005218/23

In accordance with Sections 859A and 859J of the Companies Act 2006.

MR01
Particulars of a charge

Companies House

Go online to file this information
www.gov.uk/companieshouse

A fee is be payable with this form
Please see 'How to pay' on the last page.

✓ **What this form is for**
You may use this form to register a charge created or evidenced by an instrument.

✗ **What this form is NOT for**
You may not use this form to register a charge where there is no instrument. Use form MR08.

For further information, please refer to our guidance at: www.gov.uk/companieshouse

This form **must be delivered to the Registrar for registration w 21 days** beginning with the day after the date of creation of the cha delivered outside of the 21 days it will be rejected unless it is accom court order extending the time for delivery.

You **must** enclose a certified copy of the instrument with this form. scanned and placed on the public record. **Do not send the original.**

THURSDAY

AA9Q02G8
A07 29/07/2021 #78
COMPANIES HOUSE

1 Company details

For official use: 0009

Company number: 06998087

Company name in full: SPLASH DEVELOPMENTS LTD

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Charge creation date

Charge creation date: d 0 9 m 0 7 y 2 0 2 1

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees entitled to the charge.

Name: NICHOLAS JOHNATHAN LOWE

Name: CINDY JOANNE ROBERTS

Name:

Name:

If there are more than four names, please supply any four of these names then tick the statement below.

☐ I confirm that there are more than four persons, security agents or trustees entitled to the charge.

4 Brief description

Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument.

Please submit only a short description If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument".

Please limit the description to the available space.

Brief description

DAISY BANK MILL,
TERENCE ST
MANCHESTER
M40 1GD
UNDER TITLE NUMBER MAN 162503

5 Other charge or fixed security

Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box.

☒ **Yes** YES

☐ **No**

6 Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box.

☐ **Yes** Continue

☒ **No** Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☐ **Yes**

7 Negative Pledge

Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge?
Please tick the appropriate box.

☒ **Yes**

☐ **No**

8 Trustee statement ❶

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge.

☐

❶ This statement may be filed after the registration of the charge (use form MR06).

9 Signature

Please sign the form here.

Signature

Signature

X X

This form must be signed by a person with an interest in the charge.

MR01
Particulars of a charge

Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name KEVIN NICHOLAS
Company name NICHOLAS + PARTNERS SOLICITORS
Address FAIRMEAD, 55, VICTORIA RD
CHURWELL
Post town MORLEY
County/Region WEST YORKSHIRE
Postcode LS27 9JJ
Country ENGLAND
DX
Telephone 07831 230999

Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have included a certified copy of the instrument with this form.
- ☐ You have entered the date on which the charge was created.
- ☐ You have shown the names of persons entitled to the charge.
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8.
- ☐ You have given a description in Section 4, if appropriate.
- ☐ You have signed the form.
- ☐ You have enclosed the correct fee.
- ☐ Please do not send the original instrument; it must be a certified copy.

Important information

Please note that all information on this form will appear on the public record.

How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House.'

Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below:

For companies registered in England and Wales:
The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:
The Registrar of Companies, Companies House, Fourth floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:
The Registrar of Companies, Companies House, Second Floor, The Linenhall, 32-38 Linenhall Street, Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 6998087

Charge code: 0699 8087 0009

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th July 2021 and created by SPLASH DEVELOPMENTS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 29th July 2021.

Given at Companies House, Cardiff on 4th August 2021

Companies House

THE OFFICIAL SEAL OF THE REGISTRAR OF COMPANIES

We certify this to be a true copy of the original
27/7/21
NICHOLAS & PARTNERS
SOLICITORS

DATED 9th July 2021

NICHOLAS JOHNATHAN LOWE and CINDY JOANNE ROBERTS

and

SPLASH DEVELOPMENTS LIMITED

LEGAL CHARGE

relating to

Daisy Bank Mill, Terence Street, Manchester M40 1GD

Waldron & Schofield
Solicitors
25 York Street
Heywood OL10 4NN

THIS LEGAL CHARGE is dated 9th July 2021

PARTIES

1. NICHOLAS JOHNATHAN LOWE of 7 Low Crompton Road Royton Oldham OL2 6YR and CINDY JOANNE ROBERTS of 5 Low Crompton Road Royton Oldham OL2 6YR ('the Chargee')

