



Registration of a Charge

Company Name: **ILKE HOMES LIMITED**

Company Number: **10909968**



Received for filing in Electronic Format on the: **17/05/2021**

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Details of Charge

Date of creation: **17/05/2021**

Charge code: **1090 9968 0004**

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

Brief description: **THE LEASEHOLD PROPERTY KNOWN AS MAXIMUS, FLAXBY MOOR INDUSTRIAL ESTATE, KNARESBOROUGH AS MORE PARTICULARLY IDENTIFIED IN A LEASE BETWEEN ILKE HOMES LIMITED AND HARWORTH ESTATES INVESTMENTS LIMITED AND DATED 1 MAY 2018 FOR A TERM OF 14 YEARS AND AS VARIED PURSUANT TO A DEED OF VARIATION DATED 24 FEBRUARY 2021**

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:

PINSENT MASONS LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 10909968

Charge code: 1090 9968 0004

The Registrar of Companies for England and Wales hereby certifies that a charge dated 17th May 2021 and created by ILKE HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 17th May 2021 .

Given at Companies House, Cardiff on 18th May 2021

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 17 MAY 2021

- (1) EACH OF THE COMPANIES SPECIFIED IN SCHEDULE 1 AS CHARGORS
(2) HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)

DEBENTURE



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THIS DEED is made on 17 May 2021

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and
- (2) **HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)** ("**Homes England**")

INTRODUCTION

- (A) Homes England has agreed to make credit facilities available to ilke Homes Holdings Limited and ilke Homes Limited on the terms and conditions set out in the Facilities Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over their assets to Homes England pursuant to the Facilities Agreement.

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Acceleration Event" means, following the occurrence of an Event of Default which is continuing, Homes England giving a notice pursuant to or exercising a right under clause 22.19 (*Acceleration*) of the Facilities Agreement.

"Account" means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts

"Assigned Account" means:-

- (a) each of the Accounts specified in Schedule 5 (*Details of Assigned Accounts*) (and any replacement, renewal or re-designation of such Accounts);
- (b) any other Account agreed by Homes England and the Chargors in writing to be an Assigned Account

"Assigned Contracts" means each of the Material Contracts (as defined in the *Facilities Agreement*) from time to time and each contract in respect of any disposal of any Secured Assets and all other agreements, in which a Chargor has an interest in

	each case, including any guarantees or sureties entered into in respect of them
"Assigned Insurances"	means the Insurances (if any) specified in Schedule 4 (<i>Assigned Insurances</i>) (including any renewal, substitution or replacement of such Insurance)
"Deed of Accession"	means a deed substantially in the form of Schedule 6 (<i>Deed of Accession</i>) executed, or to be executed, by a person becoming a Chargor
"Default"	has the meaning given to that term in the Facilities Agreement
"Default Rate"	means the rate specified in clause 10.3 (<i>Default interest</i>) of the Facilities Agreement
"Event of Default"	has the meaning given to that term in the Facilities Agreement
"Facilities Agreement"	means the facilities agreement dated 1 November 2019 as amended and restated on or about the date of this Deed between, among others, the Chargors and Homes England
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties and shall include all Insurance Proceeds
"Intellectual Property"	means any of the following:- <ul style="list-style-type: none"> (a) the UK registered trademark (number 3188997) for the word "ILKE" registered at the UK Intellectual Property Office in classes 6, 19, 36, 37, 42 and 43 with a renewal date of 3 October 2026 and issued for the benefit of ILKE Homes Limited; (b) the UK registered trademark (number 3486070) for the word "ILKE" registered at the UK Intellectual Property Office in classes 36, 37 and 42 with a renewal date of 1 May 2030 and issued for the benefit of ILKE Homes Limited; (c) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (d) any brand and trade names, domain names, invention, copyright, design right or performance right;

- (e) any trade secrets, database right, know-how and confidential information; and
- (f) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest

"Land" has the meaning given to that term in section 205(1) of the LPA but for these purposes "Land" excludes heritable property situated in Scotland

"LPA" means the Law of Property Act 1925

"Monetary Claims" means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

"Party" means a party to this Deed

"Plant and Equipment" means all fixtures, fittings, plant, machinery or equipment, manuals (including office equipment, computers, vehicles and other equipment) and other chattels, present and future of each Chargor of any kind and the benefit of all licences, warranties, guarantees and contracts relating to the same

"Receiver" means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets

"Related Rights" means in relation to any Secured Asset:-

- (a) the proceeds of sale of all or any part of that Secured Asset;
- (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;

(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and

(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset

"Secured Assets" means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of Homes England by or pursuant to this Deed

"Secured Finance Documents" has the meaning given to that the term "Finance Documents" in the Facilities Agreement

"Secured Liabilities" means all present and future liabilities and obligations of each Chargor and each other Obligor to Homes England (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever and whether or not Homes England was the original creditor in respect thereof) including, without limitation, all sums due, owing or payable under or in connection with any of the Secured Finance Documents and all interest, commission, costs, charges and expenses incurred by Homes England in connection with the protection, preservation and/or enforcement of its rights under the any document evidencing or securing any such liabilities and obligations, whatever their nature or basis, in any currency or currencies, and however they are described (each a "Secured Liability")

"Securities" means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the UK Financial Collateral Regulations) including those held via a nominee, trustee or clearing system

"Security" means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect

"Security Period" means the period beginning on the date of this Deed and ending on the date which Homes England (acting in its sole discretion) confirms to those Chargors that:-

(a) all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and

(b) Homes England has no further commitment, obligation or liability under or pursuant to the Secured Finance Documents

"Shares" means all of the shares in the capital of each of the companies specified in Schedule 3 (Details of Shares)

"Transaction Security Documents" has the meaning given to that term in the Facilities Agreement

"UK Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I.2003/3226) as amended by the Financial Collateral Arrangements (No. 2) Regulations 2003 (Amendment) Regulations 2009 (S.I.2009/2462), the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010, the European Union (Withdrawal) Act 2018 (as amended) and the Financial Markets and Insolvency (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (S.I.2019/341) and "UK Financial Collateral Regulation" means any of them

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement shall have the same meanings in this Deed.

1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.1 to 1.3 of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a "**Secured Finance Document**" or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

1.4 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of Homes England.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Third party rights

1.6.1 Homes England, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.6.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

1.7 Continuing Default and Event of Default

A Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been remedied or waived.

1.8 Nominees

If Homes England causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Deed to Homes England shall, if the context permits or requires, be construed as a reference to Homes England and its nominee.

2. COVENANT TO PAY**2.1 Secured Liabilities**

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

2.2 Interest

Each Chargor covenants to pay interest at the Default Rate to Homes England on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment).

3. CHARGES**3.1 Land**

Each Chargor charges to Homes England all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land which is described in Schedule 2 (*Details of Land*);

3.1.2 by way of first fixed charge:-

- (a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land;
- (c) all Leases, easements, licences and other rights, present and future, relating to any Secured Assets in which it has an interest;
- (d) all Land acquired by any Chargor after the date of this Deed;
- (e) to the extent not the subject of an effective assignment pursuant to this Deed, all rental income and Disposal Proceeds, present and future relating to any Land; and
- (f) all Related Rights under or in connection with any Land.

3.2 Insurances

To the extent not the subject of an effective assignment pursuant to this Deed, by way of fixed charge all Insurances and all Related Rights under any of the Insurances.

3.3 Shares

Each applicable Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Shares and all Related Rights under or in connection with such Shares.

3.4 Securities

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

3.5 Intellectual Property

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.6 Monetary Claims

To the extent not the subject of an effective assignment pursuant to this Deed, each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

3.7 Plant and Equipment

Each Chargor charges by way of first fixed charge, in respect of the Charged Property:-

3.7.1 the Plant and Equipment other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.7.2 all Related Rights under or in connection with the Plant and Equipment.

3.8 Goodwill

Each Chargor charges by way of first fixed charge its present and future goodwill.

3.9 Uncalled capital

Each Chargor charges by way of first fixed charge its uncalled capital.

3.10 Authorisations

Each Chargor charges by way of first fixed charge the benefit of all licences, consents, agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

3.11 Letters of credit

Each Chargor charges by way of first fixed charge any letter of credit issued in its favour and all bills of exchange and other negotiable instruments held by it.

3.12 Assigned Contracts

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.12.1 the Assigned Contracts to which it is a party; and

3.12.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

3.13 Rental Income and Disposal Proceeds

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all rental income and Disposal Proceeds present and future relating to any Secured Assets and all Related Rights.

3.14 Monetary Claims

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all Monetary Claims present and future and all Related Rights under or in connection with the Monetary Claims.

3.15 Intellectual Property

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.16 Related Rights

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all other Related Rights in respect of any Secured Assets.

3.17 Assigned Insurances

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.17.1 the Assigned Insurances to which it is a party; and

3.17.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

3.18 Assigned Accounts

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.18.1 the Assigned Accounts in its name; and

3.18.2 all Related Rights under or in connection with the Assigned Accounts in its name.

3.19 Floating Charge

3.19.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.19.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.20 Trust

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

- 3.20.1 hold it on trust for Homes England as security for the payment and discharge of the Secured Liabilities; and
- 3.20.2 take such steps as Homes England may require to remove the impediment to assignment or charging it.

3.21 Nature of Security created

The Security created under this Deed is created:

- 3.21.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;
- 3.21.2 in favour of Homes England; and
- 3.21.3 with full title guarantee.

4. CRYSTALLISATION OF FLOATING CHARGE

4.1 Crystallisation: By Notice

4.1.1 Subject to Clause 4.4 (*Crystallisation: Moratorium*), Homes England may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.19 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 12.1 (*Enforcement*); or
- (b) Homes England considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process of otherwise be in jeopardy; or
- (c) Homes England considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.19 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.19 (*Floating charge*).

4.2 Crystallisation: Automatic

Subject to Clause 4.4 (*Crystallisation: Moratorium*), the floating charge created by a Chargor under Clause 3.19 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facilities Agreement)) over any of the Secured Assets; or

- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if Homes England receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

4.3 Assets acquired post-crystallisation

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.19 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

4.4 Crystallisation: Moratorium where directors propose voluntary arrangement

- 4.4.1 Notice may not be given to cause the floating charge over the assets of a Chargor created by Clause 3.19 (*Floating Charge*) to crystallise into a fixed charge whilst that Chargor is subject to a moratorium under Part A1 to the Insolvency Act 1986.
- 4.4.2 The floating charge created by Clause 3.19 (*Floating Charge*) may not be crystallised into a fixed charge solely by reason of:
 - (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
 under Part A1 to the Insolvency Act 1986

4.5 Partial crystallisation

The giving of a notice by Homes England pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of Homes England to serve similar notices in respect of any other class of assets or of any other right of Homes England.

4.6 De-crystallisation of floating charge

Any charge that has crystallised under this Clause may by notice in writing (given at any time by Homes England to the Chargors, be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

5. PERFECTION OF SECURITY

5.1 Notices of assignment

- 5.1.1 The Chargors must deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

(a) Assigned Contracts:

- (i) in relation to any Assigned Contract which is a Material Contract, within 5 Business Days of the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
- (ii) on entering into any new Assigned Contract which is a Material Contract or if any Chargor renews, substitutes or replaces any Assigned Contract which is a Material Contract, by issuing, on or within 5 Business Days of the date of entering into, renewal, substitution or replacement of the relevant Assignment Contract, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
- (iii) in relation to Assigned Contracts which are not Material Contracts, within 5 Business Days of following a request in writing to do so by Homes England in circumstances where there is a Default which is continuing, by issuing a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty; and
- (iv) if any Chargor renews, substitutes or replaces any Assigned Contract which is not a Material Contract and for which a notice has been served pursuant to Clause 5.1.1(a)(iii), by issuing, on or within 5 Business Days of the date of such renewal, substitution or replacement of the relevant Assignment Contract which is not a Material Contract, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;

(b) Assigned Insurances:

- (i) in relation to any Assigned Insurances, within 5 Business Days of the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer; and
- (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, within 5 Business Days of the date of the renewal, substitution or replacement, a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;

(c) Assigned Accounts:

- (i) in respect of each Assigned Account by issuing, within 5 Business Days of the date on which the assignment is granted, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held; and
- (ii) in respect of any Account subsequently designated in writing by Homes England and any Chargor as an Assigned Account, by issuing, within 5 Business Days of the date of the designation, a notice in the form set out in Schedule 8 (*Form of notice of*

assignment of Assigned Accounts) addressed to the bank or financial institution with whom the Assigned Account is held; and

(d) **Other Secured Assets:**

- (i) in respect any other Secured Assets assigned under this Deed by issuing, within 5 Business Days of a request in writing to do so by Homes England, a notice in the form required by Homes England addressed to the relevant counterparty.

5.1.2 The Chargors shall use all reasonable endeavours to procure that each notice of assignment delivered pursuant to Clause 5.1.1 above is acknowledged by the party to whom it is addressed.

5.1.3 Each Chargor will deliver to Homes England:-

- (a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and
- (b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

5.2 Documents of Title

5.2.1 Land

- (a) Subject to the provisions of Clause 5.2.1(a), the Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any freehold interest in any Land and any current or future leasehold interests (unless such leasehold interest is a short term lease) deliver (or procure delivery) to Homes England of either:-
 - (i) all deeds, certificates and other documents relating to such Land (which Homes England shall be entitled to hold and retain at the expense and risk of the Chargors); or
 - (ii) an undertaking from the Chargor's solicitors (in form and substance acceptable to Homes England) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of Homes England.
- (b) Homes England may notify any Chargor that the provisions of 5.2.1(b) apply to a short term lease if they have determined in their opinion (acting reasonably) that the relevant lease is operationally important.

5.2.2 Shares

The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to Homes England of:

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if Homes England so requires, pre-stamped; and

- (c) any other documents which Homes England may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which Homes England is entitled to hold at the expense and risk of the Chargors.

