

SCHEDULE

POLICY NO: BCD 1675010

SINGLE PREMIUM: £18,000.00
INSURANCE PREMIUM TAX: £1,800.00
TOTAL PREMIUM: £19,800.00

THE INSURER:

LIBERTY LEGAL INDEMNITIES
Underwritten by Liberty Mutual Insurance Europe Limited under the Binding
Authority Contract Number RNMFP1603841

THE INSURED:

BELLWAY HOMES LIMITED and the HIGHWAYS AUTHORITY and their successors
in title, the owner(s) for the time being of the PROPERTY or any part thereof (to
include mortgagees (and financial institutions on whose behalf they are acting)
lessees and lessees' mortgagees) and all suppliers of utilities and infrastructure
to the PROPERTY and statutory undertakers and other statutory authorities
relating the infrastructure on or serving the PROPERTY all of whom shall be bound
by the terms and conditions of this policy

THE PROPERTY:

LAND AT LITTLE MEADOWS, ALFORD ROAD, CRANLEIGH, SURREY registered
under Title No SY512898 as at the DATE OF COMMENCEMENT and for the
avoidance of doubt shown edged in red on Plan 1 attached which expression
'PROPERTY' wherever used in this Policy and Schedule includes each and every
part or parts thereof

THE DEFECT:

In connection with the INSURED USE the INSURED claims and/or requires the
following rights for the benefit of the PROPERTY and each and every part thereof:

- i. a right of access to and from the PROPERTY at all times and for all purposes
with and without vehicles over and along the strip of land hatched red on
Plan 1 (the ACCESSWAY)
- ii. a right to break open the surface of the ACCESSWAY and a right to lay drains
sewers pipes wires cables and other conducting media (SERVICE MEDIA)
therein where necessary to adoption standards
- iii. a right of entry onto the ACCESSWAY for the purposes of inspecting
maintaining repairing and renewing any SERVICE MEDIA connected to the
PROPERTY and located in the ACCESSWAY at the DATE OF COMMENCEMENT
or hereinafter constructed therein
- iv. a right of free passage and running of water soil gas electricity and other
services through the SERVICE MEDIA
- v. a right to create and use a footpath along the ACCESSWAY
- vi. a right to create and use a footpath along the eastern side of Alfold Road
shown cross hatched red on Plan 2 attached (the S106 LAND) in accordance
with the provisions of the Section 106 Agreement

- vii. a right to discharge surface water drainage from the PROPERTY into a) Littlemead Brook (the BROOK) at the north eastern edge of the PROPERTY and b) the ditch situated within the land shown hatched red on the attached plan

but the title to the PROPERTY does not contain such rights

MEMORANDUM:

The INSURER shall not be liable in respect of any loss arising out of or contributed to by:

- a) the failure of the INSURED to pay their due proportion of the cost of maintaining or repairing the ACCESSWAY and/or the S106 LAND and or the and/or any SERVICE MEDIA and/or the BROOK
- b) the INSURED or persons authorised by them obstructing the ACCESSWAY and/or the S106 LAND and/or the BROOK

INSURED USE:

The construction and use of residential developments footpaths and highway works and the installation of drains sewers pipes wires cables and conducting media (SERVICE MEDIA) therein pursuant to planning permission obtained prior to the DATE OF COMMENCEMENT or any subsequent planning permission or variation thereof and the subsequent disposal of the residential dwellings on the PROPERTY

PERIOD OF INSURANCE:

The period beginning on the DATE OF COMMENCEMENT and continuing in perpetuity

LIMIT OF LIABILITY:

£35,589,000.00

DATE OF COMMENCEMENT:

21st December 2016

DATE POLICY SIGNED:

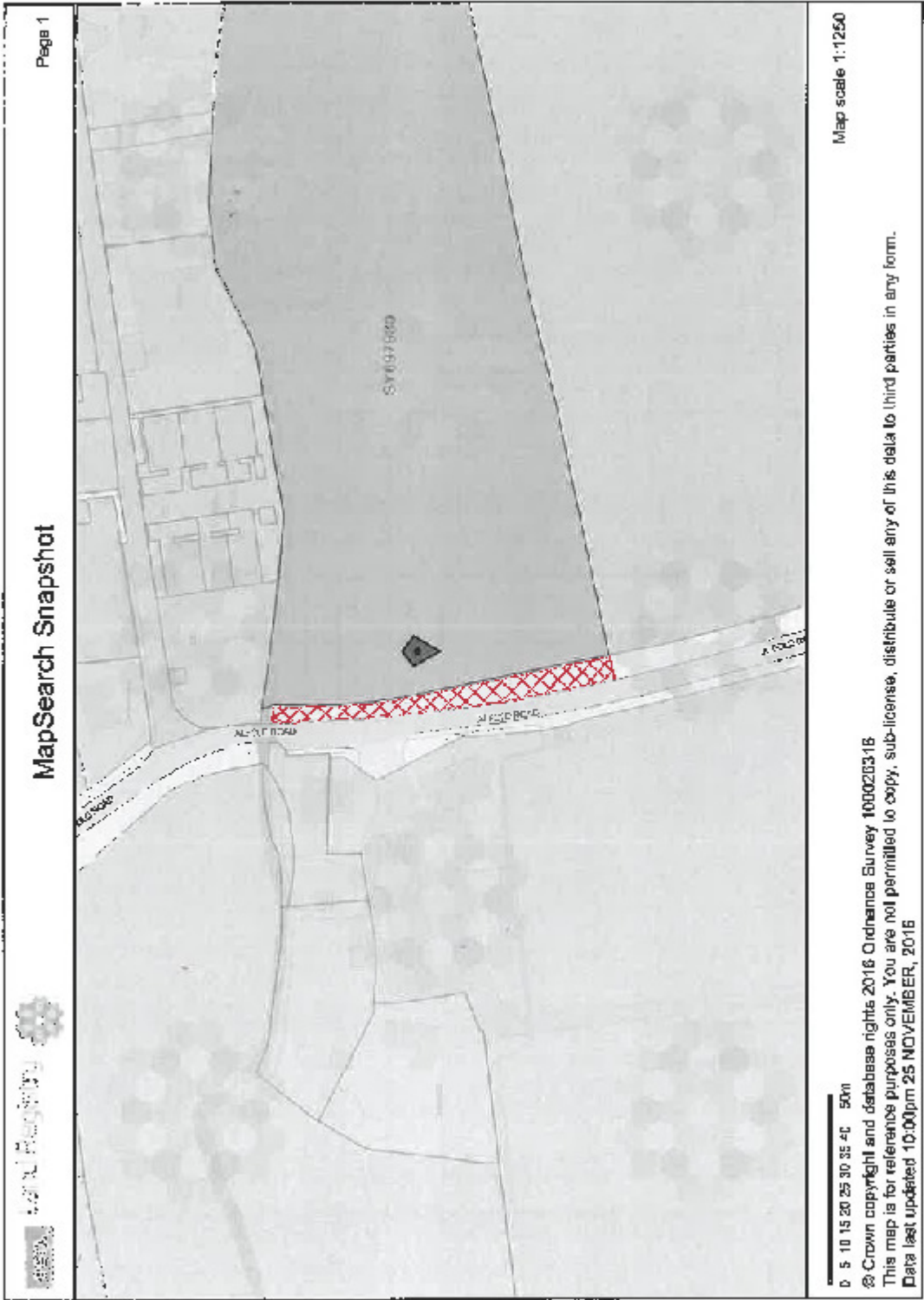
23rd December 2016



Signed for and on behalf of the INSURER

Issued by Legal and Insurance Services Limited PO Box 234, Tunbridge Wells, Kent TN3 0LX





