



Registration of a Charge

Company name: **FOREST HOMES LIMITED**

Company number: **09941327**



X9EM8KVF

Received for Electronic Filing: **29/09/2020**

Details of Charge

Date of creation: **25/09/2020**

Charge code: **0994 1327 0013**

Persons entitled: **TIER ONE CAPITAL LTD**

Brief description: **CHARGE OVER BANK ACCOUNT**

Contains fixed charge(s).

Contains negative pledge.

Chargor acting as a bare trustee for the property.

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:

PAUL CRAWLEY



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9941327

Charge code: 0994 1327 0013

The Registrar of Companies for England and Wales hereby certifies that a charge dated 25th September 2020 and created by FOREST HOMES LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th September 2020 .

Given at Companies House, Cardiff on 30th September 2020

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 25 September 2020

Forest Homes Limited
and
Tier One Capital Ltd as Security Trustee

Charge Over Bank Account

 TIER ONE CAPITAL

Keel House
Garth Heads
Newcastle upon Tyne
NE1 2JE

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Dated
Parties

25 September 2020

- (1) **Forest Homes Limited** incorporated and registered in England and Wales with company number 09941327 whose registered office is at Fernwood House, Fernwood Road, Newcastle upon Tyne, NE2 1TJ (**Borrower**); and
- (2) **Tier One Capital Ltd** incorporated and registered in England and Wales with company number 07979654 whose registered office is at Keel House, Garth Heads, Newcastle upon Tyne, NE1 2JE acting as security trustee for and on behalf of the Finance Parties (as defined below) from time to time (**Security Trustee**).

Background

- (A) The Lenders have agreed pursuant to the Facility Agreement to provide the Borrower and FHL2020 with loan facilities on a secured basis.
- (B) This Deed provides security which the Borrower has agreed to give the Security Trustee for the loan facilities available under the Facility Agreement.

It is agreed

1. **Definitions and Interpretation**
- 1.1 **Definitions**

The following definitions apply in this Deed:

Account	the account held by the Borrower with the Account Bank, account number [REDACTED], sort code [REDACTED] as that account may be renumbered or redesignated from time to time and shall include any addition to or renewals, replacement, redesignation, subdivision, substitution or sub account of that account;
Account Bank	Lloyds Bank plc;
Business Day	a day other than a Saturday, Sunday or bank holiday in London;
Business Plan	has the meaning given to that expression in the Facility Agreement;
Delegate	any person appointed by the Security Trustee pursuant

		to clause 10 and any person appointed as attorney of the Security Trustee or any Delegate;
Deposit		all monies from time to time standing to the credit of the Account, together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest);
Event of Default		has the meaning given to that expression in the Facility Agreement;
Facility Agent		has the meaning given to that expression in the Facility Agreement;
Facility Agreement		the facility agreement dated 13 March 2018, as amended by an amendment and restatement deed dated on the date of this Deed between the Borrower, FHL2020, the Land Owner, the Facility Agent, the Lenders and the Security Trustee for the provision of the loan facilities secured by this Deed, as the same may be amended, restated, supplemented, varied or replaced from time to time;
Finance Documents		has the meaning given to it in the Facility Agreement;
Finance Parties		the Facility Agent, the Security Trustee or a Lender;
Financial Collateral		has the meaning given to that expression in the Financial Collateral Regulations;
Financial Collateral Regulations		the Financial Collateral Arrangements (No 2) Regulations 2003 (SI 2003/3226);
FHL2020		means Forest Homes 2020 Limited incorporated and registered in England and Wales with company number 12777192 whose registered office is at Fernwood House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ;
Land Owner		has the meaning given to that expression in the Facility

	Agreement;
Lenders	has the meaning given to that expression in the Facility Agreement;
LPA 1925	the Law of Property Act 1925;
Obligor	has the meaning given to that expression in the Facility Agreement;
Permitted Security Interest	has the meaning given to that expression in the Facility Agreement;
Secured Assets	all the Account and Deposits being subject to the Security created by, or pursuant to, this Deed (and references to the Secured Assets shall include references to any part of them);
Secured Liabilities	all present and future monies, obligations and liabilities from time to time due or owing by an Obligor to the Finance Parties, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity (including, without limitation, those arising under clause 22.3.2 and under and/or in connection with the Finance Documents), together with all interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities and any costs and expenses;
Security Financial Collateral Arrangement	has the meaning given to that expression in the Financial Collateral Regulations;
Security	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect; and
Security Period	the period starting on the date of this Deed and ending

on the date on which the Security Trustee is satisfied that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