5.2.3 Securities

As soon as commercially practicable after any Securities are registered in, or transferred into the name of, a Chargor (which shall in any event be after any stock transfer forms in respect of such Securities have been returned from HMRC duly stamped to the extent required), or held by or in the name of Homes England or a nominee (and in any event as soon as Homes England so requests), such Chargor shall deposit with Homes England, in respect of or in connection with those Securities:

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if Homes England so requires, pre-stamped; and
- (c) any other documents which Homes England may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which Homes England is entitled to hold at the expense and risk of the Chargors.

5.3 Application to the Land Registry

Each Chargor and Homes England apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge dated *[insert date]* in favour of Homes and Communities Agency (trading as Homes England) referred to in the charges register (Form P)"

5.3.2 a notice that:-

"Homes and Communities Agency (Trading as Homes England) are under an obligation to make further advances."

6. COVENANTS

6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever Homes England requires to:-

6.1.1 give effect to the requirements of this Deed;

- 6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or
- 6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in Homes England or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to Homes England or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

6.2 Negative pledge

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 21.13 (*Negative pledge*) of the Facilities Agreement, except for Permitted Security or as otherwise expressly permitted under the terms of the Secured Finance Documents.

6.3 Land

Each Chargor shall promptly notify Homes England in writing if it intends to acquire any estate or interest in Land and shall promptly on request by Homes England (at the cost of that Chargor) execute a legal mortgage in favour of Homes England of that property in any form which Homes England may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

7. SHARES AND SECURITIES

7.1 Shares: before an Acceleration Event

Prior to the occurrence of an Acceleration Event, the Chargors shall:-

- 7.1.1 pay all dividends, interest and other moneys arising from the Shares into the Assigned Account;
- 7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;
- 7.1.3 promptly upon receipt, forward to Homes England copies of all notices and other communications received in connection with the Shares;
- 7.1.4 promptly comply with (and copy to Homes England) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and
- 7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of Homes England.

7.2 Shares: after an Acceleration Event

After the occurrence of an Acceleration Event, Homes England may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

- 7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;

- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 14 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
 - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
 - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as Homes England may think fit, and the proceeds of any such action shall form part of the Secured Assets.

7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, Homes England may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by Homes England shall be reimbursed by the Chargor to Homes England on demand and shall carry interest from the date of payment by Homes England until reimbursed at the rate notified to the Chargor by Homes England.

7.4 **Securities: exercise of rights**

Except as permitted by the Facilities Agreement, the Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which would prejudice the effectiveness of, or the ability of Homes England to realise, the Security created by or pursuant to this Deed.

8. **INTELLECTUAL PROPERTY**

Each Chargor shall, if requested by Homes England and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as Homes England may require and do all acts that Homes England may require to perfect the Security taken by, or to record the interest of, Homes England in any registers relating to any registered Intellectual Property.

9. **MONETARY CLAIMS**

- 9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay or otherwise deal with the proceeds of those Monetary Claims in accordance with the terms of the Facilities Agreement.
- 9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of Homes England or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

- 9.3 If and to the extent that Homes England so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as Homes England may require into such Account(s) as Homes England may from time to time specify and pending such payment shall hold all such receipts on trust for Homes England.

10. ACCOUNTS

10.1 General

10.1.1 Each Chargor shall:

- (a) deliver to Homes England:-
 - (i) on the date of this Deed (or the date of any Deed of Accession, if applicable), details of each of its Accounts; and
 - (ii) if any change in such detail (including any replacement, renewal or re-designation of any such Account) occurs after the date of this Deed or any new Account is opened as permitted under the terms of the Facilities Agreement, details of such change or new Account on the date of such change or opening; and
- (b) open such new Accounts as Homes England may require (whether before or after the Security created by this Deed has become enforceable).

10.1.2 Without prejudice to and in addition to Clauses 6.2 (*Negative pledge*):

- (a) the benefit of each Assigned Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Assigned Account without the prior written consent of Homes England (in its capacity as Lender under this Deed) or as otherwise permitted by the terms of the Facilities Agreement.

10.1.3 Upon the Security created by this Deed becoming enforceable, Homes England shall be deemed to have designated in writing all Accounts other than the Assigned Accounts or any Account subject to Permitted Security in favour of a third party as Assigned Accounts and at any time thereafter Homes England may:

- (a) in relation to such new Assigned Accounts, require the Chargors to, and the Chargors shall immediately on request, serve a notice of assignment in accordance with Clause 5.1 (*Notices of assignment*) on each bank or other financial institution with which any such Account is maintained (and the relevant Chargor shall comply with its obligation under Clause 5.1.3 to obtain an acknowledgement of each such notice of assignment); and
- (b) exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

10.2 Assigned Accounts

10.2.1 Assigned Accounts: before an Acceleration Event

- (a) The Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account prior to the occurrence of an Acceleration Event.
- (b) If and to the extent necessary to enable, and for the sole purpose of enabling:
 - (i) the Chargors to comply with their obligations to make repayments of the Secured Liabilities arising under the Secured Finance Documents; or
 - (ii) Homes England to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Secured Finance Documents,

Homes England shall provide consent or execute any documentation required to allow for the release from the Security created by this Deed the whole or any part of the sums standing to the credit of any Assigned Account.

10.2.2 Assigned Accounts: after an Acceleration Event

Homes England shall, upon the occurrence of an Acceleration Event, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:-

- (a) demand and receive all and any moneys due under or arising out of each Assigned Account;
- (b) exercise all such rights as the Chargors were then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Deed, exercise; and
- (c) apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 14 (*Application of Moneys*).

11. ASSIGNED CONTRACTS AND ASSIGNED INSURANCES

11.1 Each Chargor shall:-

11.1.1 deliver to Homes England, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as Homes England may reasonably require; and

11.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner.

11.2 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, while no Acceleration Event has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Contracts.

11.3 While no Acceleration Event has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Secured Finance Documents.

12. DEMAND AND ENFORCEMENT

12.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 12.1.1 the occurrence of an Acceleration Event;
- 12.1.2 any request being made by a Chargor to Homes England for the appointment of a Receiver or an administrator, or for Homes England to exercise any other power or right available to it; or
- 12.1.3 the occurrence of any event causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

12.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, Homes England may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 12.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 12.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 12.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the UK Financial Collateral Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to Homes England insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as Homes England shall determine in a commercially reasonable manner;
- 12.2.4 subject to Clause 13.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and
- 12.2.5 appoint an administrator of any Chargor.

12.3 Disposal of the Secured Assets

In exercising the powers referred to in Clause 12.2 (*Powers on enforcement*), Homes England or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

12.4 Same rights as Receiver

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by Homes England, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not Homes England shall have taken possession or appointed a Receiver of the Secured Assets.

12.5 Delegation

Homes England may delegate in any manner to any person any rights exercisable by Homes England under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as Homes England thinks fit.

13. RECEIVERS

13.1 Method of appointment or removal

Every appointment or removal of a Receiver, any delegate or any other person by Homes England under this Deed shall be in writing under the hand of any officer or manager of Homes England (subject to any requirement for a court order in the case of the removal of an administrative receiver).

13.2 Removal

Homes England may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

13.3 Powers

Every Receiver shall have and be entitled to exercise all the powers:-

13.3.1 of Homes England under this Deed;

13.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

13.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

13.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and

13.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

13.4 Receiver as agent

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of Homes England.

13.5 Joint or several

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

13.6 Receiver's remuneration

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by Homes England and the maximum rate specified in section 109(6) of the LPA shall not apply.

14. APPLICATION OF MONEYS

14.1 Application of moneys

All sums received by virtue of this Deed and/or any other Transaction Security Documents by Homes England or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

- 14.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by Homes England in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;
- 14.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of Homes England or any Receiver;
- 14.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facilities Agreement;
- 14.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

15. POWER OF ATTORNEY

15.1 Appointment

Each Chargor irrevocably and by way of security appoints:-

- 15.1.1 Homes England (whether or not a Receiver has been appointed);
- 15.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of Homes England; and
- 15.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which Homes England in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling Homes England or the Receiver to exercise any of its rights or powers under this Deed.

15.2 Ratification

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 15.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 15.1 (*Appointment*).

16. PROTECTION OF THIRD PARTIES

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon Homes England, as varied and extended by this Deed, and all other powers of Homes England, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

16.2 Purchasers

No purchaser from or other person dealing with Homes England, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

16.2.1 to enquire whether any of the powers which Homes England or a Receiver have exercised has arisen or become exercisable;

16.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

16.2.3 as to the propriety or validity of the exercise of those powers; or

16.2.4 with the application of any moneys paid to Homes England, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with Homes England or any Receiver or any person to whom any of them have delegated any of their powers.

17. PROTECTION OF HOMES ENGLAND AND ANY RECEIVER

17.1 No liability

Neither of Homes England, or any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render Homes England, any Receiver or any of their respective officers or employees liable:-

17.2.1 to account as mortgagee in possession;

17.2.2 for any loss on realisation; or

17.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever Homes England or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

17.3 Indemnity

Each Chargor shall indemnify and keep indemnified Homes England and any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

- 17.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;
- 17.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;
- 17.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 17.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 17.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to Homes England,

except in the case of gross negligence or wilful misconduct on the part of that person.

17.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 17 (*Protection of Homes England and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

17.5 Indemnity out of the Secured Assets

Homes England and any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 17.3 (*Indemnity*).

17.6 Liability of Chargors related to Secured Assets

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Secured Assets. Neither Homes England or any Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

17.7 Continuing protection

The provisions of this Clause 17 (*Protection of Homes England and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

18. PROVISIONS RELATING TO THE LENDER**18.1 Powers and discretions**

The rights, powers and discretions given to Homes England in this Deed:-

- 18.1.1 may be exercised as often as, and in such manner as, Homes England thinks fit;
- 18.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

18.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.2 Certificates

Clause 29.2 (*Certificates and determinations*) of the Facilities Agreement shall apply to this Deed.

18.3 Trusts

The perpetuity period for any other constituted by this Deed shall be 125 years.

19. PRESERVATION OF SECURITY

19.1 Continuing Security

This Deed shall be a continuing security to Homes England and shall remain in force until expressly discharged in writing by Homes England notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

19.2 Additional Security

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which Homes England may have now or at any time in the future for or in respect of any of the Secured Liabilities.

19.3 Waiver of Defences

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, Homes England) including:-

- 19.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 19.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 19.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or 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;
- 19.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 19.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 19.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 19.3.7 an insolvency, liquidation, administration or similar procedure.

19.4 Immediate recourse

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

19.5 Appropriations

During the Security Period Homes England may:-

19.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 14.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and

19.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

19.6 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 Homes England confirms that it shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

19.7 Deferral of Chargor's rights

During the Security Period and unless Homes England otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

19.7.1 to receive or claim payment from, or be indemnified by an Obligor;

19.7.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;

19.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of Homes England under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by Homes England;

19.7.4 to exercise any right of set-off against any Obligor; and/or

19.7.5 to claim or prove as a creditor of any Obligor in competition with Homes England.

20. RELEASE**20.1 Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, Homes England shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

20.1.1 release the Secured Assets from this Deed; and

20.1.2 re-assign the Secured Assets that has been assigned to Homes England under this Deed.

20.2 Reinstatement

If Homes England considers that any amount paid or credited under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

20.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

20.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

20.3 Consolidation

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

21. MISCELLANEOUS PROVISIONS

21.1 Severability

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

21.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

21.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

21.2 Information

Homes England may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as Homes England may think fit and each Chargor agrees to request any such person to provide any such information to Homes England and agrees to provide such further authority in this regard as Homes England or any such third party may from time to time require.

21.3 Joint and separate liability

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

21.4 Counterparts

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

21.5 Deeds of Accession

21.5.1 Each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

21.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to Homes England (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

21.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

22. NOTICES

22.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter.

22.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

22.2.1 in the case of each Chargor:

Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ marked for the attention of The Directors;

22.2.2 in the case of Homes England:

One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services,

or any substitute address or department or officer as the Party may notify to the other Parties pursuant to clause 28 of the Facilities Agreement by not less than five Business Days' notice.

22.3 Delivery

22.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:-

- (a) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*) of this Deed, if addressed to that department or officer.

- 22.3.2 Any communication or document to be made or delivered to Homes England will be effective only when actually received by Homes England and then only if it is expressly marked for the attention of the department or officer identified with Homes England's signature below (or any substitute department or officer as Homes England shall specify for this purpose).

22.4 English language

- 22.4.1 Any notice given under or in connection with this Deed must be in English.
- 22.4.2 All other documents provided under or in connection with this Deed must be:
- (a) in English; or
 - (b) if not in English, and if so required by Homes England, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. GOVERNING LAW

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

24. ENFORCEMENT

24.1 Jurisdiction of English Courts

- 24.1.1 The courts of England 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 or any non-contractual obligation arising out of or in connection with this Deed) (a "Dispute").
- 24.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.
- 24.1.3 This Clause 24.1 is for the benefit of Homes England only. As a result, Homes England shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Homes England may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1

THE CHARGORS

Company name	Company Number	Registered Office
ilke Homes Holdings Limited	10907810	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ
ilke Homes Limited	10909968	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ
ilke Homes Land Limited	12116890	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ

Schedule 2**DETAILS OF LAND****REGISTERED LAND**

Title number	Description	Chargor
NYK455990	The leasehold property known as Maximus, Flaxby Moor Industrial Estate, Knaresborough as more particularly identified in a lease between ilKE Homes Limited and Harworth Estates investments Limited and dated 1 May 2018 for a term of 14 years and as varied pursuant to a deed of variation dated 24 February 2021	ilke Homes Limited

Schedule 3

DETAILS OF SHARES

Name of Company in which shares are held	Description and Number of Shares	Name of Shareholder
ilke Homes Limited	50,338,518 Ordinary shares of £1.00 each	ilke Homes Holdings Limited
ilke Homes Land Limited	1 Ordinary Share of £1.00	ilke Homes Holdings Limited

Schedule 4**DETAILS OF ASSIGNED INSURANCES**

Chargor	Insurer	Policy number
iLKE Homes Holdings Limited and its subsidiaries	Chubb European Group SE	UKPAKD14063

Schedule 5

DETAILS OF ASSIGNED ACCOUNTS

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
ilke Homes Holdings Limited	Barclays Bank PLC	General Account		
ilke Homes Limited	Barclays Bank PLC	General Account		
ilke Homes Land Limited	Barclays Bank PLC	General Account		

Schedule 6

DEED OF ACCESSION

THIS DEED is made on []

BETWEEN:-

- (1) [] (the "New Chargor"), a company incorporated in England or Wales whose registered office is at [];
- (2) ilke Homes Holdings Limited (the "Parent") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) Homes and Communities Agency (trading as Homes England) as Homes England.

