

LIBERTY LEGAL INDEMNITIES

Indemnity Policy

Arranged by:
Legal and Insurance Services Limited
P O Box 234
Tunbridge Wells
Kent TN3 0LX
Tel : 01892 863863 - Fax : 01892 861025
DX 3966 Tunbridge Wells 1

Liberty Legal Indemnities

SCHEDULE

POLICY NO: BCD 0870120

SINGLE PREMIUM: £410.00
INSURANCE PREMIUM TAX: £20.50
TOTAL PREMIUM: £430.50

THE UNDERWRITERS:

LIBERTY LEGAL INDEMNITIES
Underwritten by Syndicate 4472 at Lloyd's

THE INSURED:

ALEXANDER DUDLEY STEWART-CLARK and CHALLENGE FENCING LIMITED and the Insured's successors in title owner or owners for the time being (including mortgagees and lessees) to the Property or any parts thereof all of whom shall be bound by the terms and conditions of this policy

THE PROPERTY:

Barn and Paddocks, Off Rose Lane, Ripley shown edged red on the three annexed plans

THE DEFECT:

- i) The title to the Property may lack a formal pedestrian and vehicular right of way over the access way between the Property and the nearest public highway
- ii) The title to the Property lacks a formal easement to use the service media as connected to the Property and as developed prior to the Date of Commencement

THE DEVELOPMENTS:

The continued use of the Property for timber processing and paddocks and as developed prior to the Date of Commencement

RESTRICTIVE COVENANTS:

The restrictive covenants contained in the Transfer dated 5th May 1995 made between (1) Ashdale Land and Property Company Limited and (2) Stephen Chitty and Elizabeth Chitty

PERIOD OF INSURANCE:

The period beginning on the Date of Commencement and continuing in perpetuity

LIMIT OF INDEMNITY:

£326,000

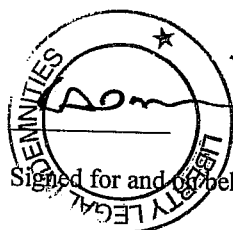
DATE OF COMMENCEMENT:

20/12/2007

DATE POLICY SIGNED:

10/01/2008

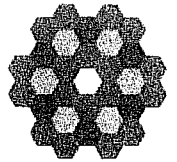
Issued by:
Legal and Insurance Services Limited
For and on behalf of
Liberty Legal Indemnities
PO Box 234
Tunbridge Wells
Kent TN3 0LX



