



Registration of a Charge

Company Name: **DAWSON & SANDERSON LIMITED**

Company Number: **00741833**



Received for filing in Electronic Format on the: **06/06/2023**

XC53N2EO

Details of Charge

Date of creation: **31/05/2023**

Charge code: **0074 1833 0012**

Persons entitled: **ONE STOP BUSINESS FINANCE 2 LIMITED**

Brief description: **1. 1 AND 2 DAWSON HOUSE, POPLAR STREET, ASHINGTON, NE63 0BY REGISTERED AT HM LAND REGISTRY UNDER TITLE ND137921 2. 3 DAWSON HOUSE, WOODHORN ROAD, ASHINGTON, NORTHUMBERLAND. 3. 4 DAWSON HOUSE, WOODHORN ROAD, ASHINGTON, NORTHUMBERLAND. 4. 5 POPLAR STREET, ASHINGTON, NE63 0AS REGISTERED AT HM LAND REGISTRY UNDER TITLE ND30108. 5. 2 MARKET STREET, BLYTH REGISTERED AT HM LAND REGISTRY UNDER TITLE ND42368. 6. 18 BRIDGE STREET MORPETH, NORTHUMBERLAND. 7. THE CLUBHOUSE OF THE LONGHIRST HALL GOLF CLUB, LONGHIRST REGISTERED AT HM LAND REGISTRY UNDER TITLE ND141189. 8. LAND AT LONGHIRST, MORPETH REGISTERED AT HM LAND REGISTRY UNDER TITLE ND109392. 9. LONGHIRST GOLF CLUB HOUSE, LONGHIRST, MORPETH NE61 3LL REGISTERED AT HM LAND REGISTRY UNDER TITLE ND152239. 10. LAND AND BUILDINGS AND RIGHT OF WAY ADJOINING LONGHIRST HALL GOLF COURSE, MORPETH, NORTHUMBERLAND.**

Contains fixed charge(s).

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 THE ELECTRONIC COPY INSTRUMENT DELIVERED
AS PART OF THIS APPLICATION FOR REGISTRATION IS A
CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **TERI HUGHES**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 741833

Charge code: 0074 1833 0012

The Registrar of Companies for England and Wales hereby certifies that a charge dated 31st May 2023 and created by DAWSON & SANDERSON LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th June 2023 .

Given at Companies House, Cardiff on 9th June 2023

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 31 May **2023**

DAWSON & SANDERSON LIMITED

and

ONE STOP BUSINESS FINANCE 2 LIMITED

LEGAL MORTGAGE



CG Professional
St George's House
St George's Street
Chorley
Lancashire
PR7 2AA

THIS DEED is dated

31 May

2023

PARTIES

- (1) **DAWSON & SANDERSON LIMITED** a company incorporated and registered in England and Wales with company number 00741833 whose registered office is at 124-130 Northumberland Street, Newcastle Upon Tyne, NE1 7DG (**Borrower**).
- (2) **ONE STOP BUSINESS FINANCE 2 LIMITED** incorporated and registered in England and Wales with company number 13481779 whose registered office is at The Old Cow Shed, Oak Farm, Laytham, York, YO42 4PP ("**Lender**").

BACKGROUND

- (A) The Lender has agreed, under the Facility Agreement, to provide the Borrower with a loan facility on a secured basis.
- (B) The Borrower owns the Properties.
- (C) This deed provides security which the Borrower has agreed to give the Lender for the loan facility made or to be made available under the Facility Agreement.

AGREED TERMS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following definitions apply in this deed:

Affiliate: in relation to any person, a subsidiary of that person or a holding company of that person or any other Subsidiary of that holding company.

Assigned Agreements: the agreements (details of which are set out in Schedule 1), which are assigned by the Borrower pursuant to clause 3.2(c).

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Certificate of Title: any report on or certificate of title relating to the Properties or any of them supplied to the Lender.

Charged Property: all the assets, property and undertaking for the time being subject to any Security created by this deed (and references to the Charged Property shall include references to any part of it).

Costs: all costs, charges, expenses, taxes and liabilities of any kind, including (without limitation) costs and damages in connection with litigation, professional fees, disbursements and any VAT charged on Costs which the Lender or any Receiver or Delegate may charge or incur in relation to this legal mortgage, the Facility Agreement, the Finance Documents, the Charged Property or breach of any provision of this legal mortgage by the Borrower.

Delegate: any person appointed by the Lender or any Receiver under clause 15 and any person appointed as attorney of the Lender, Receiver or Delegate.

Environment: the natural and man-made environment including all or any of the following media, namely air, water and land (including air within buildings and other natural or man-made structures above or below the ground) and any living organisms (including man) or systems supported by those media.

Environmental Law: all applicable laws, statutes, regulations, secondary legislation, bye-laws, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice and guidance notes in so far as they relate to or apply to the Environment.

Environmental Licence: any authorisation, permit or licence necessary under Environmental Law in respect of any of the Charged Property.

Event of Default: has the meaning given to that expression in the Facility Agreement.