1.2 Interpretation

In this Deed:

- 1.2.1 clause, Schedule and paragraph headings shall not affect the interpretation of this Deed;
- 1.2.2 a reference to a **person** shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- 1.2.3 unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- 1.2.4 unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- 1.2.5 a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- 1.2.6 any reference to any statute or statutory provision includes a reference to any subordinate legislation made under that statute or statutory provision, to any modification, re-enactment or extension of that statute or statutory provision and to any former statute or statutory provision which it consolidated or re-enacted before the date of this Deed;
- 1.2.7 a reference to **writing** or **written** includes fax but not email;
- 1.2.8 an obligation on a party not to do something includes an obligation not to allow that thing to be done;

- 1.2.9 a reference to **this Deed** (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended, varied or supplemented (in each case, other than in breach of the provisions of this Deed) from time to time;
- 1.2.10 unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed and a reference to a paragraph is to a paragraph of the relevant Schedule;
- 1.2.11 any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.2.12 a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and amended shall be construed accordingly);
- 1.2.13 a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- 1.2.14 a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- 1.2.15 a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived in writing or remedied to the satisfaction of the Facility Agent;
- 1.2.16 a reference to **determines** or **determined** means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- 1.2.17 a reference to a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 **Clawback**

If the Security Trustee considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 Perpetuity period

If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.5 Schedules

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

2. Covenant to Pay

The Borrower shall, on demand, pay and discharge the Secured Liabilities when they become due.

3. Grant of Security

3.1 Grant of security

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Security Trustee by way of first fixed charge, all of its present and future right, title, benefit and interest in and to the Account and the Deposit.

4. Liability of the Borrower

4.1 Liability not discharged

The Borrower's liability under this Deed in respect of any of the Secured Liabilities shall not be discharged, prejudiced or affected by:

4.1.1 any security, guarantee, indemnity, remedy or other right held by, or available to, the Security Trustee that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;

4.1.2 the Security Trustee renewing, determining, varying or increasing any facility or other transaction in any manner or concurring in, accepting or varying any compromise, arrangement or settlement, or omitting to claim or enforce payment from any other person; or

4.1.3 any other act or omission that, but for this clause 4.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower other than a formal discharge of this Deed and/or an acceptance that the Secured Liabilities are fully discharged by the Security Trustee.

4.2 Immediate recourse

The Borrower waives any right it may have to require the Security Trustee to enforce any security or other right, or claim any payment from, or otherwise proceed against, any other person before enforcing this Deed against the Borrower.

5. Representations and Warranties

5.1 Representations and warranties

The Borrower makes the representations and warranties set out in this clause 5 to the Security Trustee.

5.2 Ownership of Secured Assets

The Borrower is the sole legal and beneficial owner of the Secured Assets.

5.3 No Security

The Secured Assets are free from any Security other than a Permitted Security Interest and the Security created by this Deed.

5.4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Secured Assets or any interest in them.

5.5 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatsoever that materially and adversely affect the Secured Assets.

5.6 No breach of laws

There is no breach of any law or regulation that materially and adversely affects the Secured Assets.

5.7 No interference in enjoyment

No facility necessary for the enjoyment and use of the Secured Assets is subject to terms entitling any person to terminate or curtail its use.

5.8 Avoidance of security

No Security expressed to be created under this Deed is liable to be avoided, or otherwise set aside, on the liquidation or administration of the Borrower or otherwise.

5.9 No prohibitions or breaches

The entry into this Deed by the Borrower does not, and will not, constitute a breach of any agreement or instrument binding on the Borrower or its assets.

5.10 Enforceable security

This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower, and is, and will continue to be, effective security over all and every part of the Secured Assets in accordance with its terms.