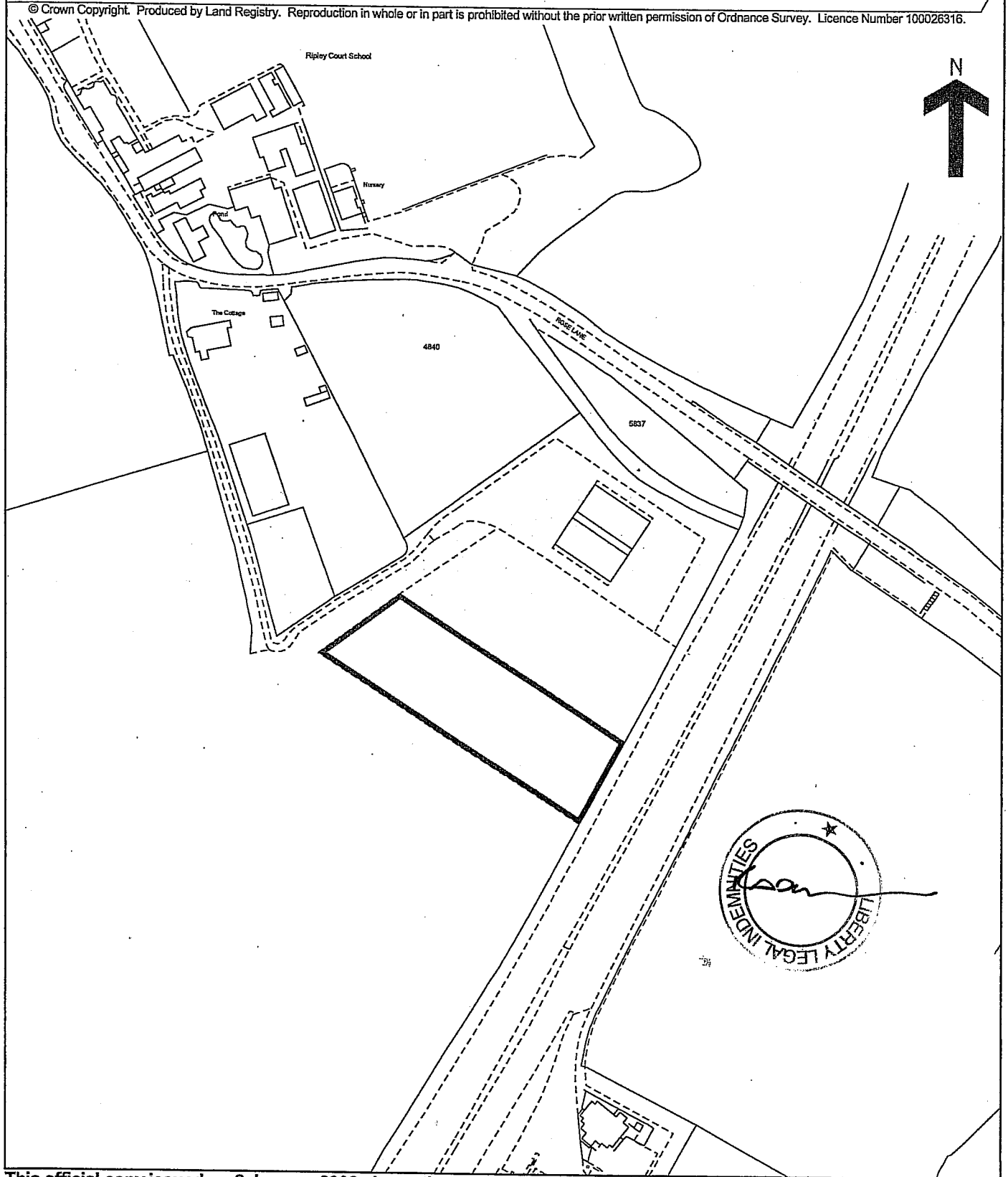
Signed for and on behalf of the Underwriters

Land Registry Official copy of title plan

Title number **SY767769**
Ordnance Survey map reference **TQ0556SE**
Scale **1:2500**
Administrative area **Surrey: Guildford**