Facility Agreement: the facility agreement dated on or about the date of this deed between the Borrower and the Lender for the provision of the loan facility secured by this deed and also including any supplemental Finance Documents referred to in that facility agreement and any subsequent facilities agreed between the Lender and the Borrower which replace or amend existing facility arrangements (and for the avoidance of doubt including any other facility agreement providing financial facilities granted by a member of the Lender's Group to the Company).

Finance Documents: has the meaning given to that expression in the Facility Agreement.

Lender's Group: the Lender, One Stop Business Group Limited, One Stop Invoice Finance Limited, and its Affiliates together with any other associated bodies (whether incorporated or otherwise) that are nominated as being a member of the Lender's Group.

Insurance Policy: each contract or policy of insurance effected or maintained by the Borrower from time to time in respect of the Properties.

LPA 1925: the Law of Property Act 1925.

Premises Licence: the premises licence (as defined in Section 11 of the Licensing Act 2003) if any in respect of the Property and which (as those terms are defined in the Licensing Act 2003) authorises (at least) the sale by retail of alcohol and does not prohibit by condition consumption of such alcohol on the Property.

Properties: the freehold or leasehold properties or property (whether registered or unregistered) owned by the Borrower described in Schedule 2 and reference to a **Property** shall mean any of them.

Receiver: a receiver or a receiver and manager of any or all of the Charged Property.

Relevant Agreement: any agreement providing financial facilities made between the Borrower and any member of the Lender's Group.

Rent: all amounts payable to or for the benefit of the Borrower by way of rent, licence fee, service charge, dilapidations, ground rent and rent charge in respect of any of the Properties and other monies payable to or for the benefit of the Borrower in respect of occupation or usage of any of the Properties, including (without limitation) for display of advertisements on licence or otherwise.

Secured Liabilities: all present and future monies, obligations and liabilities of the Borrower to the Lender or to any member of the Lender's Group, whether actual or contingent and whether owed jointly or severally, as principal or surety or in any other capacity, including but not limited to, monies, obligations and liabilities arising under or in connection with the Finance Documents or any Relevant Agreement (including, without limitation, those arising under clause 27.3(b)) together with all Costs and interest (including, without limitation, default interest) accruing in respect of those monies, obligations or liabilities.

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.

Security Period: the period starting on the date of this deed and ending on the date on which the Lender 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.

Valuation: any valuation relating to the Properties or any of them supplied to the Lender by the Borrower (or on its behalf).

VAT: value added tax.

1.2 Interpretation

In this deed:

- (a) clause and Schedule headings shall not affect the interpretation of this deed;
- (b) 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) and that person's personal representatives, successors, permitted assigns and permitted transferees;
- (c) unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d) unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;

- (e) a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this deed shall be binding upon, and enure to the benefit of, the parties to this deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (f) a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g) a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h) a reference to **writing** or **written** includes fax but not e-mail;
- (i) an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j) 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 (in each case, other than in breach of the provisions of this deed) from time to time;
- (k) 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;
- (l) 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;
- (m) a reference to an **amendment** includes a novation, re-enactment, supplement or variation (and **amended** shall be construed accordingly);
- (n) a reference to **assets** includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an **authorisation** includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to **continuing** in relation to an Event of Default means an Event of Default that has not been waived;
- (q) 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
- (r) 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 Lender 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 Nature of security over real property

A reference in this deed to a **charge or mortgage of or over the Properties** includes:

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Properties at any time;
- (b) the proceeds of the sale of any part of the Properties or any of them and any other monies paid or payable in respect of or in connection with the Properties;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Properties or any of them and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Properties or any of them.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Facility Agreement and of any side letters between any parties in relation to the Facility Agreement are incorporated into this deed.

1.6 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).

1.7 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 to the Lender and discharge the Secured Liabilities when they become due.

3. **GRANT OF SECURITY**

3.1 **Legal mortgage and fixed charges**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender:

- (a) by way of legal mortgage, each of the Properties; and
- (b) by way of fixed charge:
 - (i) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy, the Rent and the benefit of any guarantee or security in respect of the Rent, the benefit of each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement to the extent not effectively assigned under clause 3.2;
 - (ii) the benefit of all other contracts, guarantees, appointments and warranties relating to the Charged Property and other documents to which the Borrower is a party or which are in its favour or of which it has the benefit relating to any letting, development, sale, purchase, use or the operation of the Charged Property or otherwise relating to the Charged Property (including, in each case, but without limitation, the right to demand and receive all monies whatever payable to or for its benefit under or arising from any of them, all remedies provided for in any of them or available at law or in equity in relation to any of them, the right to compel performance of any of them and all other rights, interests and benefits whatever accruing to or for its benefit arising from any of them); and
 - (iii) all authorisations (statutory or otherwise) held or required in connection with the Borrower's business carried on at any of the Properties or the use of any Charged Property [(including, without limitation, the Premises Licence)], and all rights in connection with them.

3.2 **Assignment**

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) all its rights in each Insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each Insurance Policy;
- (b) the Rent and the benefit of any guarantee or security in respect of the Rent; and
- (c) the benefit of each Assigned Agreement and the benefit of any guarantee or security for the performance of an Assigned Agreement,

provided that nothing in this clause 3.2 shall constitute the Lender as mortgagee in possession.