2. SPLASH DEVELOPMENTS LIMITED (Co. Regn. No. 06998087) whose registered office is at 222 Oldham Road, Failsworth, Manchester M35 0HH ('the Chargor')

3. CARL GARRITY of 4, Horseshoe Lane, Chadderton, M24 1QS ('the Borrower')

IT IS AGREED

1. DEFINITIONS AND INTERPRETATION

1.1 In this charge the following definitions apply:

Assets
present and future assets, properties, revenues and rights of every description;

Business
any business, trade, operations, development or activities conducted on or from the Property;

Business Day
any day (other than a Saturday, Sunday or public holiday) during which banks in London are open for normal business;

Delegate
any delegate, agent, attorney or trustee appointed by the Chargee;

Environmental Claim
any claim, order, notice or other communication received by the Chargor alleging failure to comply with any Environmental Law or alleging liability under it; any indication that any charge is or may be imposed under any Environmental Law on the Property; or any indication given to the Chargor that the Property is or may be listed in any register of contaminated land or similar register;

Environmental Law
all laws, directions and regulations and all codes of practice, circulars and guidance notes issued by any competent authority or agency (whether in the United Kingdom or elsewhere and whether or not having the force of law) concerning the protection of the environment or human health, including the conservation of natural resources, the production, storage, transportation, treatment, recycling or disposal of any waste or any noxious, offensive or dangerous substance or the liability of any person, whether civil or criminal, for any damage to or pollution of the environment or its rectification or any related matters;

Environmental Permit
any permit, licence, authorisation, consent or other approval required by any Environmental Law;

Event of Default

(a) the Borrower or the Chargor fails to pay all or any of the Secured Liabilities when due following a demand for payment by the Chargee;

(b) any step is taken (including the making of an application or the giving of any notice) by the Borrower or the Chargor or by any other person to wind up or dissolve the Borrower or the Chargor or to appoint an Administrator, liquidator, trustee, manager or receiver, administrative receiver or similar officer of the Chargor or the Borrower or any part of its undertaking or assets;

(c) the making of a request by the Borrower or Chargor for the appointment of a Receiver; and/or

(d) the Borrower breaches any of the provisions of any Finance Document or an event of default (however described) occurs under any Finance Document;

Finance Document
this charge, any document, instrument or agreement under which the Chargee makes monies available to the Borrower or under which the Borrower otherwise owes sums to the Chargee and any document creating (or purporting to create) any Security Interest granted in favour of the Chargee in respect of the obligations of the Borrower to the Chargee from time to time (including the Loan Agreement but not limited to it);

Interest Rate
the rate of 7.5% per annum;

LPA
the Law of Property Act 1925;

Loan Agreement

the Loan Agreement dated 9th July 2021 between the Borrower and the Lender for the provision of the loan secured by this deed

Party
a party to this charge;

Permitted Security
any Security Interest created in favour of the Lender or with the prior written consent of the Lender from time to time;

Planning Acts
the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990, the Planning (Hazardous Substances) Act 1990, the Planning (Consequential Provisions) Act 1990, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004, the Planning Act 2008, the Localism Act 2011, the Growth and Infrastructure Act 2013 and any other legislation from time to time regulating the use or development of land;

Property
the property described in the schedule together with the benefit of all rights, easements and privileges in relation to that property, the Rental Income and all other Assets from time to time charged or intended to be charged by or under this charge;

Receiver
any receiver, manager or receiver and manager appointed by the Chargee under this charge;

Rental Income
the aggregate of all amounts paid or payable to or for the account of the Chargor in connection with the letting, licence or grant of other rights of use or occupation of any part of the Property;

Rights:

any Security Interest or other right or benefit whether arising by set-off, counterclaim, subrogation, indemnity, proof in liquidation or otherwise and whether from contribution or otherwise.