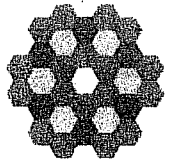
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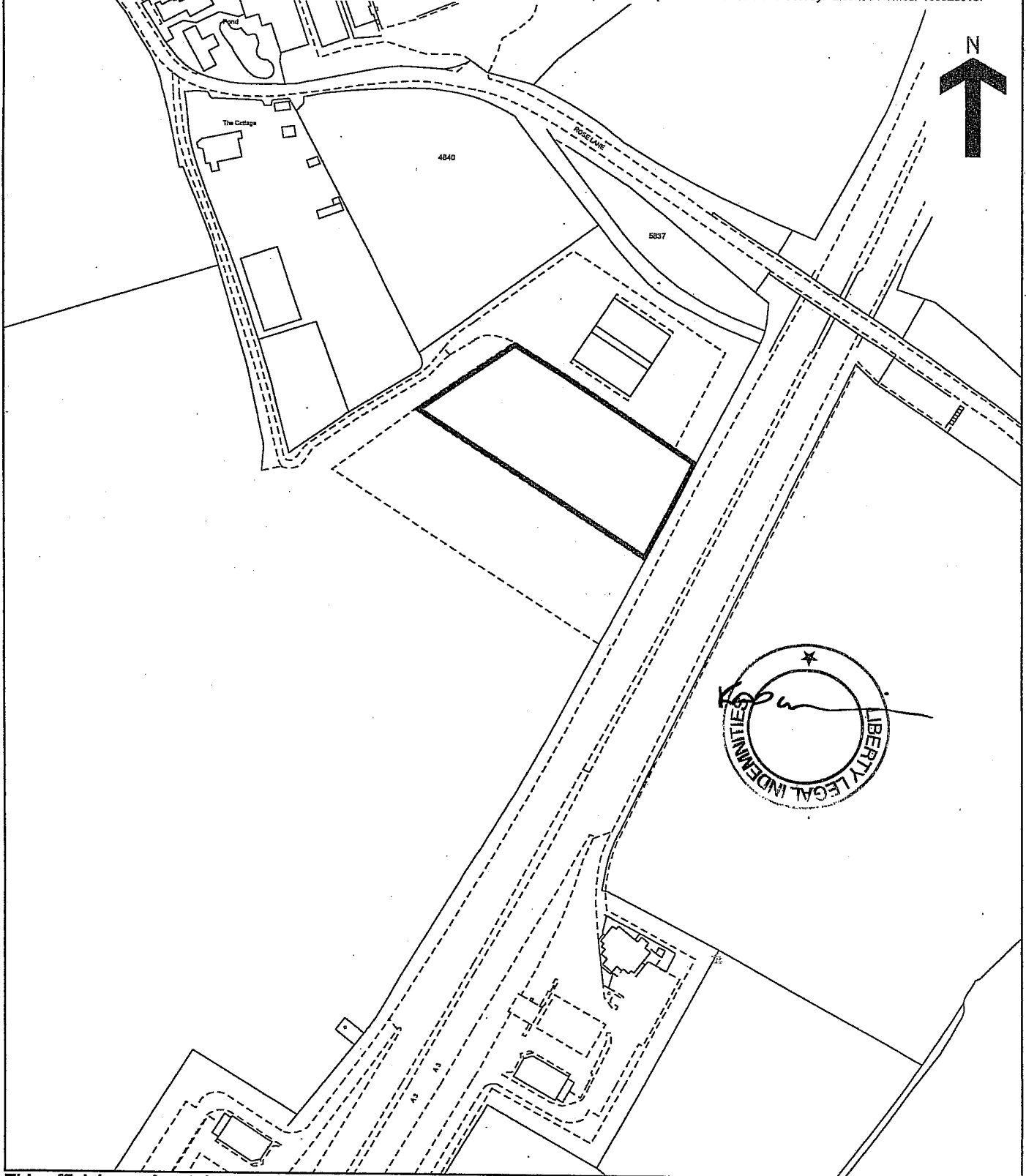
This official copy issued on 8 January 2008 shows the state of this title plan on 8 January 2008 at 16:33:33. It is admissible in evidence to the same extent as the original (s.67 Land Registration Act 2002).
This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground. See Land Registry Public Guide 19 - Title Plans and Boundaries.
This title is dealt with by Land Registry, Durham (Boldon) Office.

Land Registry
Official copy of
title plan

Title number **SY767771**
Ordnance Survey map reference **TQ0556SE**
Scale **1:2500**
Administrative area **Surrey: Guildford**