4. PERFECTION OF SECURITY

4.1 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to each of the Properties:

"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 _____ 2022 in favour of One Stop Business Finance 2 Limited referred to in the charges register or their conveyancer."

4.2 Further advances

The Lender covenants with the Borrower that it shall perform its obligations to make advances under the Facility Agreement (including any obligation to make available further advances).

4.3 First registration

If the title to the Properties or any of them is not registered at the Land Registry, the Borrower shall ensure that no person (other than itself) shall be registered under the Land Registration Act 2002 as the proprietor of all or any part of the Properties or any of them, without the prior written consent of the Lender.

4.4 Cautions against first registration and notices

Whether or not title to the Properties or any of them is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to the Properties or any of them, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not

permitted under this deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. LIABILITY OF THE BORROWER

5.1 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:

- (a) any security, guarantee, indemnity, remedy or other right held by, or available to, the Lender that is, or becomes, wholly or partially illegal, void or unenforceable on any ground;
- (b) the Lender 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
- (c) any other act or omission that, but for this clause 5.1, might have discharged, or otherwise prejudiced or affected, the liability of the Borrower.

5.2 Immediate recourse

The Borrower waives any right it may have to require the Lender 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.

6. REPRESENTATIONS AND WARRANTIES

6.1 Times for making representations and warranties

The Borrower makes the representations and warranties set out in this clause 6 to the Lender on the date of this deed and on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

6.2 Ownership of Charged Property

The Borrower is the legal and beneficial owner of the Charged Property and has good and marketable title to each of the Properties.

6.3 No Security

The Charged Property is free from any Security other than the Security created by this deed.

6.4 No adverse claims

The Borrower has not received, or acknowledged notice of, any adverse claim by any person in respect of the Charged Property or any interest in it.

6.5 No adverse covenants

There are no covenants, agreements, reservations, conditions, interests, rights or other matters whatever that materially and adversely affect the Charged Property.

6.6 No breach of laws

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

6.7 No interference in enjoyment

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

6.8 No overriding interests

Nothing has arisen, has been created or is subsisting that would be an overriding interest in the Properties or any of them.

6.9 No prohibitions or breaches

There is no prohibition on the Borrower assigning its rights in any of the Charged Property referred to in clause 3.2 and the entry into of this deed by the Borrower does not and will not constitute a breach of any policy, agreement, document, instrument or obligation binding on the Borrower or its assets.

6.10 Environmental compliance

The Borrower has, at all times, complied in all respects with all applicable Environmental Law and Environmental Licences.

6.11 Information for Valuations and Certificates of Title

- (a) All written information supplied by the Borrower or on its behalf for the purpose of each Valuation and Certificate of Title was true and accurate in all material respects at its date or at the date (if any) on which it was stated to be given.
- (b) The information referred to in clause 6.11(a) was, at its date or at the date (if any) on which it was stated to be given, complete and the Borrower did not omit to supply any information that, if disclosed, would adversely affect the Valuation or Certificate of Title.
- (c) In the case of the first Valuation and Certificate of Title only, nothing has occurred since the date the information referred to in clause 6.11(a)

was supplied and the date of this deed which would adversely affect such Valuation or Certificate of Title.

6.12 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.

6.13 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 Charged Property in accordance with its terms.

7. GENERAL COVENANTS

7.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Charged Property other than any Security created by this deed;
- (b) 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 Charged Property; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

7.2 Preservation of Charged Property

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this deed.

7.3 Compliance with laws and regulations

- (a) The Borrower shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law.
- (b) The Borrower shall:
 - (i) comply with the requirements of any law or regulation relating to or affecting the Charged Property or the use of it or any part of it;

- (ii) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property; and
- (iii) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by it under any law or regulation.

7.4 Enforcement of rights

The Borrower shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property that the Lender may require from time to time.

7.5 Notice of misrepresentations and breaches

The Borrower shall, promptly on becoming aware of any of the same, give the Lender notice in writing of:

- (a) any representation or warranty set out in this deed that is incorrect or misleading in any material respect when made or deemed to be repeated; and
- (b) any breach of any covenant set out in this deed.

7.6 Title documents

The Borrower shall, on the execution of this deed, deposit with the Lender and the Lender shall, for the duration of this deed, be entitled to hold:

- (a) all deeds and documents of title relating to the Charged Property 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);
- (b) each Insurance Policy; and
- (c) a copy of each Assigned Agreement, certified to be a true copy by either a director of the Borrower or by the Borrower's solicitors.

7.7 Notices to be given by the Borrower

- (a) The Borrower shall immediately on the execution of this deed:
 - (i) give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.2(a) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender; and
 - (ii) give notice to each of the other parties to each Assigned Agreement and any guarantee or security for the performance of an Assigned Agreement of the assignment of the Borrower's rights and interest in and under each Assigned Agreement and each guarantee or security for the performance of an Assigned Agreement under clause 3.2(c) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender.
- (b) The Borrower shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this clause 7.7.