Secured Liabilities
all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, guarantor, surety or in any other capacity) of the Borrower or the Chargor to the Chargee, whether under the Loan Agreement or otherwise together with (i) all interest (including default interest), fees, costs, charges and expenses which the Chargee may charge or incur; and (ii) any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings; and

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

1.2 In this charge, a reference to:

1.2.1 a provision of law includes a reference to that provision as replaced, modified or re-enacted from time to time and any subordinate legislation made under that statutory provision from time to time, in each case whether before or after the date of this charge;

1.2.2 a person includes any individual, firm, company, corporation, government, state or agency of state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

1.2.3 this charge or any provision of this charge or any other agreement, document or instrument is to this charge, that provision or that agreement, document or instrument as amended, novated, supplemented, extended or restated;

1.2.4 a "Party", the "Chargor", or the "Borrower" or the "Chargee" will be construed so as to include its successors in title, permitted assigns and permitted transferees; and

1.2.5 the "Property" means all or any part of it including land and buildings.

1.3 The schedule forms part of this charge and has the same effect as if expressly set out in the body of this charge and will be interpreted and construed as though it were set out in this charge.

1.4 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.5 The words "other", "include", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them will not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

1.6 For the purposes of section 2 Law of Property (Miscellaneous Provisions) Act 1989, the terms of any facility or loan agreements, security documents, finance documents and of any side letters between any parties in relation to any of them are incorporated into this charge.

2. COVENANT TO PAY

2.1 The Chargor covenants with the Chargee that it will pay or discharge on demand the Secured Liabilities when they fall due.

2.2 Any amount which is not paid under this charge when due will bear interest (both before and after judgment and payable on demand) from the due date (or, in the case of costs, fees or expenses incurred, from the date they are so incurred) until the date that amount is unconditionally and irrevocably paid and discharged in full on a daily basis at a rate of 3% per annum above the Interest Rate. Such default interest will be calculated on the basis of the actual number of days elapsed and a year of 365 days and will be compounded at quarterly intervals.

3. CHARGES

As a continuing security for the payment of the Secured Liabilities, the Chargor, with full title guarantee, charges and agrees to charge, in favour of the Chargee the following Assets which are at any time owned by the Chargor or which it is from time to time interested:

3.1 by way of **first legal mortgage**, the Property, together with all buildings, fixtures and fittings (including trade fixtures and fittings) at any time on or attached to the Property;

3.2 by way of **first fixed charge** all proceeds of sale derived from the Property or any buildings, fixtures or fittings (including trade fixtures and fittings) at any time on or attached to the Property, the benefit of all covenants given in respect of the Property or any of those buildings, fixtures or fittings and all licences to enter upon or use land and the benefit of all other agreements relating to land;

3.3 by way of **first fixed charge** the Rental Income;

3.4 by way of **first fixed charge** all goodwill in any business conducted at the Property by the Chargor; and

3.5 by way of **first fixed charge** any insurance policies in respect of the Property, the proceeds of any such policy and any refund of premium in relation to any such policy.

4. NEGATIVE PLEDGE

The Chargor will not, without the prior written consent of the Chargee, create, purport to create or permit to subsist any Security Interest over the Property (other than Permitted Security).

5. REPRESENTATIONS AND WARRANTIES

5.1 The Chargor represents and warrants to the Chargee that:

5.1.1 it is the legal and beneficial owner of the Property;

5.1.2 it has complied with all Environmental Laws and Environmental Permits applicable to the Property;

5.1.3 there has been no discharge, spillage, release or emission of any prescribed, dangerous, noxious or offensive substance or any controlled waste on, into or from the Property or any adjoining premises and no such substances or any controlled waste have been stored or disposed of on the Property or, so far as the Chargor is aware, in any adjoining premises except in accordance with the requirements of the applicable Environmental Laws; and

5.1.4 it is not in breach of and has not incurred or become subject to any civil or criminal liability under any Environmental Laws or the terms of any Environmental Permit and it has not done anything or omitted to do anything which could result in any liability being imposed on the Chargee under any Environmental Law.

5.2 The Chargor makes the representations and warranties set out in clause 5.1 on the date of this charge and they are deemed to be repeated on each day during the continuance of the security constituted by this charge.

