supplemented by this Deed.

#### **1.5 Incorporated terms**

The terms of the Senior Finance Documents and of any side letters relating to the Senior Finance Documents and the Secured Obligations are incorporated into this Deed to the extent required for any purported disposition of any Secured Assets contained in this Deed to be a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

### **2 Charging provisions**

#### **2.1 General**

All Security created by the Chargor under clauses 3.2 to 2.4 inclusive is:

- (a) a continuing security for the payment and discharge of the Secured Obligations;
- (b) granted with full title guarantee;
- (c) granted in respect of all the right, title and interest (if any), present and future, of the Chargor in and to the relevant Secured Asset;
- (d) granted in favour of the Lender; and
- (e) granted pursuant to clause 7 (Further assurance) of the Security Agreement.

#### **2.2 First legal mortgages**

The Chargor charges by way of first legal mortgage the Property and all Fixtures on the Property.

#### **2.3 Assignments**

The Chargor assigns:

- (a) the Relevant Agreements relating to the Property and to which it is a party; and

- (b) the Relevant Policies relating to the Property.

The Chargor shall remain liable to perform all its obligations under each each Relevant Agreement to which it is a party and each Relevant Policy.

## **2.4 First fixed charges**

The Chargor charges by way of first fixed charge to the extent that any legal mortgage in clause 3.2 or any assignment in clause 3.3 is ineffective as a legal mortgage or assignment (as applicable), the assets referred to in that clause.

## **3 Land Registry**

### **3.1 Application for restriction**

- (a) The Chargor consents to an application being made to the Chief Land Registrar for registration of a restriction (in Land Registry standard "Form P") on the register of title of the Property.
- (b) The Chargor confirms that the Property is not affected by any disclosable overriding interests within the meaning of the Land Registration Act 2002 or the Land Registration Rules 2003.

### **3.2 Tacking and further advances**

The Lender is, subject to the terms of the Facility Agreement, under an obligation to make further advances to the Chargor and this security has been made for securing such further advances. The Lender and the Chargor by this Deed consent to an application being made to the Chief Land Registrar to enter a note of such obligation on the register of title of the Property).

## **4 Notices of assignments and charges**

### **4.1 Relevant Agreements**

The Chargor shall comply with its obligations under clause 10.1 (Relevant Agreements) of the Security Agreement in respect of each Relevant Agreement assigned under clause 3.3 (Assignments).

### **4.2 Insurance policies**

The Chargor shall comply with its obligations under clause 10.2 (Insurance Policies) of the Security Agreement in respect of each Relevant Policy assigned under clause 3.3 (Assignments).

## **5 Finance Document**

This Deed is a Senior Finance Document.

## **6 Counterparts**

This Deed and/or any Senior Finance Document entered into under or in connection with this Deed may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Deed and/or any such Senior Finance

Document entered into under or in connection with this Deed by e-mail attachment or telecopy shall be an effective mode of delivery.

**7 Governing law**

This Deed (and any non-contractual obligations arising out of or in connection with it) shall be governed by and construed in accordance with English law.

**This Deed** has been signed on behalf of the Lender and executed as a deed by the Chargor and is delivered on the date given at the beginning of this Deed.

**The Schedule**

**Property**

**Registered Land**

<b>Country and District (or Address or Description London Borough)</b>	<b>Title Number</b>
--	---------------------

**OR**

**[Unregistered Land]**



## SIGNATORIES TO THE DEED

### Chargor

Executed as a deed by )  
♦ Limited ) Director  
acting by two directors or by a director and its )  
secretary )  
Director/Secretary

### OR

Executed as a deed by )  
♦ Limited )  
acting by a director in the presence of ) Director

Signature of witness

Name

Address

### The Lender

[[Insert name of Lender]

By: ]

**OR**

Executed as a deed

by ♦

as duly authorised attorney

for and on behalf of [Lender]

in the presence of

)

)

)

)

)

Signature of witness

Name

Address

**OR**

Executed as a deed by

[Lender]

acting by two directors or by a director and its

secretary

)

)

)

)

)

Director

Director/Secretary

**OR**

Executed as a deed by

[Lender]

acting by a director in the presence of

)

)

)

Director

Signature of witness

Name

Address

### Schedule 3

#### Relevant Agreements

##### Part 1 - Form of notice of assignment

To: ♦

Dated: ♦

Dear Sirs

#### **The agreement described in the attached schedule (Agreement)**

We hereby notify you that we have assigned to ♦ (Lender) all our right, title and interest in and to the Agreement.

We hereby irrevocably and unconditionally authorise and instruct you:

- 1 without notice or reference to, or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Lender relating to the Agreement and any rights under or in connection with the Agreement; and
- 2 to pay all sums payable by you under the Agreement directly to our account at:

Bank: ♦

Account number: ♦

Sort code: ♦

or such other account as the Lender may specify from time to time.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Lender and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of  
♦ Limited

### The Schedule

Date	Parties	Description
◆	◆	◆

*[Attach form of acknowledgment]*

## Part 2 - Form of acknowledgement

To: [name of Lender]  
[address]

To: [name of Borrower] (Chargor)  
[address]

Dated: ♦

We acknowledge receipt of the notice of assignment (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

- (a) there has been no amendment, waiver or release of any rights or interests in the Agreement since the date of the Agreement;
- (b) we will not agree to any amendment, waiver or release of any provision of the Agreement without the prior written consent of the Lender;
- (c) we shall act in accordance with the Notice;
- (d) as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in the Agreement in favour of any other person;
- (e) as at the date of this acknowledgement, we are not aware of any breach by the Chargor of the terms of the Agreement; and
- (f) we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to the Agreement.