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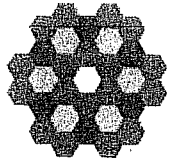
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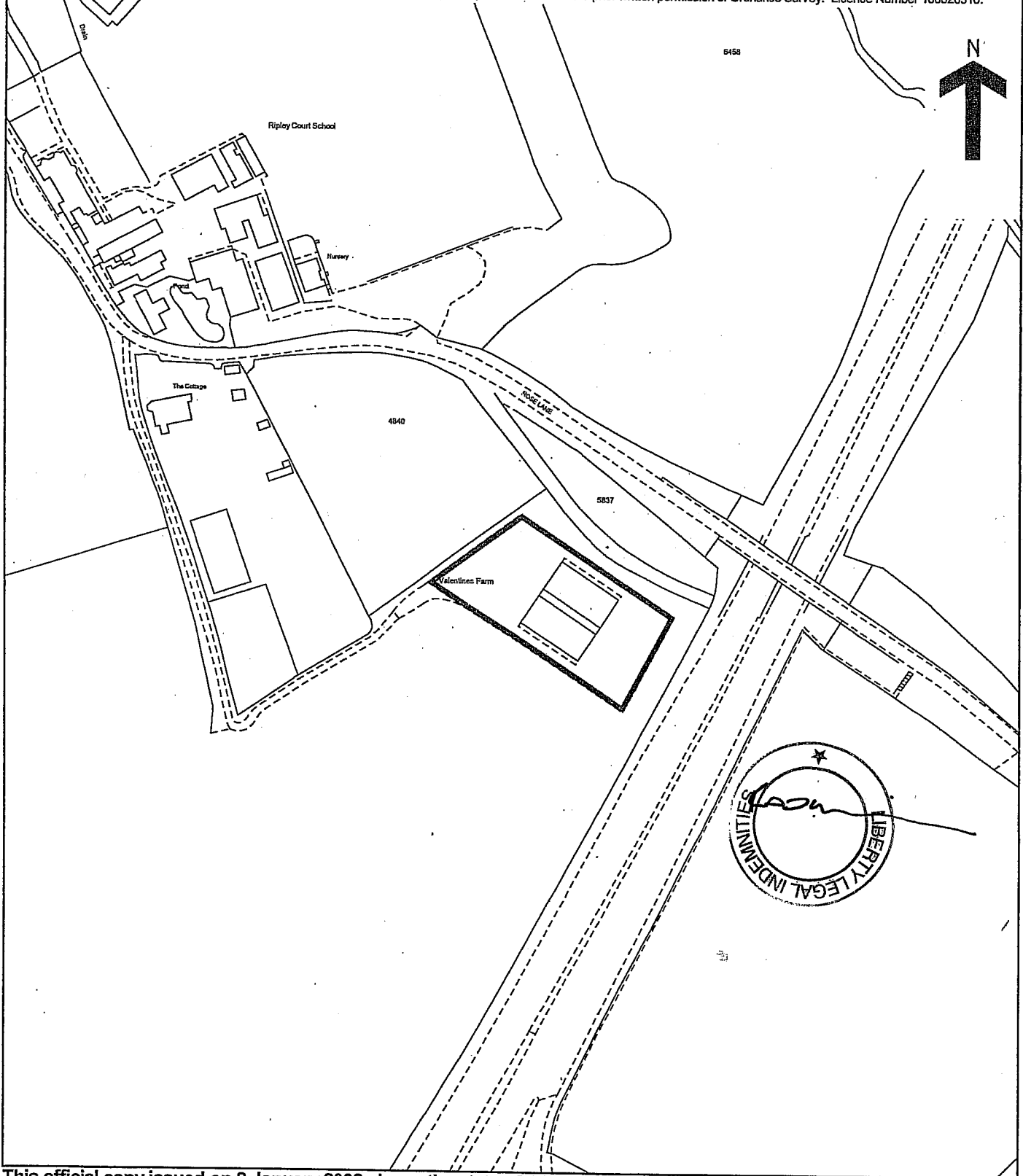
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Land Registry Official copy of title plan

Title number **SY767766**
Ordnance Survey map reference **TQ0556SE**
Scale **1:2500**
Administrative area **Surrey: Guildford**



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This title is dealt with by Land Registry, Durham (Boldon) Office.