7.8 Borrower's waiver of set-off

The Borrower waives any present or future right of set-off it may have in respect of the Secured Liabilities (including sums payable by the Borrower under this deed).

7.9 Premises Licence

The Borrower further covenants as follows :-

- (a) at all times to comply with the provisions of the Licensing Act 2003 and to procure that all persons or tenants in occupation of the Property or under the control of the Borrower do so as well;
- (b) as to the Premises Licence:-
 - (i) to obtain and maintain it, pay any fees when necessary and make or join in any appeal relating to it (and in particular (without limitation to the generality) at all times to be the sole holder of the Premises Licence);
 - (ii) not to put its existence or transfer at risk (and in particular (without limitation to the generality) not to give any notice to surrender the Premises Licence);
 - (iii) not to put it at risk of revocation, suspension or review by the licensing authority (and in particular (without limitation to the generality) not to put the Property or the Premises Licence at risk of:-

- (a) any closure order;
 - (b) the imposition or modification of conditions;
 - (c) lapse;
 - (d) the exclusion of any licensable activity (as defined by section 1(1) of the Licensing Act 2003)
- (iv)
 - (a) not without the consent of the Lender (not to be unreasonably withheld or delayed) to give any undertakings or accept any conditions in respect of the Premises Licence nor to make any application to materially vary or review it (save that the Borrower may apply to vary the Premises Licence under Section 37(1) of the Licensing Act 2003 to specify an individual as premises supervisor);
 - (b) where the Lender's consent is requested under (iv)(a) above to provide, for approval by the Lender, a copy of any relevant operating schedule and plans and, where the Lender's consent is given, then upon any undertaking condition or variation being accepted or agreed by the licensing authority to provide to the Lender such details and/or documentation as it shall reasonably require;
- (v) to give notice to the Lender immediately if the Borrower becomes aware of anything that may affect the Premises Licence and to take such action as the Lender directs;
- (vi) at the request of the Lender do everything necessary to facilitate the transfer of the Premises Licence to the Lender or to whoever it directs (including the provision of consent to the transfer of the Premises Licence with or without immediate effect as required by the Lender)
- (c) at all times to ensure that a suitable person is specified in the Premises Licence as the premises supervisor;
- (d) to provide upon request to the Company a certified copy of the Premises Licence;
- (e) to keep and maintain a Premises Licence in respect of the Property at its cost (at all times whilst this deal is in force) even if such Premises Licence is not required for any business or trade carried out at the Property.

8. PROPERTY COVENANTS

8.1 Repair and maintenance

- (a) The Borrower shall keep all premises, and fixtures and fittings on each of the Properties, in:
 - (i) good and substantial repair and condition and shall keep all premises adequately and properly painted and decorated and replace any fixtures and fittings which have become worn out or otherwise unfit for use with others of a like nature and equal value; and
 - (ii) such repair and condition as to enable each of the Properties to be let in accordance with all applicable laws and regulations.
- (b) For the purpose of clause 8.1(a)(ii), a law or regulation is applicable if it is either in force or it is expected to come into force and a prudent property owner in the same business as the Borrower would ensure that the premises, and fixtures and fittings on each of the Properties, were in such repair and condition in anticipation of that law or regulation coming into force.

8.2 No alterations

- (a) The Borrower shall not, without the prior written consent of the Lender:
 - (i) pull down or remove the whole or any part of any building forming part of the Properties or any of them nor permit the same to occur; or
 - (ii) make or permit to be made any material alterations to the Properties or any of them or sever or remove or permit to be severed or removed any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause 8.1).
- (b) The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of any of the Properties are destroyed or damaged.

8.3 Development restrictions

The Borrower shall not, without the prior written consent of the Lender:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of any of the Properties; or
- (b) carry out or permit or suffer to be carried out on any of the Properties any development (as defined in each of the Town and Country Planning

Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of any of the Properties.

8.4 Insurance

- (a) The Borrower shall insure and keep insured (or where, in the case of any leasehold property, insurance is the responsibility of the landlord under the terms of the lease, either procure that the landlord insures and keeps insured or, if and to the extent that the landlord does not do so, itself insure and keep insured) the Charged Property against:
 - (i) loss or damage by fire or terrorist acts, including any third party liability arising from such acts;
 - (ii) other risks, perils and contingencies that would be insured against by reasonably prudent persons carrying on the same class of business as the Borrower; and
 - (iii) any other risk, perils and contingencies as the Lender may reasonably require.
- (b) Any such insurance must be with an insurance company or underwriters and on such terms as are reasonably acceptable to the Lender and must be for not less than the replacement value of the relevant Charged Property (meaning in the case of any premises on each of the Properties, the total cost of entirely rebuilding, reinstating or replacing the premises in the event of their being destroyed, together with architects', surveyors', engineers' and other professional fees and charges for demolition and reinstatement) and loss of rents payable by the tenants or other occupiers of the Property for a period of at least three years.
- (c) The Borrower shall, if requested by the Lender, produce to the Lender each policy, certificate or cover note relating to any insurance required by clause 8.4(a) (or where, in the case of any leasehold property, that insurance is effected by the landlord, such evidence of insurance as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).
- (d) The Borrower shall, if requested by the Lender, procure that a note of the Lender's interest is endorsed upon or the Lender is named as co-insured with the Borrower on each Insurance Policy maintained by it or any person on its behalf in accordance with clause 8.4(a) and that the terms of each such Insurance Policy require the insurer not to invalidate the policy as against the Lender by reason of the act or default of any other joint or named insured and not to cancel it without giving at least 30 days' prior written notice to the Lender.