6. UNDERTAKINGS

The Chargor must:

6.1 duly and punctually pay all rates, rents, taxes, charges and other outgoings due by it in respect of the Property;

6.2 permit the Chargee or its representatives to have, on reasonable notice, to the Property and to inspect and take copies of its records and accounts maintained in connection with it in so far as the same is permitted under any lease of the Property;

6.3 in relation to the Property, comply with all its obligations under law, statute or regulation and under any permit, approval, licence or consent and, if requested by the Chargee, produce to the Chargee, within 14 days of receipt of the same, every material notice, order or proposal given or made in relation to the Property by any competent authority and either comply with the same or make the objections and representations against them as the Chargee may require or approve;

6.4 observe and perform all covenants and stipulations from time to time affecting the Property, or the manner of use or the enjoyment of the Property and not enter into any onerous or restrictive obligations affecting the Property;

6.5 carry on any Business at the Property in accordance with the standards of good management from time to time current in that type of trade or business;

6.6 enforce its rights and perform its obligations as landlord under any lease or agreement for lease of the Property;

6.7 not, except with the prior written consent of the Chargee:

6.7.1 dispose, part with or share possession or occupation of the Property;

6.7.2 enter into any lease or agreement for lease or otherwise confer on any person any lease or other right or licence to occupy the Property or any licence to assign or sub-let the Property;

6.7.3 vary, forfeit, determine, accept or agree to accept the surrender of any lease, agreement for lease or licence in relation to the Property;

6.7.4 agree any rent review of any lease of the Property;

6.7.5 surrender or agree to surrender any leasehold interest held by it in relation to the Property or allow that interest to be forfeited;

6.7.6 create or permit to arise on the Property any interest having overriding effect; or

6.7.7 permit any person to become entitled to any right, easement, covenant or other matter which might adversely affect the use, value or marketability of the Property.

6.8 comply with all Environmental Laws and obtain, maintain and comply with all Environmental Permits applicable to the Property and, on request, provide the Chargee with copies of any Environmental Permits;

6.9 upon becoming aware of the same, notify the Chargee of any Environmental Claim made or threatened against the Chargor and any condition imposed under any Environmental Permit or Environmental Law which requires the Chargor to incur any capital expenditure or materially alter the nature or manner of conduct of the Business or which could, in the Chargee's opinion, materially reduce the value of the Property;

6.10 keep the Chargee informed of any steps taken or intended to be taken by the Chargor in respect of any of the matters referred to in clause 6.9 and give notice to the Chargee as soon as practicable of any new or additional requirements under any Environmental Law imposed on the Chargor or the Property;

6.11 not carry out any development within the meaning of the Planning Acts in or upon the Property without first obtaining the permissions required under or by virtue of the Planning Acts and, in the case of any development involving a substantial change in the structure or a change of use of the Property, without first obtaining the written consent of the Chargee;

6.12 in respect of the Property, apply to the Chief Land Registrar for the registration of a Restriction against the registered titles in the following terms:

"*No disposition of the registered estate by the proprietor of the registered estate is to be registered without a written consent signed by the proprietor for the time being of the charge dated* 9th July *2021 in favour of the Chargee referred to in the charges register.*"

6.13 procure that the Property is kept comprehensively insured for full replacement value in an amount and form and with an insurance company or underwriters, provided that if the Chargor fails to comply with the terms of this clause 6.13 or clause 6.14, the Chargee may, at the Chargor's expense, effect any insurance and generally do the things and take the

action as the Chargee considers necessary or desirable to prevent or remedy any breach of this clause 6.13 or clause 6.14;

6.14 if requested by the Chargee procure that the Chargee is named as co-insured under each of the insurance policies (other than public liability and third party liability insurances) but without liability on the part of the Chargee for any premium in relation to those insurance policies; and

6.15 the proceeds of any insurance are held on trust for the Chargee to be applied as the Chargee sees fit.