**DEFECTIVE TITLE AND
RESTRICTIVE COVENANT INDEMNITY POLICY**

This Policy and Schedule shall be read together and any word or expression to which a specific meaning has been attached in either shall bear such meaning wherever it may appear

WHEREAS

- (1) By a proposal and particulars in writing (which it is agreed shall be the basis of this contract and shall be held to be incorporated herein) an application has been made to the Underwriters by or on behalf of the Insured for the indemnity hereinafter expressed and has paid or agreed to pay the Single Premium as consideration for such indemnity
- (2) The Insured is or is about to become the owner lessee or mortgagee of the Property the title to which may be considered defective by reason of the Defect
- (3) It is apprehended that the Developments or some of them may be in breach of the Restrictive Covenants

IT IS HEREBY AGREED THAT in the event of any person claiming during the Period of Insurance

- A) with a view to the enforcement of any estate right liability or interest:
 - (i) adverse to or in derogation of the title of the Insured to the Property or
 - (ii) adverse to or in derogation of any right of way or easement necessary for the use and/or enjoyment of the Property for the purposes of the Developments
 - (iii) which would adversely affect the Developmentsand which the Insured is unable to rebut by reason of the Defect
- B) to be entitled to enforce the Restrictive Covenants against the Insured
 - a. the Underwriters shall assume responsibility for dealing with such claim or claims and shall subject to the terms provisions and conditions herein or endorsed hereon meet the cost of so doing. In pursuance of the before-mentioned responsibility the Underwriters shall be entitled at their discretion to
 - i. take or defend in any Court or Tribunal in the name of the Insured any proceedings arising out of such claim
 - ii. exercise in the name of the Insured any rights or remedies available to the Insured in such proceedings including the right to abandon or submit the claim to judgment
 - iii. compromise settle or compound any such claim
 - iv. deal with any such claim in any such manner as they think fit

PROVIDED however that before exercising their power to abandon proceedings or submit to judgment in proceedings or compromise settle or compound any claim the Underwriters shall inform the Insured of their intentions and give the Insured reasonable opportunity to comment thereon

- b. the Underwriters shall subject to the terms provisions and conditions herein or endorsed hereon indemnify the Insured against
 1. in respect of A) above
 - i. all sums which the Insured shall become legally liable to pay as damages or compensation in any consequent action or proceedings including costs and expenses properly incurred in connection therewith
 - ii. the loss of market value of the Property for the purpose of the Developments at the date of (i) any Court Order under which the Insured may be dispossessed of the Property or (ii) the surrender of the Property to the claimant with the written consent of the Underwriters or should the Insured be dispossessed of part only of the Property or be deprived of the use thereof or of any right of way or easement the difference between the market value of so much of the Property with such rights and easements as may be retained by the Insured and the market value of the entire Property if the Defect did not exist

- iii. any loss suffered by the Insured as owner lessee or mortgagee of the Property and flowing directly and immediately from the granting of any injunction or the giving of any undertaking or from any award (other than damages or compensation) made by any court or tribunal or any compromise settlement or compounding made by the Underwriters of any claim
 - iv. all sums paid with the written consent of the Underwriters to free the Property from any adverse estate right or interest
 - v. all other costs and expenses incurred by the Insured with written consent of the Underwriters
2. in respect of B) above
- i. the expense of and incidental to defending or prosecuting any legal proceedings in any Court or Tribunal of competent jurisdiction arising out of any claim or claims whether such proceedings are brought by the person making the claim or in the name of the Insured
 - ii. any sums agreed by the Underwriters with the claimant as payable by the Insured for the purpose of settling any proceedings or compromising settling or compounding any such claim
 - iii. any damages and costs awarded against the Insured in any such proceedings by any such Court and any compensation and costs which any such Tribunal may award as a condition of the modification of the Restrictive Covenants
 - iv. the expense of complying with any injunction which may be awarded against the Insured or any undertaking given by the Underwriters in the name of the Insured in any such proceedings
 - v. any loss suffered by the Insured as owner lessee or mortgagee of the Property and flowing directly and immediately from the granting of any injunction or the giving of any undertaking or from any award (other than damages or compensation) made by any court or tribunal or any compromise settlement or compounding made by the Underwriters of any claim
 - vi. the difference between the market value of the Property on the assumption that the Restrictive Covenants are unenforceable and the market value of the Property subject to the Restrictive Covenants to the extent that they are held to be enforceable by any Court or Tribunal such values to be calculated by reference to prices current at the date of any Order by such Court or Tribunal
- c. regardless of the number of claims that may be made against the Insured during the Period of Insurance the total amount payable by the Underwriters under this policy shall not exceed in the aggregate the Limit of Indemnity
- d. the Insured shall at all times comply with the requirements of the Conditions hereinafter set out