5.11 Times for making representations and warranties

The representations and warranties set out in clause 5.2 to clause 5.10 are made by the Borrower on the date of this Deed and are deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6. Covenants

6.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Security Trustee (other than as permitted by this Deed in the terms of Clause 6.2):

- 6.1.1 create, purport to create or permit to subsist any Security on, or in relation to, any Secured Asset other than any Security created by this Deed or any Permitted Security Interest;
- 6.1.2 sell, assign, transfer, part with possession of, or otherwise dispose of in any manner (or purport to do so), all or any part of, or any interest in, the Secured Assets; or
- 6.1.3 create or grant (or purport to create or grant) any interest in the Secured Assets in favour of a third party.

6.2 Restrictions on repayment and withdrawals

Save as permitted pursuant to clause 15 of the Facility Agreement, the Borrower shall not:

- 6.2.1 make any request or demand for repayment or payment of all or any part of the Deposit;
- 6.2.2 withdraw or transfer all or any part of the Deposit until after the Security Period has expired;
- 6.2.3 permit or agree to any variation of the rights attaching to the Account or close the Account; or
- 6.2.4 do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Security Trustee, or materially diminish

the value of any of the Secured Assets or the effectiveness of the security created by this Deed (including, without limitation, closing the Account).

6.3 Compliance with laws and regulations

6.3.1 The Borrower shall not, without the Security Trustee's prior written consent, use or permit the Secured Assets to be used in any way contrary to law.

6.3.2 The Borrower shall:

6.3.2.1 comply with the requirements of any law and regulation relating to or affecting the Secured Assets or the use of it or any part of them; and

6.3.2.2 obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Secured Assets or their use or that are necessary to preserve or maintain any Secured Asset.

6.4 Enforcement of rights

Without the consent of the Security Trustee, which shall not be unreasonably withheld if such request is in line with the Business Plan, the Borrower shall use all reasonable endeavours to:

6.4.1 procure the prompt observance and performance by each counterparty to any agreement or arrangement with the Borrower relating to the Secured Assets of the covenants and other obligations imposed on it; and

6.4.2 enforce any rights and institute, continue or defend any proceedings relating to any of the Secured Assets that the Security Trustee may require from time to time.

6.5 Notice of misrepresentation and breaches

The Borrower shall, promptly on becoming aware of any of the same, notify the Security Trustee in writing of:

6.5.1 any representation or warranty set out in clause 5 which is incorrect or misleading in any material respect when made or deemed to be repeated; and

6.5.2 any breach of any covenant set out in this Deed.

6.6 Title documents

The Borrower shall, upon the request of the Security Trustee, deposit with the Security Trustee and the Security Trustee shall, for the duration of this Deed be entitled to hold all deeds and documents of title (including certificates of deposit and deposit receipts) relating to

the Deposit that are in the possession or control of the Borrower and if these are not within the possession and/or control of the Borrower, the Borrower undertakes to obtain possession of all these deeds and documents of title.

6.7 Notice of charge

The Borrower shall on the execution of this Deed:

6.7.1 give notice to the Account Bank in the form set out in Part 1 of the Schedule; and

6.7.2 procure that the Account Bank provides to the Security Trustee within five Business Days an acknowledgement of the notice in the form of Part 2 of the Schedule.

6.8 Information

The Borrower shall:

6.8.1 give the Security Trustee such information concerning the Secured Assets as the Security Trustee may properly require;

6.8.2 permit any persons designated by the Security Trustee to enter on its premises and inspect and examine the records relating to that Secured Asset, at all reasonable times and on reasonable prior notice; and

6.8.3 promptly notify the Security Trustee in writing of any action, claim, notice or demand made by or against it in connection with all or any part of a Secured Asset or of any fact, matter or circumstance which may, with the passage of time, give rise to such an action, claim, notice or demand, together with, in each case, the Borrower's proposals for settling, liquidating, compounding or contesting any such action, claim, notice or demand and shall, subject to the Security Trustee's prior approval, implement those proposals at its own expense.

6.9 Payment of account charges

The Borrower shall promptly pay all charges and other outgoings in respect of the Secured Assets and, on demand, produce evidence of payment to the Security Trustee.

7. Powers of the Security Trustee

7.1 Power to remedy

7.1.1 The Security Trustee shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Deed.

7.1.2 The Borrower irrevocably authorises the Security Trustee and its agents to do all things that are necessary or desirable for that purpose.