INTRODUCTION

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of [the Parent].
- (B) This Deed is supplemental to a deed dated [] (as supplemented and amended from time to time, the "Debenture") between, among others, the Parent, each of the companies named in the Debenture as Chargors, and Homes and Communities Agency (trading as Homes England) (as Lender).
- (C) The New Chargor at the request of the Parent and in consideration of Homes England making or continuing to make facilities available to the Parent or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-

1. DEFINITIONS AND INTERPRETATION

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to Homes England, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 [the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);]
- 3.2 [the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);]
- 3.3 [the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);]

3.4 [the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*);]

3.5 [the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*);]

4. **CONSENT OF EXISTING CHARGORS**

The Parent by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. **EFFECT ON DEBENTURE**

5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to Homes England (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

[SCHEDULE 1 - LAND]

[SCHEDULE 2 - SHARES]

[SCHEDULE 3 - ASSIGNED INSURANCES]

[SCHEDULE 4 - ASSIGNED CONTRACTS]

[SCHEDULE 5 - ASSIGNED ACCOUNTS]

SIGNATURE PAGES TO DEED OF ACCESSION

The New Chargor

EXECUTED as a Deed by)
 [COMPANY] [LIMITED])
 acting by a Director, in the presence of:-)

Signature of witness:

.....
 Director

.....
 Name of witness:

Address:

Occupation:

Address: []

Facsimile number []

The Parent

EXECUTED (but not delivered)
 until the date hereof) AS A DEED)
 by ILKE HOMES HOLDINGS LIMITED)
 acting by a Director, in the presence of:-)

Signature of witness:

.....
 Director

.....
 Name of witness:

Address:

Occupation:

Homes England

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

.....
 Name:

Authorised Signatory

Schedule 7

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant insurer]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER] (THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]

1. We give you notice that we have entered into a debenture dated [] in favour of Homes and Communities Agency (trading as Homes England) (the "Lender") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:
 - 3.1 name Homes England (in its capacity as Lender) as sole loss payee in respect of [each of] the Polic[y][ies];
 - 3.2 promptly inform Homes England, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
 - 3.3 advise Homes England promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
 - 3.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise Homes England at least 30 days before the reduction or restriction is due to take effect; and
 - 3.5 disclose to Homes England, without further approval from us, such information regarding the Polic[y][ies] as Homes England may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
4. Following Homes England's notification to you that the security created by the Debenture has become enforceable:-
 - 4.1.1 all payments and claims under or arising from the Polic[y][ies] are to be made to Homes England to such account (or to its order) as it may specify in writing from time to time;
 - 4.1.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by Homes England; and
 - 4.1.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by Homes England.
5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by Homes England.

6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.
7. By countersigning this letter, you confirm that:-
 - 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
 - 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given Homes England 30 days written notice of it or, if it is not possible to comply with such notification to Homes England in accordance with the provisions of the [relevant] Policy, the notice will be provided to Homes England in relation to such termination as soon as possible; and
 - 7.3 you will not, without Homes England's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to Homes and Communities Agency at One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully,

for and on behalf of
[CHARGOR]

Acknowledged:

For and on behalf of

[Name of insurer]

Schedule 8

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED ACCOUNTS

To: [Account Bank]

Date:

Dear Sirs

We give you notice that we have entered into a debenture dated [DATE] in favour of Homes and Communities Agency (trading as Homes England) ("**Homes England**") (the "**Debenture**").

We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our right, title and interest from time to time in and to the account set out below (the "**Non-Blocked Account**") (including any renewal or re-designation of any account and whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money:

Name of Account	Account Number	Sort Code
[CHARGOR] Limited - General Account	[DETAILS]	[DETAILS]

With effect from:

- the date of your receipt of notice from Homes England that an Acceleration Event has occurred all payments in respect of the Non-Blocked Account should be made to Homes England or to its order; and
- the date of your receipt of notice from Homes England that an Acceleration Event has occurred, all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Non-Blocked Account belong to Homes England and all moneys standing to the credit of the Non-Blocked Account are to be held to the order of Homes England.

By countersigning this letter, you confirm that:-

- no fees or periodic charges (other than your standard account operation fees and charges) are payable in respect of the Non-Blocked Account and there are no restrictions on:
 - the payment of the credit balance on the Non-Blocked Account; or
 - the assignment of the Non-Blocked Account to Homes England or any third party;
- you have not received notice of any previous assignments of, charges over or trusts in respect of, the Non-Blocked Account;
- with effect from the date of receipt of a notice from Homes England that an Acceleration Event has occurred:

- 3.1 you will not, without Homes England's prior written consent exercise any right of combination, consolidation or set-off which you may have in respect of the Non-Blocked Account (save in relation to fees and charges payable to you for the operation of the Non-Blocked Account) ; and
- 3.2 you will act only in accordance with the instructions given by persons authorised by Homes England;
4. you will be able to rely on any instructions from Homes England without further enquiry into (a) the identity, capacity or authority of individuals providing such instruction, or (b) whether a default or other event allowing Homes England to provide such instruction has actually occurred (even if [CHARGOR] Limited notifies us that Homes England is not legally entitled to originate such instruction) and you shall be fully protected in acting in accordance with such instructions; and
5. until such time as Homes England provides you with the notice referred to in paragraph 3 above: (a) [CHARGOR] Limited is entitled to receive, withdraw, transfer or otherwise deal with any credit from time to time on the Non-Blocked Account, (b) you are entitled to permit such monies to be withdrawn, transferred or otherwise dealt with in any way which [CHARGOR] Limited may direct and (c) Homes England will have no recourse to you and no action or right against you of any nature whatsoever for or in relation to the Non-Blocked Account or any dealing whatsoever in relation thereto.

The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.

This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please accept this notice by signing the enclosed acknowledgement and returning it to Homes England at Homes and Communities Agency, One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully

for and on behalf of
[CHARGOR]

ACKNOWLEDGEMENT OF ACCOUNT BANK

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

Date: 202*

At the request of Homes England and [CHARGOR] Limited we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Non-Blocked Account (as described in those terms). We confirm that:-

1. no fees or periodic charges are payable in respect of the Non-Blocked Account (other than our standard account operation fees and charges) and there are no restrictions on (a) the payment of the credit balance on the Accounts provided that if an instruction is given which would in our opinion cause the Non-Blocked Account to become overdrawn, we will transfer the cleared balance in the Non-Blocked Account only or (b) the assignment of the Non-Blocked Account to Homes England or any third party;
 - 1.1 we have not received notice of any previous assignments of, charges over or trusts in respect of, the Non-Blocked Account;
 - 1.2 with effect from the date of receipt of a notice from Homes England that an Acceleration Event has occurred we will not, without Homes England's consent exercise any right of combination, consolidation or set-off which we may have in respect of the Non-Blocked Account (save in relation to fees and charges payable to you for the operation of the Non-Blocked Account);
 - 1.3 we will promptly following the date of receipt of a notice from Homes England that an Acceleration Event has occurred, take action to block the Non-Blocked Account and revoke the permissions of [CHARGOR] Limited in respect of the Non-Blocked Account; and
 - 1.4 immediately following the Non-Blocked Account being blocked by us, we will act only in accordance with the instructions given by persons authorised by Homes England and Homes England acknowledge that we shall not be liable to them in any respect for any delay or inaction on the part of [Account Bank] following receipt of the notice from Homes England that an Acceleration Event has occurred.
2. Homes England acknowledges that we have no notice of the particulars of the Security Agreement granted to Homes England by [CHARGOR] Limited other than as set out in the notice and this letter. Homes England further acknowledges that we shall not be liable to them in any respect if [CHARGOR] Limited operates the Non-Blocked Account in breach of any agreement entered into by [CHARGOR] Limited with Homes England and in any event we shall not be liable for any consequential or indirect loss of or damage to goodwill, profits or anticipated savings (however caused).
3. Homes England irrevocably authorises us to follow any instructions received from them in relation to the Non-Blocked Account from any person that we reasonably believe to be an authorised officer of Homes England without further inquiry as to the right or authority to give such instructions and we shall be fully protected in acting in accordance with such instructions.

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by English law and all parties hereby submit to the exclusive jurisdiction of the English courts.

Yours faithfully

.....
for and on behalf of
[Account Bank]

We hereby acknowledge and accept the terms of this letter

.....
for and on behalf of
Homes and Communities Agency

Date:

Schedule 9

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into a debenture dated [] in favour of Homes and Communities Agency (trading as Homes England) (the "Lender") (the "Debenture").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following Homes England's notification to you that the security created by the Debenture has become enforceable:-
 - 3.1 [all payments to be made to us under or arising from the Contract should be made [to Homes England or to its order as it may specify in writing from time to time] [*specify bank account*];
 - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by Homes England;
 - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of Homes England from time to time (and to hold the money for any such payments to Homes England's order pending receipt of written instructions from Homes England); and
 - 3.4 subject to paragraph 5 below, you shall allow Homes England to perform all the obligations assumed by us under the Contract.
4. You shall not be released from your obligations under the Contract without the prior written consent of Homes England.
5. We shall remain liable to perform all our obligations under the Contract and Homes England shall be under no obligation of any kind whatsoever in respect of the Contract.
6. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
 - 6.1 promptly disclose to Homes England such information relating to the Contract as Homes England may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable Homes England to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and

- 6.2 provide Homes England with copies of all notices given or received under the Contract promptly after they are given or received.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.
8. By countersigning this letter, you confirm that:-
- 8.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
- 8.2 no amendment, waiver or release of any of rights, interests and benefits referred to in this notice shall be effective without the prior written consent of Homes England;
- 8.3 no termination of any rights, interests or benefits referred to in this notice shall be effective unless we have given Homes England thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination;
- 8.4 no breach or default on the part of the *[insert name of relevant Chargors]* of any of the terms of the Contract shall be deemed to have occurred unless you have given notice of such breach to Homes England specifying how to make good such breach; and
- 8.5 you will not, without Homes England's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
9. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to Homes and Communities Agency at One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully,

for and on behalf of
[CHARGOR]

Acknowledged:

For and on behalf of

[Name of contract counterparty]

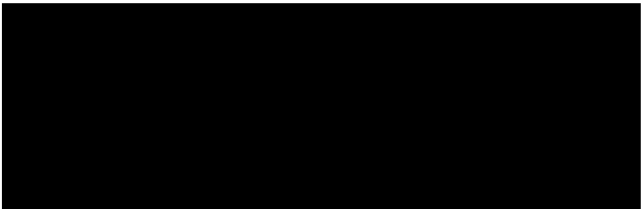
EXECUTION PAGES

The Chargors

EXECUTED as a Deed)
by ILKE HOMES HOLDINGS LIMITED)
acting by a director in the presence of a)
witness:-)
)

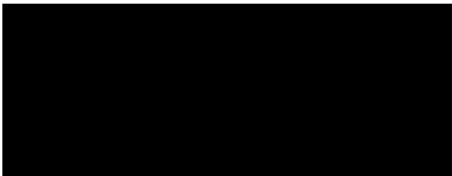
Director

Witness



Witness Name CHRISTOPHER BALDERSTONE

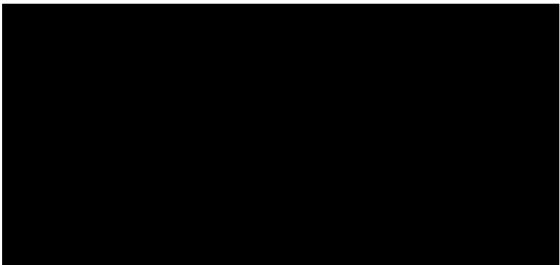
Witness Address



EXECUTED as a Deed)
by ILKE HOMES LIMITED)
acting by a director in the presence of a)
witness:-)
)

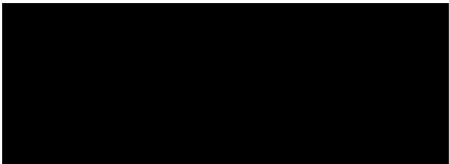
Director

Witness

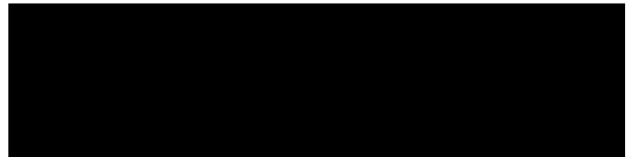


Witness Name CHRISTOPHER BALDERSTONE

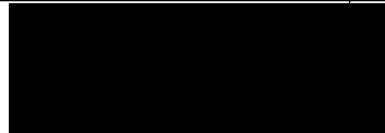
Witness Address



EXECUTED as a Deed)
by ILKE HOMES LAND LIMITED)
acting by a director in the presence of a)
witness:-)
)



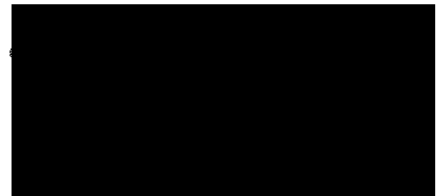
Director



Witness

Witness Name *CHRISTOPHER BALDERSTONE*

Witness Address



Homes England

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

.....

Name:

Authorised Signatory

DATED 17 MAY 2021

- (1) EACH OF THE COMPANIES SPECIFIED IN SCHEDULE 1 AS CHARGORS
- (2) HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)

DEBENTURE



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THIS DEED is made on 17 May 2021

BETWEEN:-

- (1) **THE COMPANIES** whose names and registered offices are set out in Schedule 1 (together with each company which becomes a party to this Deed by executing a Deed of Accession, each a "**Chargor**" and together the "**Chargors**"); and
- (2) **HOMES AND COMMUNITIES AGENCY (TRADING AS HOMES ENGLAND)** ("**Homes England**")

INTRODUCTION

- (A) Homes England has agreed to make credit facilities available to ilke Homes Holdings Limited and ilke Homes Limited on the terms and conditions set out in the Facilities Agreement (as is defined below).
- (B) The Chargors have agreed to enter into this Deed to provide Security over their assets to Homes England pursuant to the Facilities Agreement.