The provisions of this acknowledgement (and any non-contractual obligations arising out of or in connection with it) are governed by English law.

For and on behalf of

♦

## Schedule 4

### Relevant Policies

#### Part 1 - Form of notice of assignment

To: [insurer]

Dated: ♦

Dear Sirs

**The insurance policies described in the attached schedule (Relevant Policies)**

We hereby notify you that we have assigned to ♦ (Lender) all our right, title and interest in and to the Relevant Policies.

We hereby irrevocably and unconditionally authorise and instruct you:

1. without notice or reference to or further authority from us and without enquiring as to the justification or the validity of those instructions, to comply only with any instructions from time to time received by you from the Lender relating to the Relevant Policies (or any of them); and
2. to pay all sums payable by you under the Relevant Policies (or any of them) into our account at:

Bank: ♦  
Account number: ♦  
Sort code: ♦

or such other account as the Lender may specify from time to time.

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Lender and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of  
♦ Limited

### The Schedule

Date of policy	Insured	Policy type	Policy number
◆	◆	◆	◆

[Attach form of acknowledgment]

## Part 2 - Form of acknowledgement

To: [name of Lender]  
[address]

To: [name of Borrower] (Chargor)  
[address]

Dated: ♦

We acknowledge receipt of the notice of assignment (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement. We confirm that:

- 1 there has been no amendment, waiver or release of any rights or interests in any Relevant Policy since the date of such policy;
- 2 we have noted the Lender's interest as mortgagee and first loss payee on each Relevant Policy;
- 3 we will not agree to any amendment, waiver or release of any provision of any Relevant Policy without the prior written consent of the Lender;
- 4 we shall act in accordance with the Notice;
- 5 as at the date of this acknowledgement we have not received any notice of assignment or charge of the Chargor's interest in any Relevant Policy or the proceeds of any Relevant Policy in favour of any other person; and
- 6 we do not have and have not claimed or exercised any right or claim against the Chargor or exercised or attempted to exercise any right of set-off, counterclaim or other right relating to any Relevant Policy.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of  
[insurance company]



**Schedule 5**

**Charged Accounts**

**Part 1 - Form of notice of charge**

To: *[insert name and address of account holding institution]*

Account number: ♦ (Charged Account)

Sort code: ♦

Account holder: ♦ Limited

We hereby notify you that we have charged by way of first fixed charge to ♦ (Lender) all our right, title and interest in and to the monies from time to time standing to the credit of the Charged Account.

We hereby irrevocably and unconditionally authorise and instruct you:

- 1 to hold all monies from time to time standing to the credit of the Charged Account to the order of the Lender and accordingly to pay all or any part of those monies to the Lender (or as it may direct) promptly following receipt of written instructions from the Lender to that effect; and
- 2 to disclose to the Lender such information relating to us and the Charged Account as the Lender may from time to time request you to provide.

By countersigning this notice, the Lender authorises you to permit us to withdraw and otherwise deal with funds standing to the credit of the Charged Account until:

- (a) you receive a notice in writing to the contrary from the Lender;
- (b) a petition is presented for a winding up order in respect of us or an application is made for an administration order in respect of us;

(whichever occurs first).

Please sign and return the acknowledgement attached to one enclosed copy of this notice to the Lender and the other copy to us.

The provisions of this notice (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

Yours faithfully

.....  
for and on behalf of ♦ Limited

Countersigned for and on behalf of  
the Lender: .....

*[Attach form of acknowledgment]*

## Part 2 - Form of acknowledgement

To: [name of Lender]  
[address]

To: [name of Borrower] (Chargor)  
[address]

Dated: ♦

We acknowledge receipt of the notice of charge (**Notice**) of which the enclosed is a duplicate. Terms defined in the Notice shall have the same meaning when used in this acknowledgement.

We confirm that:

- (a) we shall act in accordance with the Notice;
- (b) as at the date of this acknowledgement we have not received any notice of assignment or charge or other security over the Chargor's interest in the Charged Account in favour of any other person; and
- (c) we will not exercise any right of combination of accounts, set-off or lien over any monies standing to the credit of the Charged Account.

The provisions of this acknowledgement (and any non-contractual obligations arising out of it or in connection with it) are governed by English law.

For and on behalf of  
[account holding institution]

## SIGNATORIES TO THE SECURITY AGREEMENT

### Borrower

EXECUTED and delivered when dated as a )  
deed by **DUCHY HOMES LIMITED** acting by )  
two directors: )



Director of Duchy Homes Limited



Director of Duchy Homes Limited

### The Lender

EXECUTED and delivered when dated as a )  
deed by **HIGHGROVE GROUP PLC** acting )  
by two directors: )



Director of Highgrove Group plc



Director of Highgrove Group plc