7.1.3 Any monies expended by the Security Trustee in remedying a breach by the Borrower of its obligations contained in this Deed shall be reimbursed by the Borrower to the Security Trustee on a full indemnity basis and shall carry interest in accordance with clause 12.1.

7.2 Exercise of rights

7.2.1 The rights of the Security Trustee under clause 7.1 are without prejudice to any other rights of the Security Trustee under this Deed.

7.2.2 The exercise of any rights of the Security Trustee under this Deed shall not make the Security Trustee liable to account as a mortgagee in possession.

7.3 Conversion of currency

7.3.1 For the purpose of, or pending the discharge of, any of the Secured Liabilities, the Security Trustee may convert any monies received, recovered or realised by it under this Deed (including the proceeds of any previous conversion under this clause 7.3) from their existing currencies of denomination into any other currencies of denomination that the Security Trustee may think fit.

7.3.2 Any such conversion shall be effected at the then prevailing spot selling rate of exchange of Bank of England for such other currency against the existing currency.

7.3.3 Each reference in this clause 7.3 to a currency extends to funds of that currency and, for the avoidance of doubt, funds of one currency may be converted into different funds of the same currency.

7.4 New accounts

7.4.1 If the Security Trustee receives, or is deemed to have received, notice of any subsequent Security, or other interest, affecting all or part of the Secured Assets, the Security Trustee may open a new account for the Borrower in the Security Trustee's books. Without prejudice to the Security Trustee's right to combine accounts, no money paid to the credit of the Borrower in any such new account shall be appropriated towards, or have the effect of discharging, any part of the Secured Liabilities.

7.4.2 If the Security Trustee does not open a new account immediately on receipt of the notice, or deemed notice, under clause 7.4.1, then, unless the Security Trustee gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Security Trustee shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Security Trustee.

7.5 Indulgence

The Security Trustee may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with any person not being a party to this Deed (whether or not any such person is jointly liable with the Borrower) in respect of any of the Secured Liabilities, or of any other security for them without prejudice either to this Deed or to the liability of the Borrower for the Secured Liabilities.

8. When Security Becomes Enforceable

8.1 Security becomes enforceable on Event of Default

The security constituted by this Deed shall become immediately enforceable if an Event of Default occurs.

8.2 Discretion

After the security constituted by this Deed has become enforceable, the Security Trustee may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Secured Assets.

8.3 Timed deposits

The rights and powers of the Security Trustee under this clause shall apply notwithstanding that:

8.3.1 all or any part of the Deposit may have been deposited for a fixed or minimum period or be subject to a period of notice;

8.3.2 any interest on the Deposit is calculated by reference to a fixed or minimum period; and/or

8.3.3 any such fixed or minimum period or period of notice may or may not have been given.

The Borrower irrevocably authorises the Security Trustee at any time after the security constituted by this Deed has become enforceable to break or determine the Deposit in whole or in part and/or to renew all or any of the Deposit for such fixed periods as the Security Trustee may, in its absolute discretion, from time to time think fit.

9. Enforcement of Security

9.1 Enforcement powers

9.1.1 For the purposes of all powers implied by statute, the Secured Liabilities are deemed to have become due and payable on the date of this Deed.

9.1.2 The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall be immediately exercisable at any time after the security constituted by this Deed has become enforceable under clause 8.1.

9.1.3 Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

9.2 Application of the Deposit

After the security constituted by this Deed has become enforceable, the Security Trustee shall be entitled to apply, transfer or set off all or any part of the Deposit to discharge in whole or in part, the Secured Liabilities in accordance with the provisions of this Deed.

9.3 Prior Security

9.3.1 At any time after the security constituted by this Deed has become enforceable, or after any powers conferred by any Security having priority to this Deed shall have become exercisable, the Security Trustee may:

9.3.1.1 redeem that or any other prior Security;

9.3.1.2 procure the transfer of that Security to it; and

9.3.1.3 settle and pass any account of the holder of any prior Security.

9.3.2 The settlement and passing of any such account passed shall, in the absence of any manifest error, be conclusive and binding on the Borrower. All monies paid by the Security Trustee to an encumbrancer in settlement of any of those accounts shall, as from its payment by the Security Trustee, be due from the Borrower to the Security

Trustee on current account and shall bear interest at the default rate of interest specified in the Facility Agreement and be secured as part of the Secured Liabilities.