CONDITIONS

1. Upon becoming aware of any occurrence affecting the risk insured against or likely to give rise to a claim under this Policy the Insured shall not admit any liability nor take any steps to compromise or settle any claim without the consent in writing of the Underwriters but shall with all due diligence give to the Underwriters particulars in writing of such occurrence and shall thereupon give all due and proper information and assistance to the Underwriters or their solicitors agents or surveyors in or about the conduct of any proceedings which the Underwriters may think fit to take at their own expense either in the name of the Insured or in the name of the Underwriters (whether before or after settlement of any claim) including any steps the Underwriters may wish to take for the purpose of enforcing any rights seeking any remedies or obtaining any relief indemnity or contribution from any other party or parties to which the Underwriters may be or become entitled by right of subrogation or otherwise upon payment or satisfaction of any claim under this Policy
2. If any step action or proceedings by any third party likely to give rise to a claim under this Policy shall be induced either wholly or partly by or through any act or omission of the Insured (save as may already have occurred and be recorded in this Policy or schedule) this Policy shall be void
3. Without the prior written consent of the Underwriters the existence of this Policy shall not be disclosed to any third party other than bona fide purchasers and lessees and their mortgagees
4. If at the time of any claim made under this Policy there be any other insurance or insurances subsisting (whether effected by the Insured or by any other person) under which the Insured may be entitled to make a claim wholly or partly in respect of the same risk or interest covered by this Policy the Underwriters shall be liable to pay or contribute in respect of such claim rateably with such other insurance or insurances
5. If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to an arbitrator to be appointed by the parties in accordance with the statutory provisions in that behalf for the time being in force. Where any difference is by this condition to be referred to arbitration the making of an award shall be a condition precedent to any right of action against the Underwriters
6. Unless it is specifically agreed between the Underwriters and the Insured to the contrary this insurance shall be governed by English law

Mortgagees, Lessees and Successors in Title Clause

Notwithstanding anything contained herein to the contrary the interest (where appropriate) of the original Insured of any mortgagee or chargee or lessee or successor in title to the original Insured in this Policy shall not be prejudiced by any act or default of any party (not being such original Insured mortgagee or chargee or lessee or successor) which might otherwise invalidate or reduce the indemnity provided by this Policy

NOTICE TO THE INSURED

Any enquiry or complaint should be addressed in the first instance to:

Legal and Insurance Services Limited
P O Box 234
Tunbridge Wells
Kent
TN3 0LX

Tel: 01892 863863
Fax: 01892 861025

If you are unable to resolve your enquiry or complaint with the above please contact:-

Liberty Syndicates
5th Floor
Plantation Place South
60 Great Tower Street
London EC3R 5AZ

Tel: 020 7070 4472
Fax 020 7863 1001

If you are not satisfied with the way a complaint has been dealt with you may ask the Complaints Department at Lloyd's to review your case without prejudice to your rights in law.

The address is:
Complaints Department
Lloyd's
One Lime Street
London
EC3M 7HA

Tel: 020 7327 5693
Fax: 020 7327 5225

email: Lloyds-Regulatory-Complaints@Lloyds.com

Complaints that cannot be resolved by the Complaints Department may be referred to the Financial Ombudsman Service. Further details will be provided at the appropriate stage of the complaints process.

NOTIFYING A CLAIM

If anything should happen which might give rise to a claim under the policy please forward full details to Legal and Insurance Services Limited at the above address. Please include mention of the Policy Number shown at the top of the Schedule to the policy.

If you do not receive a reply or acknowledgement within 10 working days please forward the details to Liberty Syndicate Management Limited at the above address.