DEFECTIVE TITLE INSURANCE 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) An application has been made to the INSURER by or on behalf of the INSURED for the insurance hereinafter expressed and has paid or agreed to pay the SINGLE PREMIUM as consideration for such insurance
- (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

IT IS HEREBY AGREED THAT

1. In the event of any person claiming during the PERIOD OF INSURANCE 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 any part thereof
 - (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 INSURED USE or
 - (iii) which would adversely affect the INSURED USE

and which the INSURED is unable to rebut by reason of the DEFECT

the INSURER may assume responsibility for dealing with such claim or claims and shall subject to the provisions hereinafter contained meet the cost of so doing. In pursuance of the aforementioned responsibility the INSURER shall be entitled at their discretion to:

- (a) Allow the INSURED to instruct its own solicitors to engage in pre-action correspondence and/or to take or defend any proceedings arising out of such claim in which case the INSURER will meet the INSURED's reasonable legal costs incurred in doing so, provided that all steps or actions to be taken are agreed by the INSURER in advance
- (b) Take or defend in any Court or Tribunal in the name of the INSURED any proceedings arising out of such claim
- (c) 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 to judgment
- (d) Compromise settle or compound any such claim
- (e) Deal with such claim in 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 INSURER shall inform the INSURED of their intentions and give the INSURED reasonable opportunity to comment thereon

2. The INSURER shall subject to the terms provisions and conditions herein or endorsed hereon pay to or for the INSURED
 - (a) 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
 - (b) The loss of market value of the PROPERTY for the purpose of the INSURED USE 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 INSURER 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

- (c) The cost of works (including architects' and surveyors' fees) incurred for the purpose of the INSURED USE begun or contracted for before or after the DATE OF COMMENCEMENT and whether before or after the commencement of proceedings for a Court Order or the date of the surrender of the PROPERTY or part thereof to the extent that such expenditure is rendered abortive by the Court Order or the surrender or any compromise settlement or compounding made by the INSURER of any claim
 - (d) The cost of demolishing any building erected after the DATE OF COMMENCEMENT for the purpose of the INSURED USE or of restoring to its former condition any building altered for such purpose so far as such demolition or restoration is necessary to comply with any Court Order or with the terms of the surrender
 - (e) Interest on capital monies borrowed by the INSURED in connection with the purchase of the PROPERTY and/or any works on the PROPERTY as part of the INSURED USE payable or accruing between the DATE OF COMMENCEMENT and the date of any Court Order or surrender referred to in clause 2(b) above to the extent that the payment of any such interest is rendered abortive by such Court Order or surrender or any compromise settlement or compounding made by the INSURER of any claim
 - (f) 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 INSURER of any claim
 - (g) All sums paid with the written consent of the INSURER to free the PROPERTY from any adverse estate right or interest
 - (h) All other costs and expenses incurred by the INSURED with written consent of the INSURER
- 3. Regardless of the number of claims that may be made against the INSURED during the PERIOD OF INSURANCE the total amount payable by the INSURER under this policy shall not exceed in the aggregate the LIMIT OF LIABILITY
 - 4. The INSURED shall at all times comply with the Conditions hereinafter set out

GENERAL

- 1. Unless otherwise indicated, no term of this insurance contract is intended to limit or affect the statutory rights or obligations of any of the parties to this contract under, and/or the effect of, Parts 2, 3, 4 or 5 of the Insurance Act 2015 (the "2015 Act")
- 2. Any term of this insurance contract which would, but for this clause, put the INSURED in a worse position as respects any of the matters provided for in Parts 2, 3, 4 or 5 of the 2015 Act than it would be by virtue of the provisions of those Parts is, to that extent, of no effect, unless the INSURER has complied with the transparency requirements in Section 17 of the 2015 Act
- 3. The INSURED should ask the INSURER or its broker or solicitor for clarification of any matters which are not clear to it regarding the scope of disclosure required or the provisions of this insurance contract