IT IS AGREED as follows:-

1. INTERPRETATION

1.1 Definitions

In this Deed:-

"Acceleration Event"	means, following the occurrence of an Event of Default which is continuing, Homes England giving a notice pursuant to or exercising a right under clause 22.19 (<i>Acceleration</i>) of the Facilities Agreement.
"Account"	means any account now or at any time (and from time to time) opened, owned, operated, held or maintained by any Chargor (or in which any Chargor has an interest) at any bank or financial institution in any jurisdiction (and shall include any replacement account, subdivision or sub-account of that account) and all moneys from time to time standing to the credit (including any interest thereon) of such accounts
"Assigned Account"	means:- <ul style="list-style-type: none"> (a) each of the Accounts specified in Schedule 5 (<i>Details of Assigned Accounts</i>) (and any replacement, renewal or re-designation of such Accounts); (b) any other Account agreed by Homes England and the Chargors in writing to be an Assigned Account
"Assigned Contracts"	means each of the Material Contracts (as defined in the <i>Facilities Agreement</i>) from time to time and each contract in respect of any disposal of any Secured Assets and all other agreements, in which a Chargor has an interest in

	each case, including any guarantees or sureties entered into in respect of them
"Assigned Insurances"	means the Insurances (if any) specified in Schedule 4 (<i>Assigned Insurances</i>) (including any renewal, substitution or replacement of such Insurance)
"Deed of Accession"	means a deed substantially in the form of Schedule 6 (<i>Deed of Accession</i>) executed, or to be executed, by a person becoming a Chargor
"Default"	has the meaning given to that term in the Facilities Agreement
"Default Rate"	means the rate specified in clause 10.3 (<i>Default interest</i>) of the Facilities Agreement
"Event of Default"	has the meaning given to that term in the Facilities Agreement
"Facilities Agreement"	means the facilities agreement dated 1 November 2019 as amended and restated on or about the date of this Deed between, among others, the Chargors and Homes England
"Insurances"	means any contracts and policies of insurance or assurance taken out by or on behalf of any Chargor or (to the extent of its interest) in which any Chargor has an interest excluding, in each case, contracts and policies of insurance or assurance which relate to liabilities to third parties and shall include all Insurance Proceeds
"Intellectual Property"	means any of the following:- <ul style="list-style-type: none"> (a) the UK registered trademark (number 3188997) for the word "ILKE" registered at the UK Intellectual Property Office in classes 6, 19, 36, 37, 42 and 43 with a renewal date of 3 October 2026 and issued for the benefit of ILKE Homes Limited; (b) the UK registered trademark (number 3486070) for the word "ILKE" registered at the UK Intellectual Property Office in classes 36, 37 and 42 with a renewal date of 1 May 2030 and issued for the benefit of ILKE Homes Limited; (c) all interests in respect of any registered intellectual property right in any territory or jurisdiction, including, without limitation, patents (including supplementary protection certificates), trade marks, service marks, registered designs and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above; (d) any brand and trade names, domain names, invention, copyright, design right or performance right;

- (e) any trade secrets, database right, know-how and confidential information; and
- (f) the benefit of any agreement or licence for the use of any such right,

and any similar right in any territory or jurisdiction and any applications or right to apply for any of the above together with any registrations, extensions, renewals or applications of or for the same, now or at any time hereafter (and from time to time) owned or held by any Chargor or (to the extent of its interest) in which any Chargor has an interest

"Land" has the meaning given to that term in section 205(1) of the LPA but for these purposes **"Land"** excludes heritable property situated in Scotland

"LPA" means the Law of Property Act 1925

"Monetary Claims" means all book and other debts, rentals, royalties, fees, VAT and monetary claims now or in the future owing to each Chargor (whether alone or jointly with any other person), whenever payable and whether liquidated or unliquidated, certain or contingent including, without limitation, credit balances on any Account, together with all cheques, bills of exchange, negotiable instruments, indemnities, credits and securities at any time given in relation to, or to secure payment of, any such debt

"Party" means a party to this Deed

"Plant and Equipment" means all fixtures, fittings, plant, machinery or equipment, manuals (including office equipment, computers, vehicles and other equipment) and other chattels, present and future of each Chargor of any kind and the benefit of all licences, warranties, guarantees and contracts relating to the same

"Receiver" means any receiver, receiver and manager or, to the extent permitted by law, an administrative receiver (whether appointed pursuant to this Deed or any statute, by a court or otherwise) of the whole or any part of the Secured Assets

"Related Rights" means in relation to any Secured Asset:-

- (a) the proceeds of sale of all or any part of that Secured Asset;
- (b) allotments, rights, money or property arising from that Secured Asset, by way of conversion, exchange, redemption, bonus, preference, option or otherwise;
- (c) all rights under any licence, agreement for sale or agreement for lease in respect of that Secured Asset;

	<p>(d) all rights, powers, benefits, claims, contracts, warranties, remedies, security, guarantees, indemnities or covenants for title in respect of that Secured Asset; and</p> <p>(e) any moneys and proceeds or income paid or payable in respect of that Secured Asset</p>
"Secured Assets"	means all the assets and undertaking of the Chargors which from time to time are, or purport to be, the subject of the Security created in favour of Homes England by or pursuant to this Deed
"Secured Finance Documents"	has the meaning given to that the term "Finance Documents" in the Facilities Agreement
"Secured Liabilities"	means all present and future liabilities and obligations of each Chargor and each other Obligor to Homes England (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever and whether or not Homes England was the original creditor in respect thereof) including, without limitation, all sums due, owing or payable under or in connection with any of the Secured Finance Documents and all interest, commission, costs, charges and expenses incurred by Homes England in connection with the protection, preservation and/or enforcement of its rights under the any document evidencing or securing any such liabilities and obligations, whatever their nature or basis, in any currency or currencies, and however they are described (each a "Secured Liability")
"Securities"	means all or any stocks, shares (other than any Shares) or other financial instruments (as defined in the UK Financial Collateral Regulations) including those held via a nominee, trustee or clearing system
"Security"	means a mortgage, charge, pledge, lien or any other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
"Security Period"	<p>means the period beginning on the date of this Deed and ending on the date which Homes England (acting in its sole discretion) confirms to those Chargors that:-</p> <p>(a) all of the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full; and</p> <p>(b) Homes England has no further commitment, obligation or liability under or pursuant to the Secured Finance Documents</p>
"Shares"	means all of the shares in the capital of each of the companies specified in Schedule 3 (Details of Shares)
"Transaction Security Documents"	has the meaning given to that term in the Facilities Agreement

"UK Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (S.I.2003/3226) as amended by the Financial Collateral Arrangements (No. 2) Regulations 2003 (Amendment) Regulations 2009 (S.I.2009/2462), the Financial Markets and Insolvency (Settlement Finality and Financial Collateral Arrangements) (Amendment) Regulations 2010, the European Union (Withdrawal) Act 2018 (as amended) and the Financial Markets and Insolvency (Amendment and Transitional Provision) (EU Exit) Regulations 2019 (S.I.2019/341) and "UK Financial Collateral Regulation" means any of them

1.2 Incorporation of terms

Unless the context otherwise requires or unless defined in this Deed, all words and expressions defined or whose interpretation is provided for in the Facilities Agreement shall have the same meanings in this Deed.

1.3 Interpretation

1.3.1 The principles of interpretation set out in clauses 1.1 to 1.3 of the Facilities Agreement shall apply to this Deed insofar as they are relevant to it.

1.3.2 Unless the context otherwise requires, a reference to a **"Secured Finance Document"** or any other agreement, deed or instrument is a reference to that Secured Finance Document or other agreement, deed or instrument as amended, novated, supplemented, restated or replaced (however fundamentally) and includes any increase in, extension of, or change to, any facility made available under that Secured Finance Document or other agreement, deed or instrument and includes any increase in, extension of or change to any facility made available under that Secured Finance Document or other agreement, deed or instrument.

1.3.3 The liabilities of the Chargors under this Deed are joint and several.

1.4 Effect as a deed

This Deed shall take effect as a deed even if it is signed under hand on behalf of Homes England.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

The terms of the other Secured Finance Documents and of any side letters between any parties in relation to any Secured Finance Document are incorporated in this Deed to the extent required to ensure that any purported disposition of an interest in Land contained in this Deed is a valid disposition in accordance with Section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

1.6 Third party rights

1.6.1 Homes England, any Receiver and their respective officers, employees and agents may enforce any term of this Deed which purports to confer a benefit on that person, but no other person who is not a Party has any right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Deed.

1.6.2 Notwithstanding any term of any Secured Finance Document, the Parties and any Receiver may rescind, vary, waive, release, assign, novate or otherwise dispose of all or any of their respective rights or obligations under this Deed without the consent of any person who is not a Party.

1.7 Continuing Default and Event of Default

A Default (other than an Event of Default) is "**continuing**" if it has not been remedied or waived and an Event of Default is "**continuing**" if it has not been remedied or waived.

1.8 Nominees

If Homes England causes or requires Shares or any other asset to be registered in the name of its nominee, any reference in this Deed to Homes England shall, if the context permits or requires, be construed as a reference to Homes England and its nominee.

2. COVENANT TO PAY

2.1 Secured Liabilities

Each Chargor covenants that it will on demand pay and discharge the Secured Liabilities when due.

2.2 Interest

Each Chargor covenants to pay interest at the Default Rate to Homes England on any sum not paid in accordance with Clause 2.1 (*Secured Liabilities*) until payment (both before and after judgment).

3. CHARGES

3.1 Land

Each Chargor charges to Homes England all its right, title and interest from time to time in each of the following assets:-

3.1.1 by way of first legal mortgage all Land which is described in Schedule 2 (*Details of Land*);

3.1.2 by way of first fixed charge:-

- (a) all Land vested in any Chargor on the date of this Deed to the extent not effectively mortgaged by Clause 3.1.1;
- (b) all licences to enter upon or use Land and the benefit of all other agreements relating to Land;
- (c) all Leases, easements, licences and other rights, present and future, relating to any Secured Assets in which it has an interest;
- (d) all Land acquired by any Chargor after the date of this Deed;
- (e) to the extent not the subject of an effective assignment pursuant to this Deed, all rental income and Disposal Proceeds, present and future relating to any Land; and
- (f) all Related Rights under or in connection with any Land.

3.2 Insurances

To the extent not the subject of an effective assignment pursuant to this Deed, by way of fixed charge all Insurances and all Related Rights under any of the Insurances.

3.3 **Shares**

Each applicable Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of fixed charge the Shares and all Related Rights under or in connection with such Shares.

3.4 **Securities**

Each Chargor mortgages or (if or to the extent that this Deed does not take effect as a mortgage) charges by way of first fixed charge the Securities and all Related Rights under or in connection with the Securities.

3.5 **Intellectual Property**

Each Chargor charges by way of first fixed charge the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.6 **Monetary Claims**

To the extent not the subject of an effective assignment pursuant to this Deed, each Chargor charges by way of first fixed charge the Monetary Claims and all Related Rights under or in connection with the Monetary Claims.

3.7 **Plant and Equipment**

Each Chargor charges by way of first fixed charge, in respect of the Charged Property:-

3.7.1 the Plant and Equipment other than any Plant and Equipment which is for the time being part of any Chargor's stock-in-trade or work-in-progress; and

3.7.2 all Related Rights under or in connection with the Plant and Equipment.

3.8 **Goodwill**

Each Chargor charges by way of first fixed charge its present and future goodwill.

3.9 **Uncalled capital**

Each Chargor charges by way of first fixed charge its uncalled capital.

3.10 **Authorisations**

Each Chargor charges by way of first fixed charge the benefit of all licences, consents, agreements and Authorisations held by or used in connection with the business of such Chargor or the use of any of its assets.

3.11 **Letters of credit**

Each Chargor charges by way of first fixed charge any letter of credit issued in its favour and all bills of exchange and other negotiable instruments held by it.

3.12 **Assigned Contracts**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.12.1 the Assigned Contracts to which it is a party; and

3.12.2 all Related Rights under or in connection with the Assigned Contracts to which it is a party.

3.13 **Rental income and Disposal Proceeds**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all rental income and Disposal Proceeds present and future relating to any Secured Assets and all Related Rights.

3.14 **Monetary Claims**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all Monetary Claims present and future and all Related Rights under or in connection with the Monetary Claims.

3.15 **Intellectual Property**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all the Intellectual Property and all Related Rights under or in connection with the Intellectual Property.

3.16 **Related Rights**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in all other Related Rights in respect of any Secured Assets.

3.17 **Assigned Insurances**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:

3.17.1 the Assigned Insurances to which it is a party; and

3.17.2 all Related Rights under or in connection with the Assigned Insurances to which it is a party.

3.18 **Assigned Accounts**

Each Chargor assigns absolutely, subject to a proviso for reassignment on the irrevocable discharge in full of the Secured Liabilities, all its right, title and interest from time to time in:-

3.18.1 the Assigned Accounts in its name; and

3.18.2 all Related Rights under or in connection with the Assigned Accounts in its name.

3.19 **Floating Charge**

3.19.1 Each Chargor charges by way of first floating charge all of its present and future business, undertaking and assets wherever situated, which are not for any reason effectively mortgaged, charged or assigned by way of fixed security by this Deed, including, without limitation, any heritable property situated in Scotland.

3.19.2 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 will apply to any floating charge created by this Deed.

3.20 **Trust**

If or to the extent that for any reason the assignment or charging of any Secured Asset is prohibited, the relevant Chargor shall:-

3.20.1 hold it on trust for Homes England as security for the payment and discharge of the Secured Liabilities; and

3.20.2 take such steps as Homes England may require to remove the impediment to assignment or charging it.