9.4 Protection of third parties

No purchaser, mortgagee or other person dealing with the Security Trustee or any Delegate shall be concerned to enquire:

9.4.1 whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;

9.4.2 whether any power the Security Trustee or a Delegate is purporting to exercise has become exercisable or is properly exercisable; or

9.4.3 how any money paid to the Security Trustee or any Delegate is to be applied.

9.5 Privileges

The Security Trustee is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

9.6 No liability as mortgagee in possession

Neither the Security Trustee nor any Delegate shall be liable, by reason of entering into possession of a Security Asset or for any other reason, to account as mortgagee in possession in respect of all or any of the Secured Assets, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default of any nature in connection with, all or any of the Secured Assets for which a mortgagee in possession might be liable as such.

9.7 Conclusive discharge to purchasers

The receipt of the Security Trustee or any Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Secured Assets or in making any acquisition in the exercise of their respective powers, the Security Trustee and every Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

9.8 Right of appropriation

9.8.1 To the extent that:

9.8.1.1 the Secured Assets constitute Financial Collateral; and

9.8.1.2 this Deed and the obligations of the Borrower under it constitute a Security Financial Collateral Arrangement,

the Security Trustee shall have the right, at any time after the security constituted by this Deed has become enforceable, to appropriate all or any of those Secured Assets in or towards the payment or discharge of the Secured Liabilities in any order that the Security Trustee may, in its absolute discretion, determine.

9.8.2 The value of any Secured Assets appropriated in accordance with this clause shall be, in the case of cash, the amount standing to the credit of the Account, together with all interest accrued but unposted, at the time that the right of appropriation is exercised.

9.8.3 The Borrower agrees that the method of valuation provided for in this clause is commercially reasonable for the purposes of the Financial Collateral Regulations.

10. Delegation

10.1 Delegation

The Security Trustee may delegate (either generally or specifically) by power of attorney or in any other manner to any person any right, power, authority or discretion conferred on it by this Deed (including the power of attorney granted under clause 14.1).

10.2 Terms

The Security Trustee may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

10.3 Liability

The Security Trustee shall not be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

11. Application of Proceeds

11.1 Order of application of proceeds

All monies received by the Security Trustee or a Delegate pursuant to this Deed, after the security constituted by this Deed has become enforceable, shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

11.1.1 in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Security Trustee (and any Delegate, attorney or agent appointed by it) under or in connection with this Deed;

11.1.2 in or towards payment of or provision for the Secured Liabilities in any order and manner that the Security Trustee determines; and

11.1.3 in payment of the surplus (if any) to the Borrower or other person entitled to it.

11.2 Appropriation

Neither the Security Trustee nor any Delegate shall be bound (whether by virtue of section 109(8) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

11.3 Suspense account

All monies received by the Security Trustee or a Delegate under this Deed:

11.3.1 may, at the discretion of the Security Trustee or Delegate, be credited to any suspense or securities realised account;

11.3.2 shall bear interest, if any, at the rate agreed in writing between the Security Trustee and the Borrower; and

11.3.3 may be held in that account for so long as the Security Trustee or Delegate thinks fit.

12. Costs and Indemnity

12.1 Costs

The Borrower shall, within five Business Days of demand, pay to, or reimburse, the Security Trustee, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Security Trustee or any Delegate in connection with:

12.1.1 this Deed or the Secured Assets;

12.1.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Security Trustee's or a Delegate's rights under this Deed; or

12.1.3 taking proceedings for, or recovering, any of the Secured Liabilities, together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost or expense arose until full discharge of that cost or expense (whether before or after judgment, liquidation, winding up or administration of the Borrower) at the rate and in the manner specified in the Facility Agreement.

12.2 Indemnity

The Borrower shall indemnify the Security Trustee and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:

12.2.1 the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Secured Assets;

12.2.2 taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or

12.2.3 any default or delay by the Borrower in performing any of its obligations under this Deed.