8.5 Insurance premiums

The Borrower shall:

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect; and
- (b) (if the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy (or where, in the case of leasehold property, insurance is effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

8.6 No invalidation of insurance

The Borrower shall not do or omit to do, or permit to be done or omitted, any act or thing that may invalidate or otherwise prejudice any Insurance Policy.

8.7 Proceeds from Insurance Policies

All monies payable under any Insurance Policy at any time (whether or not the security constituted by this deed has become enforceable) shall:

- (a) be paid immediately to the Lender;
- (b) if they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or, after the security constituted by this deed has become enforceable and, if the Lender so directs, in, or towards, discharge or reduction of the Secured Liabilities.

8.8 Leases and licences affecting the Property

The Borrower shall not, without the prior written consent of the Lender (which consent, in the case of clause 8.8(d), is not to be unreasonably withheld or delayed in circumstances in which the Borrower may not unreasonably withhold or delay its consent):

- (a) grant any licence or tenancy affecting the whole or any part of the Properties or any of them, or exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925 (or agree to grant any such licence or tenancy, or agree to exercise the statutory powers of leasing or of accepting surrenders under section 99 or section 100 of the LPA 1925);
- (b) in any other way dispose of, accept the surrender of, surrender or create any legal or equitable estate or interest in the whole or any part of the Properties or any of them (or agree to dispose of, accept the surrender

of, surrender or create any legal or equitable estate or interest in the whole or any part of the Properties or any of them);

- (c) let any person into occupation of or share occupation of the whole or any part of the Properties or any of them; or
- (d) grant any consent or licence under any lease or licence affecting the Properties or any of them.

8.9 No restrictive obligations

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of the Properties or any of them or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Properties or any of them.

8.10 Proprietary rights

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Properties or any of them, without the prior written consent of the Lender.

8.11 Compliance with and enforcement of covenants

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which each of the Properties, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting each of the Properties and shall not (and shall not agree to) waive, release or vary any of the same.

8.12 Notices or claims relating to the Properties

- (a) The Borrower shall:
 - (i) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a **Notice**) that specifically applies to the Properties or any of them, or to the locality in which it is situated, within seven days after becoming aware of the relevant Notice; and
 - (ii) (if the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making,

any objections or representations in respect of that Notice that the Lender thinks fit.

- (b) The Borrower shall give full particulars to the Lender of any claim, notice or other communication served on it in respect of any modification, suspension or revocation of any Environmental Licence or any alleged breach of any Environmental Law, in each case relating to any of the Properties.

8.13 Payment of rent and outgoings

The Borrower shall:

- (a) where the Properties, or one of or part of them, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed upon the Properties or on their occupier.

8.14 Rent reviews

- (a) The Borrower shall, if and of the Properties is subject to occupational leases or licences, implement any upwards rent review provisions and shall not, without the prior written consent of the Lender, agree to any change in rent to less than the open market rental value of the relevant Property.
- (b) The Borrower shall not, without the prior written consent of the Lender, if the Properties or any of them are leasehold, agree to any change in the rent payable under the lease in excess of the open market rental value and shall only agree to any upwards rent review in accordance with the terms of the lease.

8.15 Environment

The Borrower shall in respect of each of the Properties:

- (a) comply with all the requirements of Environmental Law; and
- (b) obtain and comply with all Environmental Licences.

8.16 Conduct of business on Property

The Borrower shall carry on its trade and business on those parts (if any) of the Property as are used for the purposes of trade or business in accordance with the standards of good management from time to time current in such trade or business.

8.17 Inspection

The Borrower shall permit the Lender and any Receiver and any person appointed by either of them to enter on and inspect each of the Properties on reasonable prior notice.

8.18 VAT option to tax

The Borrower shall not, without the prior written consent of the Lender:

- (a) exercise any VAT option to tax in relation to the Properties or any of them; or
- (b) revoke any VAT option to tax exercised, and disclosed to the Lender in writing, before the date of this deed.

9. ASSIGNED AGREEMENTS COVENANTS

9.1 Comply with terms of Assigned Agreements

The Borrower shall, unless the Lender agrees otherwise in writing, comply with the terms of each Assigned Agreement.

9.2 No waiver of rights

The Borrower shall not, without the prior written consent of the Lender, waive any of its rights under any Assigned Agreement.

9.3 No amendment or termination

The Borrower shall not, without the prior written consent of the Lender, supplement, amend, novate, terminate or permit termination of any Assigned Agreement.

9.4 No abandoning of actions or claims

The Borrower shall not, without the prior written consent of the Lender, abandon, waive, dismiss, release or discharge any action, claim or proceedings against any counterparty or other person in connection with any Assigned Agreement.