3.21 **Nature of Security created**

The Security created under this Deed is created:

3.21.1 as a continuing security to secure the payment and discharge of the Secured Liabilities and shall not be released or discharged by any intermediate payment or settlement of all or any of the Secured Liabilities;

3.21.2 in favour of Homes England; and

3.21.3 with full title guarantee.

4. **CRYSTALLISATION OF FLOATING CHARGE**

4.1 **Crystallisation: By Notice**

4.1.1 Subject to Clause 4.4 (*Crystallisation: Moratorium*), Homes England may at any time by notice in writing to any Chargor convert the floating charge created by Clause 3.19 (*Floating Charge*) into a fixed charge with immediate effect as regards any property or assets specified in the notice if:-

- (a) the Security created by or pursuant to this Deed becomes enforceable in accordance with Clause 12.1 (*Enforcement*); or
- (b) Homes England considers that any Secured Asset may be in jeopardy or in danger of being seized, attached, charged, taken possession of or sold under any form of distress, sequestration, execution or other process of otherwise be in jeopardy; or
- (c) Homes England considers that it is necessary in order to protect the priority of the Security created by or pursuant to this Deed.

4.1.2 If no specific assets subject to the floating charge in Clause 3.19 (*Floating charge*) are identified in the notice referred to in Clause 4.1.1 then the crystallisation shall take effect over all of the assets subject to the floating charge in Clause 3.19 (*Floating charge*).

4.2 **Crystallisation: Automatic**

Subject to Clause 4.4 (*Crystallisation: Moratorium*), the floating charge created by a Chargor under Clause 3.19 (*Floating Charge*) will automatically be converted (without notice) with immediate effect into a fixed charge as regards all of the undertaking and assets of that Chargor subject to the floating charge:-

4.2.1 if that Chargor creates or attempts to create any Security (other than Permitted Security (as defined in the Facilities Agreement)) over any of the Secured Assets; or

- 4.2.2 if any person levies or attempts to levy any distress, execution or other process against any of the Secured Assets; or
- 4.2.3 if Homes England receives notice of an intention to appoint an administrator of that Chargor; or
- 4.2.4 if any step is taken (including the presentation of a petition, the passing of a resolution or the making of an application) to appoint a liquidator, provisional liquidator, administrator or Receiver in respect of that Chargor, over all or any part of its assets, or if such person is appointed; or
- 4.2.5 on the crystallisation of any other floating charge over the Secured Assets; or
- 4.2.6 in any other circumstance provided by law.

4.3 **Assets acquired post-crystallisation**

Any assets acquired by a Chargor after crystallisation has occurred (and that are not effectively charged by way of legal mortgage or fixed charge, or assigned under Clause 3 (*Charges*)), shall become subject to the floating charge created by Clause 3.19 (*Floating charge*) so that the crystallisation shall be effective as if such assets were owned by the Chargor at the date of crystallisation.

4.4 **Crystallisation: Moratorium where directors propose voluntary arrangement**

- 4.4.1 Notice may not be given to cause the floating charge over the assets of a Chargor created by Clause 3.19 (*Floating Charge*) to crystallise into a fixed charge whilst that Chargor is subject to a moratorium under Part A1 to the Insolvency Act 1986.
- 4.4.2 The floating charge created by Clause 3.19 (*Floating Charge*) may not be crystallised into a fixed charge solely by reason of:
 - (a) the obtaining of a moratorium; or
 - (b) anything done with a view to obtaining a moratorium,
 under Part A1 to the Insolvency Act 1986

4.5 **Partial crystallisation**

The giving of a notice by Homes England pursuant to Clause 4.1 (*Crystallisation: By Notice*) in relation to any class of assets of any Chargor shall not be construed as a waiver or abandonment of the rights of Homes England to serve similar notices in respect of any other class of assets or of any other right of Homes England.

4.6 **De-crystallisation of floating charge**

Any charge that has crystallised under this Clause may by notice in writing (given at any time by Homes England to the Chargors, be reconverted into a floating charge in relation to the assets or class of assets specified in that notice.

5. **PERFECTION OF SECURITY**

5.1 **Notices of assignment**

- 5.1.1 The Chargors must deliver notices of assignment in relation to each Secured Asset which is subject to an assignment under this Deed:-

- (a) Assigned Contracts:
- (i) in relation to any Assigned Contract which is a Material Contract, within 5 Business Days of the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
 - (ii) on entering into any new Assigned Contract which is a Material Contract or if any Chargor renews, substitutes or replaces any Assigned Contract which is a Material Contract, by issuing, on or within 5 Business Days of the date of entering into, renewal, substitution or replacement of the relevant Assignment Contract, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
 - (iii) in relation to Assigned Contracts which are not Material Contracts, within 5 Business Days of following a request in writing to do so by Homes England in circumstances where there is a Default which is continuing, by issuing a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty; and
 - (iv) if any Chargor renews, substitutes or replaces any Assigned Contract which is not Material Contract and for which a notice has been served pursuant to Clause 5.1.1(a)(iii), by issuing, on or within 5 Business Days of the date of such renewal, substitution or replacement of the relevant Assignment Contract which is not a Material Contract, a notice in the form set out in Schedule 9 (*Form of notice of assignment of Assigned Contract*) addressed to the relevant counterparty;
- (b) Assigned Insurances:
- (i) in relation to any Assigned Insurances, within 5 Business Days of the date on which the assignment is granted, by issuing a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer; and
 - (ii) if any Chargor renews, substitutes or replaces any Assigned Insurance, by issuing, within 5 Business Days of the date of the renewal, substitution or replacement, a notice in the form set out in Schedule 7 (*Form of notice of assignment of Assigned Insurance*) addressed to the relevant insurer;
- (c) Assigned Accounts:
- (i) in respect of each Assigned Account by issuing, within 5 Business Days of the date on which the assignment is granted, a notice in the form set out in Schedule 8 (*Form of notice of assignment of Assigned Accounts*) addressed to the bank or financial institution with whom the Assigned Account is held; and
 - (ii) in respect of any Account subsequently designated in writing by Homes England and any Chargor as an Assigned Account, by issuing, within 5 Business Days of the date of the designation, a notice in the form set out in Schedule 8 (*Form of notice of*

assignment of Assigned Accounts) addressed to the bank or financial institution with whom the Assigned Account is held; and

- (d) Other Secured Assets:
 - (i) in respect any other Secured Assets assigned under this Deed by issuing, within 5 Business Days of a request in writing to do so by Homes England, a notice in the form required by Homes England addressed to the relevant counterparty.

5.1.2 The Chargors shall use all reasonable endeavours to procure that each notice of assignment delivered pursuant to Clause 5.1.1 above is acknowledged by the party to whom it is addressed.

5.1.3 Each Chargor will deliver to Homes England:-

- (a) a copy of each notice of assignment, within 5 Business Days of delivery to the relevant counterparty; and
- (b) a copy of each acknowledgment of a notice of assignment, within 5 Business Days of receipt from the relevant counterparty.

5.2 Documents of Title

5.2.1 Land

- (a) Subject to the provisions of Clause 5.2.1(a), the Chargors shall upon the execution of this Deed or any Deed of Accession, and upon the acquisition by any Chargor of any freehold interest in any Land and any current or future leasehold interests (unless such leasehold interest is a short term lease) deliver (or procure delivery) to Homes England of either:-
 - (i) all deeds, certificates and other documents relating to such Land (which Homes England shall be entitled to hold and retain at the expense and risk of the Chargors); or
 - (ii) an undertaking from the Chargor's solicitors (in form and substance acceptable to Homes England) to hold all deeds, certificates and other documents of title relating to such Land strictly to the order of Homes England.
- (b) Homes England may notify any Chargor that the provisions of 5.2.1(b) apply to a short term lease if they have determined in their opinion (acting reasonably) that the relevant lease is operationally important.

5.2.2 Shares

The Chargors shall upon the execution of this Deed or any Deed of Accession (or, if later, promptly upon the accrual, offer or issue of any stocks, shares, warrants or other securities in respect of or derived from the Shares) and upon the acquisition by any Chargor of any interest in any Shares deliver (or procure delivery) to Homes England of:

- (a) all stock and share certificates and other documents of or evidencing title to the Shares;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Shares, completed in blank on behalf of the applicable Chargor and, if Homes England so requires, pre-stamped; and

- (c) any other documents which Homes England may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Shares,

all of which Homes England is entitled to hold at the expense and risk of the Chargors.

5.2.3 Securities

As soon as commercially practicable after any Securities are registered in, or transferred into the name of, a Chargor (which shall in any event be after any stock transfer forms in respect of such Securities have been returned from HMRC duly stamped to the extent required), or held by or in the name of Homes England or a nominee (and in any event as soon as Homes England so requests), such Chargor shall deposit with Homes England, in respect of or in connection with those Securities:

- (a) all stock and share certificates and other documents of or evidencing title to the Securities;
- (b) signed and undated transfers (or other instruments of transfer) in respect of the Securities, completed in blank on behalf of the applicable Chargor and, if Homes England so requires, pre-stamped; and
- (c) any other documents which Homes England may from time to time require for perfecting its title, or the title of any purchaser, in respect of the Securities,

all of which Homes England is entitled to hold at the expense and risk of the Chargors.

5.3 Application to the Land Registry

Each Chargor and Homes England apply to the Land Registry for the following to be entered on the registered title to any Land now or in the future owned by it:-

5.3.1 a restriction in the following terms:-

"No disposition of the registered estate by the proprietor of the registered estate [or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction,] is to be registered without a written consent signed by the proprietor for the time being of the charge dated [*insert date*] in favour of Homes and Communities Agency (trading as Homes England) referred to in the charges register (Form P)"

5.3.2 a notice that:-

"Homes and Communities Agency (Trading as Homes England) are under an obligation to make further advances."

6. COVENANTS

6.1 Further assurance

Each Chargor shall, from time to time and at its own expense, promptly do whatever Homes England requires to:-

- 6.1.1 give effect to the requirements of this Deed;

6.1.2 perfect, preserve or protect the Security created or expressed to be created by this Deed, or its priority; or

6.1.3 once the Security created by this Deed has become enforceable, facilitate the realisation of the Secured Assets or the exercise of any rights vested in Homes England or any Receiver by this Deed or by law,

including executing any transfer, conveyance, charge, assignment or assurance of or in respect of the Secured Assets (whether to Homes England or its nominees or otherwise), making any registration and giving any notice, order or direction. The obligations of the Chargors under this Clause 6.1 are in addition to the covenants for further assurance deemed to be included by virtue of the Law of Property (Miscellaneous Provisions) Act 1994.

6.2 **Negative pledge**

Each Chargor undertakes that it shall not create or permit to subsist any Security over any Secured Assets, nor do anything else prohibited by clause 21.13 (*Negative pledge*) of the Facilities Agreement, except for Permitted Security or as otherwise expressly permitted under the terms of the Secured Finance Documents.

6.3 **Land**

Each Chargor shall promptly notify Homes England in writing if it intends to acquire any estate or interest in Land and shall promptly on request by Homes England (at the cost of that Chargor) execute a legal mortgage in favour of Homes England of that property in any form which Homes England may require. If the title to any such estate or interest is registered (or required to be registered) at the Land Registry, the relevant Chargor will procure the registration of the legal mortgage at the Land Registry.

7. **SHARES AND SECURITIES**

7.1 **Shares: before an Acceleration Event**

Prior to the occurrence of an Acceleration Event, the Chargors shall:-

7.1.1 pay all dividends, interest and other moneys arising from the Shares into the Assigned Account;

7.1.2 exercise all voting rights in relation to the Shares for any purpose not inconsistent with the terms of the Secured Finance Documents;

7.1.3 promptly upon receipt, forward to Homes England copies of all notices and other communications received in connection with the Shares;

7.1.4 promptly comply with (and copy to Homes England) all requests for information which is within its knowledge and which are made under section 793 of the Companies Act 2006 or any similar provision in any articles of association or other constitutional documents relating to any Shares; and

7.1.5 comply with all other conditions and obligations assumed by it in respect of any of the Shares where failure to do so could adversely effect the interests of Homes England.

7.2 **Shares: after an Acceleration Event**

After the occurrence of an Acceleration Event, Homes England may at its discretion (in the name of any Chargor or otherwise and without any further consent or authority from any Chargor):-

7.2.1 exercise (or refrain from exercising) any voting rights in respect of the Shares;

- 7.2.2 apply all dividends, interest and other moneys arising from the Shares in accordance with Clause 14 (*Application of Moneys*);
- 7.2.3 transfer the Shares into its name or the name of its nominee(s); and
- 7.2.4 exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Shares, including the right, in relation to any company whose shares or other securities are included in the Secured Assets, to concur or participate in:-
 - (a) the reconstruction, amalgamation, sale or other disposal of such company or any of its assets or undertaking (including the exchange, conversion or reissue of any shares or securities as a consequence of such reconstruction, amalgamation, sale or other disposal);
 - (b) the release, modification or variation of any rights or liabilities attaching to such shares or securities; and
 - (c) the exercise, renunciation or assignment of any right to subscribe for any shares or securities,

in each case in such manner and on such terms as Homes England may think fit, and the proceeds of any such action shall form part of the Secured Assets.

7.3 **Securities and Shares: payment of calls**

The Chargors shall pay when due all calls or other payments which may be or become due in respect of any of the Securities and Shares which are not fully paid (unless reasonably contested), and in any case of default by any Chargor in such payment, Homes England may, if it thinks fit, make such payment on behalf of such Chargor in which case any sums paid by Homes England shall be reimbursed by the Chargor to Homes England on demand and shall carry interest from the date of payment by Homes England until reimbursed at the rate notified to the Chargor by Homes England.

7.4 **Securities: exercise of rights**

Except as permitted by the Facilities Agreement, the Chargors shall not exercise any of their respective rights and powers in relation to any of the Securities in any manner which would prejudice the effectiveness of, or the ability of Homes England to realise, the Security created by or pursuant to this Deed.