THE DUTY OF FAIR PRESENTATION

- 1. Before this insurance contract is entered into, the INSURED (including anyone acting on behalf of the INSURED in arranging this insurance contract) must make a fair presentation of the risk to the INSURER, in accordance with Section 3 of the 2015 Act. In summary, they must:
 - a) Disclose to the INSURER every material circumstance which the INSURED knows or ought to know. Failing that, they must give the INSURER sufficient information to put a prudent insurer on notice that it needs to make further enquiries in order to reveal material circumstances. A matter is material if it would influence the judgement of a prudent insurer as to whether to accept the risk, or the terms of the insurance (including premium); and
 - b) Make the disclosure in Clause 1 a) above in a reasonably clear and accessible way; and
 - c) Ensure that every material representation of fact is substantially correct, and that every material representation of expectation or belief is made in good faith

2. For the purposes of Clause 1 a) above, the INSURED is expected to know the following:
 - a) If the Insured is an individual, what is known to the individual and anybody who is responsible for arranging his or her insurance
 - b) If the Insured is not an individual, what is known to anybody who is part of the INSURED's management; or anybody who is responsible for arranging the INSURED's insurance
 - c) Whether the INSURED is an individual or not, what should have reasonably been revealed by a reasonable search of information available to the INSURED. The information may be held within the INSURED's organisation, or by any third party (including but not limited to the broker, solicitor, subsidiaries, affiliates or any other person who will be covered under the insurance). If the INSURED is insuring subsidiaries, affiliates or other parties, the INSURER expects that the INSURED will have included them in its enquiries, and that the INSURED will inform the INSURER if it has not done so. The reasonable search may be conducted by making enquiries or by any other means

BREACH OF WARRANTY: SUSPENSORY

If the INSURED breaches a warranty in this insurance contract, the INSURER's liability under the contract shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The INSURER will have no liability to the INSURED for any loss which occurs, or which is attributable to something happening, during the period when the INSURER's liability is suspended

TERMS NOT RELEVANT TO THE ACTUAL LOSS

Where: (i) there has been a failure to comply with a term (express or implied) of this insurance contract, other than a term that defines the risk as a whole; and (ii) compliance with such term would tend to reduce the risk of loss of a particular kind and/or loss at a particular location and/or loss at a particular time, the INSURER cannot rely on the breach of such term to exclude, limit or discharge its liability if the INSURED shows that the failure to comply with such term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred

FRAUDULENT CLAIMS CLAUSE

1. If the INSURED makes a fraudulent claim under this insurance contract, the INSURER:
 - a) Is not liable to pay the claim; and
 - b) May recover from the INSURED any sums paid by the INSURER to the INSURED or to any third party in respect of the claim; and
 - c) May by notice to the INSURED treat the contract as having been terminated with effect from the time of the fraudulent act
2. If the INSURER exercises its right under Clause 1 c) above:
 - a) The INSURER shall not be liable to the INSURED in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to the INSURER's liability under the insurance contract (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
 - b) The INSURER need not return any of the premiums paid

FRAUDULENT CLAIMS – GROUP INSURANCE

If this insurance contract provides cover for any person or entity who is not a party to the contract ("a covered person"), and a fraudulent claim is made under the contract by or on behalf of a covered person, the INSURER may exercise the rights set out in the preceding Clause above as if there were an individual insurance contract between the INSURER and the covered person. However the exercise of any of those rights shall not affect the cover provided under the contract for any other person or entity

REMEDIES FOR BREACH OF THE DUTY OF FAIR PRESENTATION

1. If, prior to entering into this insurance contract, the duty of fair presentation shall have been breached, the remedies available to the INSURER are set out below:

- a) If the breach of the duty of fair presentation is deliberate or reckless:
 - i) The INSURER may avoid the contract, and refuse to pay all claims; and
 - ii) The INSURER need not return any of the premiums paid
 - b) If the breach of the duty of fair presentation is not deliberate or reckless, the INSURER's remedy shall depend upon what the INSURER would have done if the duty of fair presentation had been complied with:
 - i) If the INSURER would not have entered into the contract at all, the INSURER may avoid the contract and refuse all claims, but must return the premiums paid
 - ii) If the INSURER would have entered into the contract, but on different terms (other than terms relating to the premium), the contract is to be treated as if it had been entered into on those different terms from the outset, if the INSURER so requires
 - iii) In addition, if the INSURER would have entered into the contract, but would have charged a higher premium, the INSURER may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims). In those circumstances, the INSURER shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$
2. If, prior to entering into a variation to this insurance contract, the duty of fair presentation shall have been breached, the remedies available to the INSURER are set out below:
- a) If the breach of the duty of fair presentation is deliberate or reckless:
 - i) The INSURER may by notice to the INSURED treat the contract as having been terminated from the time when the variation was concluded; and
 - ii) The INSURER need not return any of the premiums paid
 - b) If the breach of the duty of fair presentation is not deliberate or reckless, the INSURER's remedy shall depend upon what the INSURER would have done if the the duty of fair presentation had been complied with:
 - i) If the INSURER would not have agreed to the variation at all, the INSURER may treat the contract as if the variation was never made, but must in that event return any extra premium paid
 - ii) If the INSURER would have agreed to the variation of the contract, but on different terms (other than terms relating to the premium), the variation is to be treated as if it had been entered into on those different terms, if the INSURER so requires
 - iii) If the INSURER would have increased the premium by more than it did or at all, then the INSURER may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the INSURER shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{higher premium}) \times 100$
 - iv) If the INSURER would not have reduced the premium by more than it did or at all, then the INSURER may reduce proportionately the amount to be paid on a claim arising out of events after the variation. In those circumstances, the INSURER shall pay only X% of what it would otherwise have been required to pay, where $X = (\text{premium actually charged} / \text{reduced total premium}) \times 100$

NON-INVALIDATION CLAUSE

The interest of any INSURED under this policy will not be invalidated or affected by any other party breaching the policy terms and conditions, or providing false or misleading information to the INSURER, unless:

- a) Such party acted on the INSURED's behalf or with the INSURED's knowledge and consent
- b) Where the INSURED is a successor in title or mortgagee, chargee or lessee, they had knowledge of a breach of the policy terms or conditions, or that false or misleading information has been provided to the INSURER prior to the DATE OF COMMENCEMENT

CONDITIONS

1. On becoming aware of any potential or actual claim against this Policy the INSURED must:
 - a) Provide written notice and details to the INSURER without unnecessary delay
 - b) Not admit any liability whatsoever or take steps to compromise or settle the claim without the prior written consent of the INSURER
 - c) Provide all information and assistance that the INSURER (and/or their agents solicitors or surveyors) require at the INSURED's own expense
2. Any act or omission by the INSURED or anyone acting on the INSURED's behalf which in whole or in part induces a claim under this Policy (save as may already have occurred and be recorded in this Policy or Schedule and save in relation to carrying out the INSURED USE) shall void this Policy
3. The INSURED or anyone acting on the INSURED's behalf will not disclose the existence of this Policy or any information relating to it to any third party other than bona fide prospective purchasers and lessees (including their lenders and respective legal advisors)
4. If at the time of a claim under this Policy there is other insurance (whether incepted by the INSURED or any other party) under which the INSURED may be entitled to make a claim either wholly or partly in respect of the same interest or risk covered by this Policy the INSURER will not be liable to pay or contribute more than their rateable proportion of the claim
5. Unless it is specifically agreed between the INSURER and the INSURED to the contrary this insurance shall be governed by English Law

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
Email: enquiries@goodtitle.co.uk

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

Liberty Specialty Markets
20 Fenchurch Street
London EC3M 3AW

Tel: 020 3758 0000

Complaints that cannot be resolved may be referred to the Financial Ombudsman Service (www.financial-ombudsman.org.uk). 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 Specialty Markets at the above address.