10. POWERS OF THE LENDER

10.1 Power to remedy

- (a) The Lender 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.
- (b) The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.

- (c) Any monies expended by the Lender in remedying a breach by the Borrower of its obligations contained in this deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 17.1.
- (d) In remedying any breach in accordance with this clause 10.1, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto any of the Properties and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

10.2 Exercise of rights

The rights of the Lender under clause 10.1 are without prejudice to any other rights of the Lender under this deed. The exercise of any rights of the Lender under this deed shall not make the Lender liable to account as a mortgagee in possession.

10.3 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this deed on a Receiver may, after the security constituted by this deed has become enforceable, be exercised by the Lender in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

10.4 Conversion of currency

- (a) For the purpose of, or pending, the discharge of any of the Secured Liabilities, the Lender may convert any monies received, recovered or realised by it under this deed (including the proceeds of any previous conversion under this clause 10.4) from their existing currencies of denomination into any other currencies of denomination that the Lender may think fit.
- (b) Any such conversion shall be effected at the Lender's choice of spot selling rate of exchange for such other currency against the existing currency.
- (c) Each reference in this clause 10.4 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.

10.5 New accounts

- (a) If the Lender receives, or is deemed to have received, notice of any subsequent Security or other interest, affecting all or part of the Charged Property, the Lender may open a new account for the

Borrower in the Lender's books. Without prejudice to the Lender'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.

- (b) If the Lender does not open a new account immediately on receipt of the notice, or deemed notice, referred to in clause 10.5(a), then, unless the Lender gives express written notice to the contrary to the Borrower, all payments made by the Borrower to the Lender shall be treated as having been credited to a new account of the Borrower and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt or deemed receipt of the relevant notice by the Lender.

10.6 Indulgence

The Lender 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 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.

11. WHEN SECURITY BECOMES ENFORCEABLE

11.1 Security becomes enforceable on Event of Default

The security constituted by this deed shall be immediately enforceable if an Event of Default occurs.

11.2 Discretion

After the security constituted by this deed has become enforceable, the Lender 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 Charged Property.

12. ENFORCEMENT OF SECURITY

12.1 Enforcement powers

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this deed) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this deed, but the Lender shall not exercise such power of sale or other powers until the security constituted by this deed has become enforceable under clause 11.1.
- (b) Section 103 of the LPA 1925 does not apply to the security constituted by this deed.

12.2 Extension of statutory powers of leasing

The statutory powers of leasing and accepting surrenders conferred on mortgagees under the LPA 1925 and by any other statute are extended so as to authorise the Lender and any Receiver, at any time after the security constituted by this deed has become enforceable, whether in its own name or in that of the Borrower, to:

- (a) grant a lease or agreement for lease;
- (b) accept surrenders of leases; or
- (c) grant any option in respect of the whole or any part of the Properties or any of them with whatever rights relating to other parts of it,

whether or not at a premium and containing such covenants on the part of the Borrower and on such terms and conditions (including the payment of money to a lessee or tenant on a surrender) as the Lender or Receiver thinks fit, without the need to comply with any of the restrictions imposed by sections 99 and 100 of the LPA 1925.

12.3 Prior Security

- (a) 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 Lender may:
 - (i) redeem that or any other prior Security;
 - (ii) procure the transfer of that Security to itself; and
 - (iii) settle any account of the holder of any prior Security.
- (b) The settlement of any such account shall be, in the absence of any manifest error, conclusive and binding on the Borrower. All monies paid by the Lender to an encumbrancer in settlement of such an account shall be, as from its payment by the Lender, due from the Borrower to the Lender 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.

12.4 Protection of third parties

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

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or

- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied.

12.5 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

12.6 No liability as mortgagee in possession

Neither the Lender, any Receiver nor any Delegate shall be liable to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any neglect or default of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.

12.7 Relinquishing possession

If the Lender, any Receiver or Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

12.8 Conclusive discharge to purchasers

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

13. RECEIVERS

13.1 Appointment

At any time after the security constituted by this deed has become enforceable, or at the request of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Charged Property.

13.2 Removal

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

13.3 Remuneration

The Lender may fix the remuneration of any Receiver appointed by it without the restrictions contained in section 109 of the LPA 1925 and the remuneration of the Receiver shall be a debt secured by this deed, to the extent not otherwise discharged.

13.4 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

13.5 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property.

13.6 Agent of the Borrower

Any Receiver appointed by the Lender under this deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

14. POWERS OF RECEIVER

14.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Lender under this deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 14.2 to clause 14.20.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 14 may be on behalf of the Borrower, the directors of the Borrower or himself.

14.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Properties or any of them and may apply for and maintain

any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

14.3 Grant or accept surrenders of leases

A Receiver may grant, or accept, surrenders of any leases or tenancies affecting the Properties or any of them on any terms and subject to any conditions that he thinks fit.

14.4 Employ personnel and advisers

A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms, and subject to any conditions, that he thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

14.5 Make and revoke VAT options to tax

A Receiver may exercise or revoke any VAT option to tax that he thinks fit.

14.6 Charge for remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Lender may prescribe or agree with him.

14.7 Realise Charged Property

A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights.