Any past or present employee or agent may enforce the terms of this clause 12.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

13. Further Assurance

13.1 Further assurance

13.2 The Borrower shall, at its own expense, take whatever action the Security Trustee may reasonably require for:

13.2.1 creating, perfecting or protecting the security intended to be created by this Deed;

13.2.2 facilitating the realisation of any Secured Asset; or

13.2.3 facilitating the exercise of any right, power, authority or discretion exercisable by the Security Trustee in respect of any Secured Asset,

13.3 including, without limitation (if the Security Trustee thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Secured Assets (whether to the Security Trustee or to its nominee) and the giving of any notice, order or direction and the making of any registration.

14. Power of Attorney

14.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Security Trustee and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

14.1.1 the Borrower is required to execute and do under this Deed; or

14.1.2 any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Security Trustee or any Delegate.

14.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 14.1.

15. Release

15.1 Subject to clause 22.3, on the expiry of the Security Period (but not otherwise), the Security Trustee shall, at the request and cost of the Borrower, take whatever action is necessary to:

15.1.1 release the Secured Assets from the security constituted by this Deed; and

15.1.2 reassign the Secured Assets to the Borrower.

16. Assignment and Transfer

16.1 Assignment by Security Trustee

16.1.1 At any time, without the consent of the Borrower, the Security Trustee may assign or transfer any or all of its rights and obligations under this Deed.

16.1.2 The Security Trustee may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Secured Assets and this Deed that the Security Trustee considers appropriate.

16.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Deed.

17. Set-off

17.1 Security Trustee's right of set-off

The Security Trustee may at any time set off any liability of the Borrower to the Security Trustee against any liability of the Security Trustee to the Borrower, whether either liability is

present or future, liquidated or unliquidated, and whether or not either liability arises under this Deed. If the liabilities to be set off are expressed in different currencies, the Security Trustee may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Security Trustee of its rights under this clause 17 shall not limit or affect any other rights or remedies available to it under this Deed or otherwise.

17.2 No obligation to set off

The Security Trustee is not obliged to exercise its rights under clause 17.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

17.3 Exclusion of Borrower's right of set-off

All payments made by the Borrower to the Security Trustee under this Deed shall be made without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

18. Amendments, Waivers and Consents

18.1 Amendments

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

18.2 Waivers and consents

18.2.1 A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.

18.2.2 A failure to exercise, or a delay in exercising, any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Security Trustee shall be effective unless it is in writing.

18.3 Rights and remedies

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

19. Severance

If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.

20. Counterparts

This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.

21. Third Party Rights

Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

22. Further Provisions

22.1 Independent security

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Security Trustee may hold for any of the Secured Liabilities at any time. No prior security held by the Security Trustee over the whole or any part of the Secured Assets shall merge in the security created by this Deed.

22.2 Continuing security

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Security Trustee discharges this Deed in writing.

22.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Security Trustee shall be deemed conditional on no payment or security received by the Security Trustee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded pursuant to any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

22.3.1 the Security Trustee or its nominee may retain this Deed and the security created by or pursuant to it, including all certificates and documents relating to the whole or any part of the Secured Assets, for any period that the Security Trustee deems necessary to provide the Security Trustee with security against any such avoidance, reduction or order for refund; and

22.3.2 the Security Trustee may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

22.4 Certificates

A certificate or determination by the Security Trustee as to any amount for the time being due to it from the Borrower under this Deed and the Facility Agreement shall be, in the absence of any manifest error, conclusive evidence of the amount due.

22.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

23. Notices

23.1 Delivery

Each notice or other communication required to be given to a party under or in connection with this Deed shall be:

23.1.1 in writing;

23.1.2 delivered by hand, by pre-paid first-class post or other next working day delivery service; and

23.1.3 sent to the address in this Deed or to any other address as is notified in writing by one party to the other from time to time.

23.2 Receipt by Borrower

Any notice or other communication that the Security Trustee gives to the Borrower shall be deemed to have been received:

23.2.1 if delivered by hand, at the time it is left at the relevant address; and

23.2.2 if posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting.

A notice or other communication given as described in clause 23.2.1 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

23.3 Receipt by Security Trustee

Any notice or other communication given to the Security Trustee shall be deemed to have been received only on actual receipt.

23.4 Service of proceedings

This clause 23 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

23.5 No notice by email

A notice or other communication given under or in connection with this Deed is not valid if sent by email.