8. **INTELLECTUAL PROPERTY**

Each Chargor shall, if requested by Homes England and at such Chargor's cost, execute all such further assignments, transfers, charges or other documents in such form as Homes England may require and do all acts that Homes England may require to perfect the Security taken by, or to record the interest of, Homes England in any registers relating to any registered Intellectual Property.

9. **MONETARY CLAIMS**

- 9.1 The Chargors shall get in and realise the Monetary Claims in the ordinary course of business and pay or otherwise deal with the proceeds of those Monetary Claims in accordance with the terms of the Facilities Agreement.
- 9.2 The Chargors shall not at any time during the subsistence of this Deed, without the prior written consent of Homes England or otherwise as permitted pursuant to the terms of the Secured Finance Documents, sell, factor, discount, transfer, assign, lend or otherwise dispose of any of the Monetary Claims or enter into any agreement to do so.

- 9.3 If and to the extent that Homes England so specifies, at any time after the Security created under this Deed has become enforceable, each Chargor shall pay the proceeds of payment or realisation of its assets comprising temporary and other investments, book and other debts, royalties, fees and income of like nature or other moneys received by that Chargor as Homes England may require into such Account(s) as Homes England may from time to time specify and pending such payment shall hold all such receipts on trust for Homes England.

10. ACCOUNTS

10.1 General

10.1.1 Each Chargor shall:

- (a) deliver to Homes England:-
 - (i) on the date of this Deed (or the date of any Deed of Accession, if applicable), details of each of its Accounts; and
 - (ii) if any change in such detail (including any replacement, renewal or re-designation of any such Account) occurs after the date of this Deed or any new Account is opened as permitted under the terms of the Facilities Agreement, details of such change or new Account on the date of such change or opening; and
- (b) open such new Accounts as Homes England may require (whether before or after the Security created by this Deed has become enforceable).

10.1.2 Without prejudice to and in addition to Clause 6.2 (*Negative pledge*):

- (a) the benefit of each Assigned Account shall not be capable of assignment or charge (in whole or in part) save pursuant to this Deed; and
- (b) each Chargor agrees that it will not assign (whether by sale or mortgage), charge or otherwise seek to deal with or dispose of all or any part of any Assigned Account without the prior written consent of Homes England (in its capacity as Lender under this Deed) or as otherwise permitted by the terms of the Facilities Agreement.

10.1.3 Upon the Security created by this Deed becoming enforceable, Homes England shall be deemed to have designated in writing all Accounts other than the Assigned Accounts or any Account subject to Permitted Security in favour of a third party as Assigned Accounts and at any time thereafter Homes England may:

- (a) in relation to such new Assigned Accounts, require the Chargors to, and the Chargors shall immediately on request, serve a notice of assignment in accordance with Clause 5.1 (*Notices of assignment*) on each bank or other financial institution with which any such Account is maintained (and the relevant Chargor shall comply with its obligation under Clause 5.1.3 to obtain an acknowledgement of each such notice of assignment); and
- (b) exercise from time to time, all rights, powers and remedies of the Chargors in relation to any or all of their Accounts, including to demand and receive all and any moneys standing to the credit of such Accounts.

10.2 Assigned Accounts

10.2.1 Assigned Accounts: before an Acceleration Event

- (a) The Chargors shall be entitled to receive, withdraw or otherwise transfer any credit balance from time to time on any Assigned Account prior to the occurrence of an Acceleration Event.
- (b) If and to the extent necessary to enable, and for the sole purpose of enabling:
 - (i) the Chargors to comply with their obligations to make repayments of the Secured Liabilities arising under the Secured Finance Documents; or
 - (ii) Homes England to apply the proceeds thereof in or towards repayment of the Secured Liabilities in accordance with the terms of the Secured Finance Documents,

Homes England shall provide consent or execute any documentation required to allow for the release from the Security created by this Deed the whole or any part of the sums standing to the credit of any Assigned Account.

10.2.2 Assigned Accounts: after an Acceleration Event

Homes England shall, upon the occurrence of an Acceleration Event, be entitled without notice to exercise from time to time all rights, powers and remedies held by it as assignee of the Assigned Accounts and to:-

- (a) demand and receive all and any moneys due under or arising out of each Assigned Account;
- (b) exercise all such rights as the Chargors were then entitled to exercise in relation to such Assigned Account or might, but for the terms of this Deed, exercise; and
- (c) apply, transfer or set-off any or all of the credit balances from time to time on any Account in or towards the payment or other satisfaction of all or part of the Secured Liabilities in accordance with Clause 14 (*Application of Moneys*).

11. ASSIGNED CONTRACTS AND ASSIGNED INSURANCES

11.1 Each Chargor shall:-

11.1.1 deliver to Homes England, promptly following execution of the same, such documents relating to the Assigned Contracts and the Assigned Insurances as Homes England may reasonably require; and

11.1.2 perform all its obligations under the Assigned Contracts and Assigned Insurances in a diligent and timely manner.

11.2 Save as expressly restricted pursuant to the terms of the Secured Finance Documents, while no Acceleration Event has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Contracts to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Contracts.

11.3 While no Acceleration Event has occurred, the relevant Chargor may exercise all its rights in respect of the Assigned Insurances to which it is a party including receiving and exercising all rights relating to proceeds of those Assigned Insurances to the extent permitted pursuant to the terms of the Secured Finance Documents.

12. DEMAND AND ENFORCEMENT

12.1 Enforcement

The Security created by this Deed shall become enforceable upon:-

- 12.1.1 the occurrence of an Acceleration Event;
- 12.1.2 any request being made by a Chargor to Homes England for the appointment of a Receiver or an administrator, or for Homes England to exercise any other power or right available to it; or
- 12.1.3 the occurrence of any event causing, or purporting to cause, the floating charge created by this Deed to become fixed in relation to any Secured Asset.

12.2 Powers on enforcement

At any time after the Security created by this Deed has become enforceable, Homes England may (without prejudice to any other rights and remedies and without notice to the Chargors) do all or any of the following:-

- 12.2.1 exercise the power of sale under section 101 of the LPA together with all other powers and rights conferred on mortgagees by the LPA, as varied and extended by this Deed, without the restrictions contained in sections 103 or 109(1) of the LPA;
- 12.2.2 exercise the power of leasing, letting, entering into agreements for leases or lettings or accepting or agreeing to accept surrenders of leases in relation to any Secured Assets, without the restrictions imposed by sections 99 and 100 of the LPA;
- 12.2.3 to the extent that any Secured Asset constitutes "Financial Collateral" and this Deed constitutes a "security financial collateral arrangement" each as defined in the UK Financial Collateral Regulations, appropriate all or any part of the Secured Assets in or towards satisfaction of the Secured Liability (including transferring the title in and to it to Homes England insofar as not already transferred, subject to paragraphs (1) and (2) of Regulation 18), the value of the property so appropriated being the amount standing to the credit of the relevant Account (where the property is the benefit of an Account) or, in any other case, such amount as Homes England shall determine in a commercially reasonable manner;
- 12.2.4 subject to Clause 13.1 (*Method of appointment or removal*), appoint one or more persons to be a Receiver or Receivers of all or any of the Secured Assets; and
- 12.2.5 appoint an administrator of any Chargor.

12.3 Disposal of the Secured Assets

In exercising the powers referred to in Clause 12.2 (*Powers on enforcement*), Homes England or any Receiver may sell or dispose of all or any of the Secured Assets at the times, in the manner and order, on the terms and conditions and for the consideration determined by it.

12.4 Same rights as Receiver

Any rights conferred by any Secured Finance Document upon a Receiver may be exercised by Homes England, or to the extent permitted by law, an administrator, after the Security created by this Deed has become enforceable, whether or not Homes England shall have taken possession or appointed a Receiver of the Secured Assets.

12.5 **Delegation**

Homes England may delegate in any manner to any person any rights exercisable by Homes England under any Secured Finance Document. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as Homes England thinks fit.

13. **RECEIVERS**

13.1 **Method of appointment or removal**

Every appointment or removal of a Receiver, any delegate or any other person by Homes England under this Deed shall be in writing under the hand of any officer or manager of Homes England (subject to any requirement for a court order in the case of the removal of an administrative receiver).

13.2 **Removal**

Homes England may (subject to the application of section 45 of the Insolvency Act 1986) remove any person from office in relation to all or any part of the Secured Assets of which he is the Receiver and at any time (before or after any person shall have vacated office or ceased to act as Receiver in respect of any of such Secured Assets) appoint a further or other Receiver or Receivers over all or any part of such Secured Assets.

13.3 **Powers**

Every Receiver shall have and be entitled to exercise all the powers:-

13.3.1 of Homes England under this Deed;

13.3.2 conferred by the LPA on mortgagees in possession and on receivers appointed under the LPA (in each case as extended by this Deed);

13.3.3 in relation to, and to the extent applicable to, the Secured Assets or any of them, of an administrative receiver set out in Schedule 1 to the Insolvency Act 1986, whether or not the Receiver is an administrative receiver;

13.3.4 in relation to any Secured Assets, which he would have if he were its only beneficial owner; and

13.3.5 to do all things incidental or conducive to any functions, powers, authorities or discretions conferred or vested in the Receiver.

13.4 **Receiver as agent**

The Receiver shall be the agent of the relevant Chargor (and that Chargor shall be solely liable for the Receiver's acts, defaults, remuneration, losses and liabilities) unless and until such Chargor goes into liquidation, from which time the Receiver shall act as principal and shall not become the agent of Homes England.

13.5 **Joint or several**

If two or more persons are appointed as Receivers of the same assets, they may act jointly and/or severally so that (unless any instrument appointing them specifies to the contrary) each of them may exercise individually all the powers and discretions conferred on Receivers by this Deed.

13.6 **Receiver's remuneration**

Every Receiver shall be entitled to remuneration for his services at a rate to be fixed by Homes England and the maximum rate specified in section 109(6) of the LPA shall not apply.

14. **APPLICATION OF MONEYS**

14.1 **Application of moneys**

All sums received by virtue of this Deed and/or any other Transaction Security Documents by Homes England or any Receiver shall, subject to the payment of any claim having priority to this Deed, be paid or applied in the following order of priority:-

14.1.1 **first**, in or towards satisfaction pro rata of, or the provision pro rata for, all costs, charges and expenses incurred and payments made by Homes England in relation to the Transaction Security Documents, or by any Receiver (including legal expenses), together with interest at the Default Rate (both before and after judgment) from the date those amounts became due until the date they are irrevocably paid in full;

14.1.2 **secondly**, in or towards the payment pro rata of, or the provision pro rata for, any unpaid fees, commission or remuneration of Homes England or any Receiver;

14.1.3 **thirdly**, in or towards payment of the Secured Liabilities in accordance with the Facilities Agreement;

14.1.4 **fourthly**, in the payment of the surplus (if any), to the Chargor concerned or any other person entitled to it,

and section 109(8) of the LPA shall not apply to this Deed.

15. **POWER OF ATTORNEY**

15.1 **Appointment**

Each Chargor irrevocably and by way of security appoints:-

15.1.1 Homes England (whether or not a Receiver has been appointed);

15.1.2 any delegate or sub delegate of, or other person nominated in writing by, an officer of Homes England; and

15.1.3 (as a separate appointment) each Receiver,

severally as such Chargor's attorney and attorneys with power to do any act, and execute and deliver any deed or other document, on behalf of and in the name of such Chargor, which such Chargor could be required to do or execute under any provision of this Deed, or which Homes England in its sole opinion may consider necessary or desirable for perfecting its title to any of the Secured Assets or enabling Homes England or the Receiver to exercise any of its rights or powers under this Deed.

15.2 **Ratification**

Each Chargor ratifies and confirms and agrees to ratify and confirm whatever any attorney appointed pursuant to Clause 15.1 (*Appointment*) does or purports to do in the exercise or purported exercise of all or any of the powers, acts or other matters referred to in Clause 15.1 (*Appointment*).

16. PROTECTION OF THIRD PARTIES

16.1 Statutory powers

In favour of any purchaser, the statutory powers of sale and of appointing a Receiver which are conferred upon Homes England, as varied and extended by this Deed, and all other powers of Homes England, shall be deemed to arise (and the Secured Liabilities shall be deemed due and payable for that purpose) immediately after the execution of this Deed.

16.2 Purchasers

No purchaser from or other person dealing with Homes England, any person to whom it has delegated any of its powers, or the Receiver shall be concerned:-

16.2.1 to enquire whether any of the powers which Homes England or a Receiver have exercised has arisen or become exercisable;

16.2.2 to enquire whether the Secured Liabilities remain outstanding or whether any event has happened to authorise the Receiver to act;

16.2.3 as to the propriety or validity of the exercise of those powers; or

16.2.4 with the application of any moneys paid to Homes England, any Receiver or to any other person,

and the title and position of a purchaser or such person shall not be impeachable by reference to any of those matters.

16.3 Receipts

All the protection to purchasers contained in sections 104 and 107 of the LPA, section 42(3) of the Insolvency Act 1986 or in any other applicable legislation shall apply to any person purchasing from or dealing with Homes England or any Receiver or any person to whom any of them have delegated any of their powers.

17. PROTECTION OF HOMES ENGLAND AND ANY RECEIVER

17.1 No liability

Neither of Homes England, or any Receiver or any of their respective officers, employees or delegates shall be liable in respect of any cost, liability, expense, loss or damage which arises out of the exercise, or attempted or purported exercise of, or the failure to exercise, any of their respective rights under this Deed.

17.2 Not mortgagee in possession

Without prejudice to any other provision of this Deed, entry into possession of any Secured Assets shall not render Homes England, any Receiver or any of their respective officers or employees liable:-

17.2.1 to account as mortgagee in possession;

17.2.2 for any loss on realisation; or

17.2.3 for any default or omission for which a mortgagee in possession might be liable,

and if and whenever Homes England or any Receiver enters into possession of any Secured Assets it shall be entitled at any time it or he thinks fit to relinquish possession.