14.8 Manage or reconstruct the Borrower's business

A Receiver may carry on, manage, develop, reconstruct, amalgamate or diversify or concur in carrying on, managing, developing, reconstructing, amalgamating or diversifying the business of the Borrower carried out at the Properties or any of them.

14.9 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, grant any other interest or right over, sell, assign or lease (or concur in granting options and licences over all or any part of the Charged Property, granting any other interest or right over, selling, assigning or leasing) all or any of the Charged Property in respect of which he is appointed for such

consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions that he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

14.10 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from the Properties or any of them without the consent of the Borrower.

14.11 Give valid receipts

A Receiver may give valid receipts for all monies and execute all assurances and things that may be proper or desirable for realising any of the Charged Property.

14.12 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that he may think expedient.

14.13 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Property that he thinks fit.

14.14 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 17.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this deed.

14.15 Powers under LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925 and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1986.

14.16 Borrow

A Receiver may, for any of the purposes authorised by this clause 14, raise money by borrowing from the Lender (or from any other person) either unsecured or on the security of all or any of the Charged Property in respect of which he is appointed on any terms that he thinks fit (including, if the Lender consents, terms under which that Security ranks in priority to this deed).

14.17 Redeem prior Security

A Receiver may redeem any prior Security and settle the accounts to which the Security relates. Any accounts so settled shall be, in the absence of any manifest error, conclusive and binding on the Borrower, and the monies so paid shall be deemed to be an expense properly incurred by the Receiver.

14.18 Delegation

A Receiver may delegate his powers in accordance with this deed.

14.19 Absolute beneficial owner

A Receiver may, in relation to any of the Charged Property, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of the Charged Property or any part of the Charged Property.

14.20 Incidental powers

A Receiver may do any other acts and things:

- (a) that he may consider desirable or necessary for realising any of the Charged Property;
- (b) that he may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this deed or law;
or
- (c) that he lawfully may or can do as agent for the Borrower.

15. DELEGATION

15.1 Delegation

The Lender or any Receiver 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 19.1).

15.2 Terms

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

15.3 Liability

Neither the Lender nor any Receiver shall 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.

16. APPLICATION OF PROCEEDS

16.1 Order of application of proceeds

All monies received by the Lender, a Receiver or a Delegate under this deed after the security constituted by this deed has become enforceable (other than sums received under any Insurance Policy), 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:

- (a) in or towards payment of or provision for all costs, charges and expenses incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this deed and of all remuneration due to any Receiver under or in connection with this deed;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Lender determines; and
- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

16.2 Appropriation

Neither the Lender, any Receiver 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.

16.3 Suspense account

All monies received by the Lender, a Receiver or a Delegate under this deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realised account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and
- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

17. COSTS AND INDEMNITY

17.1 Costs

The Borrower shall, promptly on demand, pay to, or reimburse, the Lender and any Receiver, 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 Lender, any Receiver or any Delegate in connection with:

- (a) this deed or the Charged Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this deed; or
- (c) 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.

17.2 Indemnity

- (a) The Borrower shall indemnify the Lender, each Receiver 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:
 - (i) 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 Charged Property;
 - (ii) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this deed; or
 - (iii) any default or delay by the Borrower in performing any of its obligations under this deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 17.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

18. FURTHER ASSURANCE

The Borrower shall, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

- (a) creating, perfecting or protecting the security intended to be created by this deed;
- (b) facilitating the realisation of any of the Charged Property; or
- (c) facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

including, without limitation (if the Lender or Receiver 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 Charged Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration.

19. POWER OF ATTORNEY

19.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender, every Receiver 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:

- (a) the Borrower is required to execute and do under this deed; or
- (b) 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 Lender, any Receiver or any Delegate.

19.2 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 19.1.

20. RELEASE

Subject to clause 27.3, on the expiry of the Security Period (but not otherwise), the Lender shall, at the request and cost of the Borrower, take whatever action is necessary to:

- (a) release the Charged Property from the security constituted by this deed; and
- (b) reassign the Charged Property to the Borrower.

21. ASSIGNMENT AND TRANSFER

21.1 Assignment by Lender

- (a) At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights and obligations under this deed.
- (b) The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Charged Property and this deed that the Lender considers appropriate.

21.2 Assignment by Borrower

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

22. SET-OFF

22.1 Lender's right of set-off

The Lender may at any time set off any liability of the Borrower to the Lender against any liability of the Lender 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 Lender may convert either liability at a market rate of exchange for the purpose of set-off. Any exercise by the Lender of its rights under this clause 22.1 shall not limit or affect any other rights or remedies available to it under this deed or otherwise.

If the Lender has more than one account for the Borrower in its books, the Lender may at any time after:

- (a) the security constituted by this deed has become enforceable; or
- (b) the Lender has received, or is deemed to have received, notice of any subsequent Security or other interest affecting all or any part of the Charged Property;

transfer, without prior notice, all or any part of the balance standing to the credit of any account to any other account that may be in debit. After making any such transfer, the Lender shall notify the Borrower of that transfer.