24. Security Trustee

24.1 The Security Trustee holds all obligations and liabilities of the Borrower and all the Security Trustee's rights under this Deed as agent on behalf of the Finance Parties pursuant to the terms agreed between the Security Trustee and the Finance Parties within the Facility Agreement.

24.2 The security created by this deed is created with the benefit of and subject to the provisions of the Facility Agreement, the provisions of which the Borrower hereby acknowledges, including the Security Trustee's right to use monies received by it in respect of the Secured Liabilities to reduce the Secured Liabilities in accordance with the terms of the Facility Agreement.

25. Governing Law and Jurisdiction

25.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

25.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Security Trustee to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

25.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 25.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

Executed on the date that appears on the front of this document.

The Schedule
Notice and Acknowledgement

Part 1
Form of notice

Lloyds Bank

(Address)

[date]

Dear Sirs

Charge over bank account (Charge) dated [date] 2020 between Forest Homes Limited and Tier One Capital Ltd

This letter constitutes notice to you that under the Charge we have charged, by way of first fixed charge, in favour of Tier One Capital Ltd (the **Security Trustee**) all monies from time to time standing to the credit of the account held with you and detailed below (**Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest):

Name of Account: Forest Homes Limited

Sort code: []

Account number: []

We irrevocably instruct and authorise you to:

- Disclose to the Security Trustee any information relating to the Account requested from you by the Security Trustee.
- Comply with the terms of any written notice or instructions relating to the Account received by you from the Security Trustee.
- Hold all sums from time to time standing to the credit of the Account to the order of the Security Trustee.
- Pay or release all or any part of the monies standing to the credit of the Account in accordance with the written instructions of the Security Trustee.

We acknowledge that you may comply with the instructions in this notice without any further permission from us.

We are not permitted to withdraw any amount from the Account without the prior written consent of the Security Trustee.

The instructions in this notice may only be revoked or amended with the prior written consent of the Security Trustee.

This notice, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Please confirm that you agree to the terms of this notice and to act in accordance with its provisions by sending the attached acknowledgement to the Security Trustee, with a copy to us.

Yours faithfully,

Signed.....

Forest Homes Limited

Part 2

Form of acknowledgement

[On the letterhead of account bank]

Tier One Capital Ltd

Keel House

Garth Heads

Newcastle upon Tyne

NE1 2JE

[date]

Dear Sirs,

Charge over bank account (Charge) dated *[date]* 2020 between Forest Homes Limited and Tier One Capital Ltd

We confirm receipt from Forest Homes Limited (**Borrower**) of a notice (**Notice**) dated *[date]* of a charge (on the terms of the Charge) over all monies from time to time standing to the credit of the account detailed below (**Account**), together with all other rights and benefits accruing to or arising in connection with the Account (including, but not limited to, entitlements to interest).

We confirm that we:

- Accept the instructions contained in the Notice and agree to comply with the Notice.
- Will not permit any amount to be withdrawn from the Account without your prior written consent.

- Have not received notice of the interest of any third party in the Account.
- Have neither claimed nor exercised, nor will claim or exercise any security interest, set-off, counter-claim or other right in respect of the Account.

The Account is:

Name of Account: Forest Homes Limited

Sort code: []

Account number: []

This letter, and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation, shall be governed by and construed in accordance with the law of England and Wales.

Yours faithfully,

Signed.....

Lloyds Bank plc

Executed as a deed but not delivered until the date on the front of this document by

Forest Homes Limited

acting by

a director in the presence of


.....
(signature of director)

(signed by Alex Wilby as attorney for
and on behalf of Forest Homes
Limited under the power of attorney
dated 26 August 2020)


.....
Signature of witness


.....
Name of witness SWINBURNE MADDISON LLP
Venture House

.....
Aykley Heads Business Centre
Address Durham DH1 5TS
Tel: 0191 384 2441 Fax: 386 0171

.....
DX 60206 DURHAM
Occupation RECEPTIONIST

Executed as a deed but not delivered until the date on the front of this document by

Tier One Capital Ltd as Security Trustee

acting by

a director in the presence of


.....
(signature of director)


.....
Signature of witness


.....
Name of witness

.....
KEEL HOUSE
Address

.....
DIRECTOR
Occupation