17.3 Indemnity

Each Chargor shall indemnify and keep indemnified Homes England and any Receiver, and their respective officers, employees and delegates, against all claims, costs, expenses and liabilities incurred by them in respect of all or any of the following:-

- 17.3.1 any act or omission by any of them in relation to all or any of the Secured Assets;
- 17.3.2 any payment relating to or in respect of all or any of the Secured Assets which is made at any time by any of them;
- 17.3.3 any stamp, registration or similar Tax or duty which becomes payable in connection with the entry into, or the performance or enforcement of, this Deed;
- 17.3.4 exercising or purporting to exercise or failing to exercise any of the rights, powers and discretions conferred on them or permitted under this Deed; and
- 17.3.5 any breach by the relevant Chargor of any of its covenants or other obligations to Homes England,

except in the case of gross negligence or wilful misconduct on the part of that person.

17.4 Interest

Each Chargor shall pay interest at the Default Rate on the sums payable under this Clause 17 (*Protection of Homes England and any Receiver*) from the date on which the liability was incurred to the date of actual payment (both before and after judgment).

17.5 Indemnity out of the Secured Assets

Homes England and any Receiver and their respective officers, employees and delegates shall be entitled to be indemnified out of the Secured Assets in respect of the actions, proceedings, demands, claims, costs, expenses and liabilities referred to in Clause 17.3 (*Indemnity*).

17.6 Liability of Chargors related to Secured Assets

Notwithstanding anything contained in this Deed or implied to the contrary, each Chargor remains liable to observe and perform all conditions and obligations assumed by it in relation to the Secured Assets. Neither Homes England or any Receiver is under any obligation to perform or fulfil any such condition or obligation or to make any payment in respect of any such condition or obligation.

17.7 Continuing protection

The provisions of this Clause 17 (*Protection of Homes England and any Receiver*) shall continue in full force and effect notwithstanding any release or discharge of this Deed or the discharge of any Receiver from office.

18. PROVISIONS RELATING TO THE LENDER**18.1 Powers and discretions**

The rights, powers and discretions given to Homes England in this Deed:-

- 18.1.1 may be exercised as often as, and in such manner as, Homes England thinks fit;
- 18.1.2 are cumulative, and are not exclusive of any of its rights under the general law; and

18.1.3 may only be waived in writing and specifically, and any delay in exercising, or non-exercise of, any right, is not a waiver of it.

18.2 **Certificates**

Clause 29.2 (*Certificates and determinations*) of the Facilities Agreement shall apply to this Deed.

18.3 **Trusts**

The perpetuity period for any other constituted by this Deed shall be 125 years.

19. **PRESERVATION OF SECURITY**

19.1 **Continuing Security**

This Deed shall be a continuing security to Homes England and shall remain in force until expressly discharged in writing by Homes England notwithstanding any intermediate settlement of account or other matter or thing whatsoever.

19.2 **Additional Security**

This Deed is without prejudice and in addition to, and shall not merge with, any other right, remedy or Security of any kind which Homes England may have now or at any time in the future for or in respect of any of the Secured Liabilities.

19.3 **Waiver of Defences**

Neither the Security created by this Deed nor the obligations of the Chargor under this Deed will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice that Security or any of those obligations (whether or not known to it, Homes England) including:-

- 19.3.1 any time, waiver or consent granted to, or composition with, any Obligor or other person;
- 19.3.2 the release of any Obligor or any other person under the terms of any composition or arrangement with any person;
- 19.3.3 the taking, variation, compromise, exchange, renewal, enforcement or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over, assets of any Obligor or 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;
- 19.3.4 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Obligor or any other person;
- 19.3.5 any amendment (however fundamental), replacement, variation, novation, assignment or the avoidance or termination of a Secured Finance Document or any other document or Security;
- 19.3.6 any unenforceability, illegality or invalidity of any obligation of, or any Security created by, any person under any Secured Finance Document or any other document; or
- 19.3.7 an insolvency, liquidation, administration or similar procedure.

19.4 Immediate recourse

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

19.5 Appropriations

During the Security Period Homes England may:-

- 19.5.1 refrain from applying or enforcing any moneys, Security or rights held or received by it (or any trustee or agent on its behalf) in respect of the Secured Liabilities, or, subject to Clause 14.1 (*Application of moneys*), apply and enforce the same in such manner and order as it sees fit (whether against the Secured Liabilities or otherwise) and the relevant Chargor shall not be entitled to the same; and
- 19.5.2 hold in an interest-bearing suspense account any moneys received from the relevant Chargor on or account of the Secured Liabilities.

19.6 Tacking

For the purposes of section 94(1) of the LPA and section 49(3) of the Land Registration Act 2002 Homes England confirms that it shall make further advances to the Chargors on the terms and subject to the conditions of the Secured Finance Documents.

19.7 Deferral of Chargor's rights

During the Security Period and unless Homes England otherwise directs, no Chargor shall exercise any rights which it may have by reason of performance by its obligations under this Deed or the enforcement of the Security created by this Deed:-

- 19.7.1 to receive or claim payment from, or be indemnified by an Obligor;
- 19.7.2 to claim any contribution from any guarantor of, or provider of Security in respect of, any Obligor's obligations under the Secured Finance Documents;
- 19.7.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of Homes England under any Secured Finance Document or of any guarantee or Security taken pursuant to, or in connection with, the Secured Finance Documents by Homes England;
- 19.7.4 to exercise any right of set-off against any Obligor; and/or
- 19.7.5 to claim or prove as a creditor of any Obligor in competition with Homes England.

20. RELEASE**20.1 Release**

Upon the irrevocable and unconditional payment and discharge in full of the Secured Liabilities and the termination of all facilities which might give rise to Secured Liabilities, Homes England shall, or shall procure that its appointees will, at the request and cost of the Chargors:-

- 20.1.1 release the Secured Assets from this Deed; and

20.1.2 re-assign the Secured Assets that has been assigned to Homes England under this Deed.

20.2 **Reinstatement**

If Homes England considers that any amount paid or credited under any Secured Finance Document (whether in respect of the obligations of any Obligor or any Security for those obligations or otherwise) is capable of being avoided, reduced or otherwise set aside:-

20.2.1 that amount shall not be considered to have been paid for the purposes of determining whether the Secured Liabilities have been irrevocably and unconditionally paid and discharged; and

20.2.2 the liability of the relevant Chargor and the Security created by this Deed shall continue as if that amount had not been paid or credited.

20.3 **Consolidation**

Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed.

21. **MISCELLANEOUS PROVISIONS**

21.1 **Severability**

If any provision of this Deed is illegal, invalid or unenforceable in any jurisdiction, that shall not affect:-

21.1.1 the validity or enforceability of any other provision, in any jurisdiction; or

21.1.2 the validity or enforceability of that particular provision, in any other jurisdiction.

21.2 **Information**

Homes England may from time to time seek from any other person having dealings with the Chargors such information about the Chargors and their affairs as Homes England may think fit and each Chargor agrees to request any such person to provide any such information to Homes England and agrees to provide such further authority in this regard as Homes England or any such third party may from time to time require.

21.3 **Joint and separate liability**

Unless the context otherwise requires, all covenants, agreements, representations and warranties on the part of the Chargors contained in this Deed are given by them jointly and separately and shall be construed accordingly.

21.4 **Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

21.5 **Deeds of Accession**

21.5.1 Each of the Chargors shall procure that each company which is required by the Secured Finance Documents to accede to this Deed shall, within the timeframe allotted by the Secured Finance Documents, execute and deliver a Deed of Accession.

21.5.2 Each of the Parties agrees that:

- (a) each Deed of Accession shall be supplemental to this Deed and be binding on and enure to the benefit of all the parties to this Deed;
- (b) the execution of any Deed of Accession will not prejudice or affect the Security granted by each other Chargor under (and the covenants given by each of them in) this Deed or any previous Deed of Accession and that this Deed shall remain in full force and effect as supplemented by any such Deed of Accession; and
- (c) the property and assets mortgaged, charged or assigned to Homes England (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to any Deed of Accession shall form part of the Secured Assets and references in this Deed to the Security created by or pursuant to the Deed will be deemed to include the Security created by or pursuant to any Deed of Accession.

21.5.3 Delivery of a Deed of Accession constitutes confirmation by the New Chargor (as such term is defined in the relevant Deed of Accession) that the Repeating Representations are true and correct to the extent applicable to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

22. NOTICES

22.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter.

22.2 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is:

22.2.1 in the case of each Chargor:

Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ marked for the attention of The Directors;

22.2.2 in the case of Homes England:

One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services,

or any substitute address or department or officer as the Party may notify to the other Parties pursuant to clause 28 of the Facilities Agreement by not less than five Business Days' notice.

22.3 Delivery

22.3.1 Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:-

- (a) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*) of this Deed, if addressed to that department or officer.

22.3.2 Any communication or document to be made or delivered to Homes England will be effective only when actually received by Homes England and then only if it is expressly marked for the attention of the department or officer identified with Homes England's signature below (or any substitute department or officer as Homes England shall specify for this purpose).

22.4 **English language**

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

22.4.2 All other documents provided under or in connection with this Deed must be:

- (a) in English; or
- (b) if not in English, and if so required by Homes England, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23. **GOVERNING LAW**

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

24. **ENFORCEMENT**

24.1 **Jurisdiction of English Courts**

24.1.1 The courts of England 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 or any non-contractual obligation arising out of or in connection with this Deed) (a "**Dispute**").

24.1.2 The parties to this Deed agree that the courts of England are the most appropriate and convenient courts to settle disputes and accordingly no such party will argue to the contrary.

24.1.3 This Clause 24.1 is for the benefit of Homes England only. As a result, Homes England shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, Homes England may take concurrent proceedings in any number of jurisdictions.

EXECUTED AND DELIVERED AS A DEED on the date set out at the beginning of this Deed.

Schedule 1
THE CHARGORS

Company name	Company Number	Registered Office
ilke Homes Holdings Limited	10907810	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ
ilke Homes Limited	10909968	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ
ilke Homes Land Limited	12116890	Flaxby Industrial Estate, Knaresborough, Harrogate, HG5 0XJ

Schedule 2**DETAILS OF LAND****REGISTERED LAND**

Title number	Description	Chargor
NYK455990	The leasehold property known as Maximus, Flaxby Moor Industrial Estate, Knaresborough as more particularly identified in a lease between iLKE Homes Limited and Harworth Estates investments Limited and dated 1 May 2018 for a term of 14 years and as varied pursuant to a deed of variation dated 24 February 2021	ilke Homes Limited

Schedule 3

DETAILS OF SHARES

Name of Company in which shares are held	Description and Number of Shares	Name of Shareholder
ilke Homes Limited	50,338,518 Ordinary shares of £1.00 each	ilke Homes Holdings Limited
ilke Homes Land Limited	1 Ordinary Share of £1.00	ilke Homes Holdings Limited

Schedule 4**DETAILS OF ASSIGNED INSURANCES**

Chargor	Insurer	Policy number
iLKE Homes Holdings Limited and its subsidiaries	Chubb European Group SE	UKPAKD14063

Schedule 5

DETAILS OF ASSIGNED ACCOUNTS

Name of Chargor	Name of bank or financial institution	Account name	Account number	Sort code
ilke Homes Holdings Limited	Barclays Bank PLC	General Account		
ilke Homes Limited	Barclays Bank PLC	General Account		
ilke Homes Land Limited	Barclays Bank PLC	General Account		

Schedule 6

DEED OF ACCESSION

THIS DEED is made on []

BETWEEN:-

- (1) [] (the "**New Chargor**"), a company incorporated in England or Wales whose registered office is at [];
- (2) ilke Homes Holdings Limited (the "**Parent**") for itself and as agent for and on behalf of each of the other Chargors (as defined in the Debenture referred to below); and
- (3) Homes and Communities Agency (trading as Homes England) as Homes England.

INTRODUCTION

- (A) The New Chargor is, or will on the date of this Deed become, a [wholly-owned] Subsidiary of [the Parent].
- (B) This Deed is supplemental to a deed dated [] (as supplemented and amended from time to time, the "**Debenture**") between, among others, the Parent, each of the companies named in the Debenture as Chargors, and Homes and Communities Agency (trading as Homes England) (as Lender).
- (C) The New Chargor at the request of the Parent and in consideration of Homes England making or continuing to make facilities available to the Parent or any other member of its group has agreed to enter into this Deed and become a Chargor under the Debenture.

IT IS AGREED as follows:-**1. DEFINITIONS AND INTERPRETATION**

- 1.1 Terms defined in the Debenture have the same meaning in this Deed.
- 1.2 The principles of interpretation set out in Clause 1.3 of the Debenture apply to this Deed insofar as they are relevant to it, as they apply to the Debenture.

2. ACCESSION

The New Chargor agrees to become a party to and to be bound by the terms of the Debenture with immediate effect and so that the Debenture shall be read and construed for all purposes as if the New Chargor had been an original party to it as a Chargor.

3. SECURITY

The New Chargor mortgages, charges and assigns to Homes England, all its business, undertaking and assets on the terms of Clause 3 of the Debenture, provided that:-

- 3.1 [the Land charged by way of legal mortgage shall be the Land referred to in Schedule 1 (*Land*);]
- 3.2 [the Shares mortgaged or (if or to the extent that the mortgage does not take effect as a mortgage) charged shall include the Shares referred to in Schedule 2 (*Shares*);]
- 3.3 [the Assigned Insurances assigned shall include the Assigned Insurances referred to in Schedule 3 (*Assigned Insurances*);]

3.4 [the Assigned Contracts assigned shall include the Assigned Contracts referred to in Schedule 4 (*Assigned Contracts*);]

3.5 [the Assigned Accounts assigned shall include the Assigned Accounts referred to in Schedule 5 (*Assigned Accounts*);]

4. **CONSENT OF EXISTING CHARGORS**

The Parent by its execution of this Deed confirms the consent of the existing Chargors to the terms of this Deed and their agreement that this Deed will in no way prejudice or affect their obligations under, or the covenants they have given, or the Security created by, the Debenture.

5. **EFFECT ON DEBENTURE**

5.1 The Debenture and this Deed shall be read and construed as one document so that references in the Debenture to "this Deed", "herein", and similar phrases will be deemed to include this Deed.