- 22.2 Notwithstanding the provisions of clause 22.1 above, in addition to any general lien or similar rights to which it may be entitled by operation of law, the Lender and any Receiver may at any time and without notice to the Borrower combine or consolidate all or any of the Borrower's then existing accounts with any liabilities to the Lender or any member of the Lender's Group and set off or transfer any sum or sums standing to the credit of any one of more of such accounts in or towards satisfaction of the Secured Liabilities.

22.3 No obligation to set-off

The Lender is not obliged to exercise its rights under clause 22.1. If, however, it does exercise those rights it must promptly notify the Borrower of the set-off that has been made.

22.4 Exclusion of the Borrower's right of set off

All payments made by the Borrower to the Lender under this deed shall be made in full without any set off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

23. AMENDMENTS, WAIVERS AND CONSENTS

23.1 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).

23.2 Waivers and consents

- (a) 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.
- (b) 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 Lender shall be effective unless it is in writing.

23.3 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.

24. 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.

25. 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.

26. 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.

27. FURTHER PROVISIONS

27.1 Independent security

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

27.2 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 Lender discharges this deed in writing.

27.3 Discharge conditional

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

- (a) the Lender or its nominee may retain this deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and

- (b) the Lender 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.

27.4 Certificates

A certificate or determination by the Lender 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.

27.5 Consolidation

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

28. NOTICES

28.1 Delivery

Any notice or other communication given to a party under or in connection with this deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service; and
- (c) sent to:
 - (i) the Borrower at:
its registered office
Attention: the Directors
 - (ii) the Lender at:
The Old Cow Shed, Oak Farm, Laytham, York, YO42 4PP
Attention: Andrew Derek Mackenzie

or to any other address or fax number as is notified in writing by one party to the other from time to time.

28.2 Receipt by Borrower

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

- (a) if delivered by hand, at the time it is left at the relevant address; and
- (b) 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 28.2(a) 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.

28.3 Receipt by Lender

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

28.4 Service of proceedings

This clause 28 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.

28.5 No notice by e-mail

A notice or other communication given under or in connection with this deed is not valid if sent by e-mail.

29. GOVERNING LAW AND JURISDICTION

29.1 Governing law

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

29.2 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 arising out of or in connection with this deed or its subject matter or formation (including non-contractual disputes or claims). Nothing in this clause shall limit the right of the Lender 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.

29.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 29.2 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.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1 Assigned Agreements

None

Schedule 2 Properties

Property	Registered Proprietor	Tenure
1 and 2 Dawson House, Poplar Street, Ashington, NE63 0BY	Dawson & Sanderson Limited	Freehold title ND137921
3 Dawson House, Woodhorn Road, Ashington, Northumberland as is more particularly described in a Conveyance of 2 July 1976 between (1) Thomas Dawson Junior and (2) Dawson & Sanderson Limited	Dawson & Sanderson Limited	Freehold – unregistered
4 Dawson House, Woodhorn Road, Ashington, Northumberland as is more particularly described in a Conveyance of 1 July 1976 between (1) Samuel Douglas Ellison and (2) Dawson & Sanderson Limited	Dawson & Sanderson Limited	Freehold - unregistered
5 Poplar Street, Ashington, NE63 0AS	Dawson & Sanderson Limited	Freehold title ND30108
2 Market Street, Blyth	Dawson & Sanderson Limited	Freehold title ND42368
18 Bridge Street Morpeth, Northumberland as is more particularly described in a Conveyance of 13 March 1978 between (1) James Victor Rutherford and (2) Dawson & Sanderson Limited and as shown edged red (but not including the land shaded	Dawson & Sanderson Limited	Freehold – unregistered

blue at ground floor level only) on the attached plan		
The Clubhouse of the Longhirst Hall Golf Club, Longhirst	Dawson & Sanderson Limited	Freehold title ND141189
Land at Longhirst, Morpeth	Dawson & Sanderson Limited	Freehold title ND109392
Longhirst Golf Club House, Longhirst, Morpeth NE61 3LL	Dawson & Sanderson Limited	Freehold title ND152239
Land and Buildings and Right of way adjoining Longhirst Hall Golf Course, Morpeth, Northumberland and is more particularly described in a Lease of 2023 between (1) Graham Chambers, Joy Elizabeth Chambers and Thomas Dawson as Trustees of the Dawson & Sanderson Limited (1991) Pension Scheme and (2) Dawson & Sanderson Limited	Dawson & Sanderson Limited will be the Registered proprietors of the leasehold interest once it is registered.	Leasehold - unregistered

[illegible]

EXECUTED as a **DEED** by)
DAWSON & SANDERSON LIMITED)
acting by one of its directors in the presence of)



Witness Signature 

Witness Name EMILY RICHARDSON

Address Sintons LLP
The Cube, Barrack Road
Newcastle Upon Tyne

Occupation NE4 6DB
TRAINEE SOLICITOR

EXECUTED as a **DEED** by)
ANDREW DEREK MACKENZIE)
on behalf of **ONE STOP BUSINESS**)
FINANCE 2 LIMITED)
in the presence of:)

Witness Signature

Witness Name

Address

.....

Occupation