5.2 For the purposes of this Deed and the Debenture and with effect from the date of this Deed, the property and assets of the New Chargor mortgaged, charged or assigned to Homes England (whether by way of legal mortgage, assignment or fixed or floating charge) by or pursuant to this Deed shall form part of the Secured Assets and references in the Debenture to the Security created by or pursuant to the Debenture will be deemed to include the Security created by or pursuant to this Deed.

6. **GOVERNING LAW**

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

EXECUTED AS A DEED AND DELIVERED on the date set out at the beginning of this Deed.

[SCHEDULE 1 - LAND]

[SCHEDULE 2 - SHARES]

[SCHEDULE 3 - ASSIGNED INSURANCES]

[SCHEDULE 4 - ASSIGNED CONTRACTS]

[SCHEDULE 5 - ASSIGNED ACCOUNTS]

SIGNATURE PAGES TO DEED OF ACCESSION

The New Chargor

EXECUTED as a Deed by)
 [COMPANY] [LIMITED])
 acting by a Director, in the presence of:-)
)

Signature of witness:

.....
 Director

.....
 Name of witness:

Address:

Occupation:

Address: []

Facsimile number []

The Parent

EXECUTED (but not delivered)
 until the date hereof) **AS A DEED**)
 by **ILKE HOMES HOLDINGS LIMITED**)
 acting by a Director, in the presence of:-)

Signature of witness:

.....
 Director

.....
 Name of witness:

Address:

Occupation:

Homes England

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

.....
 Name:

Authorised Signatory

Schedule 7

FORM OF NOTICE OF ASSIGNMENT OF INSURANCE

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant insurer]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT INSURANCE POLIC[Y][IES] INCLUDING POLICY NUMBER] (THE "POLIC[Y][IES]") [refer to an attached schedule if there are a number of policies]

1. We give you notice that we have entered into a debenture dated [] in favour of Homes and Communities Agency (trading as Homes England) (the "**Lender**") (the "**Debenture**").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our rights, title, interest and benefits in to or in respect of the Polic[y][ies] including the benefit of all claims and returns of premiums in respect thereof to which we are or may at any time become entitled.
3. With effect from the date of receipt of this notice, we instruct you to:
 - 3.1 name Homes England (in its capacity as Lender) as sole loss payee in respect of [each of] the Polic[y][ies];
 - 3.2 promptly inform Homes England, without further approval from us, of any default in the payment of any premium or failure to renew [the][any] Policy;
 - 3.3 advise Homes England promptly of any proposed cancellation of [the][any] Policy and in any event at least 30 days before the cancellation is due to take place;
 - 3.4 if the insurance cover under [the][any] Policy is to be reduced or any insured risks are to be restricted, advise Homes England at least 30 days before the reduction or restriction is due to take effect; and
 - 3.5 disclose to Homes England, without further approval from us, such information regarding the Polic[y][ies] as Homes England may from time to time request and to send it copies of all notices issued by you under the Polic[y][ies].
4. Following Homes England's notification to you that the security created by the Debenture has become enforceable:-
 - 4.1.1 all payments and claims under or arising from the Polic[y][ies] are to be made to Homes England to such account (or to its order) as it may specify in writing from time to time;
 - 4.1.2 all remedies provided for in the Polic[y][ies] or available at law or in equity are to be exercisable by Homes England; and
 - 4.1.3 all rights to compel the performance of the Polic[y][ies] are to be exercisable by Homes England.
5. With effect from your receipt of this notice all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Polic[y][ies] (including all rights to compel performance) belong to and are exercisable by Homes England.

6. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.
7. By countersigning this letter, you confirm that:-
 - 7.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
 - 7.2 no amendment or termination of [the][any] Policy shall be effective unless you have given Homes England 30 days written notice of it or, if it is not possible to comply with such notification to Homes England in accordance with the provisions of the [relevant] Policy, the notice will be provided to Homes England in relation to such termination as soon as possible; and
 - 7.3 you will not, without Homes England's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with [the][any] Policy.
8. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to Homes and Communities Agency at One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully,

for and on behalf of
[CHARGOR]

Acknowledged:

.....

For and on behalf of

[Name of insurer]

Schedule 8

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED ACCOUNTS

To: [Account Bank]

Date:

Dear Sirs

We give you notice that we have entered into a debenture dated [DATE] in favour of Homes and Communities Agency (trading as Homes England) ("**Homes England**") (the "**Debenture**").

We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our right, title and interest from time to time in and to the account set out below (the "**Non-Blocked Account**") (including any renewal or re-designation of any account and whether in sterling or any other currency and whether in addition to or by way of renewal or replacement for any sums previously deposited or otherwise) together with all interest accruing from time to time in respect of such money:

Name of Account	Account Number	Sort Code
[CHARGOR] Limited - General Account	[DETAILS]	[DETAILS]

With effect from:

- the date of your receipt of notice from Homes England that an Acceleration Event has occurred all payments in respect of the Non-Blocked Account should be made to Homes England or to its order; and
- the date of your receipt of notice from Homes England that an Acceleration Event has occurred, all rights, interests and benefits whatsoever accruing to or for the benefit of ourselves arising from the Non-Blocked Account belong to Homes England and all moneys standing to the credit of the Non-Blocked Account are to be held to the order of Homes England.

By countersigning this letter, you confirm that:-

- no fees or periodic charges (other than your standard account operation fees and charges) are payable in respect of the Non-Blocked Account and there are no restrictions on:
 - the payment of the credit balance on the Non-Blocked Account; or
 - the assignment of the Non-Blocked Account to Homes England or any third party;
- you have not received notice of any previous assignments of, charges over or trusts in respect of, the Non-Blocked Account;
- with effect from the date of receipt of a notice from Homes England that an Acceleration Event has occurred:

- 3.1 you will not, without Homes England's prior written consent exercise any right of combination, consolidation or set-off which you may have in respect of the Non-Blocked Account (save in relation to fees and charges payable to you for the operation of the Non-Blocked Account) ; and
- 3.2 you will act only in accordance with the instructions given by persons authorised by Homes England;
- 4. you will be able to rely on any instructions from Homes England without further enquiry into (a) the identity, capacity or authority of individuals providing such instruction, or (b) whether a default or other event allowing Homes England to provide such instruction has actually occurred (even if [CHARGOR] Limited notifies us that Homes England is not legally entitled to originate such instruction) and you shall be fully protected in acting in accordance with such instructions; and
- 5. until such time as Homes England provides you with the notice referred to in paragraph 3 above: (a) [CHARGOR] Limited is entitled to receive, withdraw, transfer or otherwise deal with any credit from time to time on the Non-Blocked Account, (b) you are entitled to permit such monies to be withdrawn, transferred or otherwise dealt with in any way which [CHARGOR] Limited may direct and (c) Homes England will have no recourse to you and no action or right against you of any nature whatsoever for or in relation to the Non-Blocked Account or any dealing whatsoever in relation thereto.

The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.

This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please accept this notice by signing the enclosed acknowledgement and returning it to Homes England at Homes and Communities Agency, One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully

for and on behalf of
[CHARGOR]

ACKNOWLEDGEMENT OF ACCOUNT BANK

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

Date: 202*

At the request of Homes England and [CHARGOR] Limited we acknowledge receipt of the notice of assignment and charge, on the terms attached, in respect of the Non-Blocked Account (as described in those terms). We confirm that:-

1. no fees or periodic charges are payable in respect of the Non-Blocked Account (other than our standard account operation fees and charges) and there are no restrictions on (a) the payment of the credit balance on the Accounts provided that if an instruction is given which would in our opinion cause the Non-Blocked Account to become overdrawn, we will transfer the cleared balance in the Non-Blocked Account only or (b) the assignment of the Non-Blocked Account to Homes England or any third party;
- 1.1 we have not received notice of any previous assignments of, charges over or trusts in respect of, the Non-Blocked Account;
- 1.2 with effect from the date of receipt of a notice from Homes England that an Acceleration Event has occurred we will not, without Homes England's consent exercise any right of combination, consolidation or set-off which we may have in respect of the Non-Blocked Account (save in relation to fees and charges payable to you for the operation of the Non-Blocked Account);
- 1.3 we will promptly following the date of receipt of a notice from Homes England that an Acceleration Event has occurred, take action to block the Non-Blocked Account and revoke the permissions of [CHARGOR] Limited in respect of the Non-Blocked Account; and
- 1.4 immediately following the Non-Blocked Account being blocked by us, we will act only in accordance with the instructions given by persons authorised by Homes England and Homes England acknowledge that we shall not be liable to them in any respect for any delay or inaction on the part of [Account Bank] following receipt of the notice from Homes England that an Acceleration Event has occurred.
2. Homes England acknowledges that we have no notice of the particulars of the Security Agreement granted to Homes England by [CHARGOR] Limited other than as set out in the notice and this letter. Homes England further acknowledges that we shall not be liable to them in any respect if [CHARGOR] Limited operates the Non-Blocked Account in breach of any agreement entered into by [CHARGOR] Limited with Homes England and in any event we shall not be liable for any consequential or indirect loss of or damage to goodwill, profits or anticipated savings (however caused).
3. Homes England irrevocably authorises us to follow any instructions received from them in relation to the Non-Blocked Account from any person that we reasonably believe to be an authorised officer of Homes England without further inquiry as to the right or authority to give such instructions and we shall be fully protected in acting in accordance with such instructions.

This letter and any non-contractual obligations arising out of or in connection with it shall be governed by English law and all parties hereby submit to the exclusive jurisdiction of the English courts.

Yours faithfully

.....
for and on behalf of
[Account Bank]

We hereby acknowledge and accept the terms of this letter

.....
for and on behalf of
Homes and Communities Agency

Date:

Schedule 9

FORM OF NOTICE OF ASSIGNMENT OF ASSIGNED CONTRACT

To be printed on the headed notepaper of the relevant Chargor

To: [Insert name and address of relevant contract counterparty]

Date: []

Dear Sirs,

[DESCRIPTION OF RELEVANT ASSIGNED CONTRACT] (THE "CONTRACT")

1. We give you notice that we have entered into a debenture dated [] in favour of Homes and Communities Agency (trading as Homes England) (the "**Lender**") (the "**Debenture**").
2. We give you notice that, pursuant to the terms of the Debenture, we have assigned (and, to the extent not validly or effectively assigned, we have charged by way of fixed charge) to Homes England by way of security all of our rights, title and interest from time to time in, and the full benefit of, the Contract and all rights, title and interest in any amounts payable to us under the Contract, including any claims for damages in respect of any breach of the Contract.
3. Following Homes England's notification to you that the security created by the Debenture has become enforceable:-
 - 3.1 [all payments to be made to us under or arising from the Contract should be made [to Homes England or to its order as it may specify in writing from time to time] [*specify bank account*];
 - 3.2 all remedies provided for in the Contract or available at law or in equity are exercisable by Homes England;
 - 3.3 you are authorised and instructed, without further approval from us, to comply with your obligations (including without limitation your payment obligations) under the Contract in accordance with the written instructions of Homes England from time to time (and to hold the money for any such payments to Homes England's order pending receipt of written instructions from Homes England); and
 - 3.4 subject to paragraph 5 below, you shall allow Homes England to perform all the obligations assumed by us under the Contract.
4. You shall not be released from your obligations under the Contract without the prior written consent of Homes England.
5. We shall remain liable to perform all our obligations under the Contract and Homes England shall be under no obligation of any kind whatsoever in respect of the Contract.
6. With effect from the date of receipt of this notice, we irrevocably and unconditionally instruct and authorise you, without requiring further approval from us, to:
 - 6.1 promptly disclose to Homes England such information relating to the Contract as Homes England may at any time request including, without limitation, all information, accounts and records in your possession or control that may be necessary or of assistance to enable Homes England to verify the amount of all payments made or payable under the Contract by you or the performance by you of all your obligations under the Contract; and

- 6.2 provide Homes England with copies of all notices given or received under the Contract promptly after they are given or received.
7. The authority and instructions contained in this notice cannot be revoked or varied by us without the prior written consent of Homes England.
8. By countersigning this letter, you confirm that:-
- 8.1 you have not received notice of any previous assignments or charges of or over any of the rights, title and interests and benefits referred to in this notice;
- 8.2 no amendment, waiver or release of any of rights, interests and benefits referred to in this notice shall be effective without the prior written consent of Homes England;
- 8.3 no termination of any rights, interests or benefits referred to in this notice shall be effective unless we have given Homes England thirty days written notice of the proposed termination (or if notice is not possible within that period, as soon as possible), specifying the action necessary to avoid such termination;
- 8.4 no breach or default on the part of the [*insert name of relevant Chargors*] of any of the terms of the Contract shall be deemed to have occurred unless you have given notice of such breach to Homes England specifying how to make good such breach; and
- 8.5 you will not, without Homes England's prior written consent, exercise any right of set-off or counterclaim in relation to any amounts owed under or in connection with the Contract.
9. This notice, and any dispute or claim arising out of or in connection with it, shall be governed by and construed in accordance with English law.

Please acknowledge receipt of this notice and your acknowledgement of the matters and instructions set out above within 5 days of receipt by signing, dating and returning the enclosed copy of this letter directly to Homes and Communities Agency at One Friargate, Coventry CV1 2GN marked for the attention of Homes England Legal Services.

Yours faithfully,

for and on behalf of
[CHARGOR]

Acknowledged:

.....

For and on behalf of

[*Name of contract counterparty*]

EXECUTION PAGES

The Chargors

EXECUTED as a Deed)
by ILKE HOMES HOLDINGS LIMITED)
acting by a director in the presence of a)
witness:-)
)

Director

Witness

Witness Name

Witness Address

EXECUTED as a Deed)
by ILKE HOMES LIMITED)
acting by a director in the presence of a)
witness:-)
)

Director

Witness

Witness Name

Witness Address

EXECUTED as a Deed
by ILKE HOMES LAND LIMITED
acting by a director in the presence of a
witness:-

)
)
)
)
)

Director

Witness

Witness Name

Witness Address

Homes England

The common seal of

HOMES AND COMMUNITIES AGENCY

is hereunto affixed in the presence of:

)
)



Name: M. [Signature]
Authorised Signatory