7. LIABILITY OF THE CHARGOR AND CHARGEE'S PROTECTIONS

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

(a) any intermediate payment, settlement of account or discharge in whole or in part of the Secured Liabilities;

(b) any variation, extension, discharge, compromise, dealing with, exchange or renewal of any right or remedy that the Chargee may now or after the date of this deed have from or against the Borrower, the Chargor or any other person in connection with the Secured Liabilities;

(c) any act or omission by the Chargee or any other person in taking up, perfecting or enforcing any Security Interest, indemnity, or guarantee from or against the Borrower, the Chargor or any other person;

(d) any termination, amendment, variation, novation, replacement or supplement of or to any of the Secured Liabilities including, without limitation, any change in the purpose of, any increase in or extension of the Secured Liabilities and any addition of new Secured Liabilities;

(e) any grant of time, indulgence, waiver or concession to the Borrower, the Chargor or any other person;

(f) any insolvency, bankruptcy, liquidation, administration, winding-up, incapacity, limitation, disability, the discharge by operation of law, or any change in the constitution, name or style of the Borrower, the Chargor or any other person;

(g) any invalidity, illegality, unenforceability, irregularity or frustration of any actual or purported obligation of, or Security Interest held from, the Borrower, the Chargor or any other person in connection with the Secured Liabilities;

(h) any claim or enforcement of payment from the Borrower, the Chargor or any other person; or

(i) any other act or omission that would not have discharged or affected the liability of the Chargor had it been a principal debtor or by anything done or omitted by any person which, but for this provision, might operate to exonerate or discharge the Chargor or otherwise reduce or extinguish its liability under this deed.

7.2 The Chargor waives any right it may have to require the Chargee:

(a) to take any action or obtain judgment in any court against the Borrower or any other person;

(b) to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Borrower or any other person; or

(c) to make demand, enforce or seek to enforce any claim, right or remedy against the Borrower or any other person,

before taking steps to enforce any of its rights or remedies under this deed.

7.3 The Chargor warrants to the Chargee that it has not taken or received, and shall not take, exercise or receive the benefit of any Rights from or against the Borrower, its liquidator, an administrator, co-guarantor or any other person in connection with any liability of, or payment by, the Chargor under this deed but:

(a) if any of the Rights is taken, exercised or received by the Chargor, those Rights and all monies at any time received or held in respect of those Rights shall be held by the Chargeor on trust for the Chargee for application in or towards the discharge of the Secured Liabilities under this deed; and

(b) on demand by the Chargee, the Chargoror shall promptly transfer, assign or pay to the Chargee all Rights and all monies from time to time held on trust by the Mortgagor under this Clause 7.3.

8. ENFORCEMENT OF SECURITY

8.1 The security constituted by this charge shall become immediately enforceable upon the occurrence of an Event of Default and the Chargee may, in its absolute discretion, enforce all or any part of the security constituted by this charge in such manner as it sees fit.

8.2 The power of sale and other powers conferred by section 101 LPA (as varied or extended by this charge) will arise on and be exercisable without further notice at any time after the execution of this charge. Sections 93 and 103 LPA do not apply to the security constituted by this charge.

8.3 At any time after the security created under this charge has become enforceable, the Chargee may, at the sole cost of the Chargor (payable to the Chargee on demand) redeem any prior Security Interest over the Property and/or procure the transfer of that Security Interest to itself and/or settle and pass the accounts of any prior mortgagee, chargee or encumbrancer which once so settled and passed will be conclusive and binding on the Chargor. All money paid by the Chargee to such prior mortgagee, chargee or encumbrancer in accordance with such accounts will form part of the Secured Liabilities.

8.4 At any time after the security constituted by this charge becomes enforceable, or if so requested by the Chargor by written notice at any time, the Chargee (or any Delegate on its behalf) may:

8.4.1 without further notice appoint any person (or persons) to be a Receiver of the Property and/or of the income from the Property; and/or

8.4.2 exercise in respect of the Property all or any of the powers and remedies given to mortgagees by the LPA, including the power to take possession of, receive the benefit of, or sell the Property.

8.5 The Chargee may remove from time to time any Receiver appointed by it and, whenever it may deem appropriate, appoint a new Receiver in the place of any Receiver whose appointment has terminated.

8.6 If at any time and by virtue of any such appointment there is more than one Receiver, those persons will have power to act individually (unless the contrary is stated in the deeds or other instruments appointing them).

8.7 If the Chargee enforces this charge itself under clause 8.4.2 it will have the same powers as a Receiver.

8.8 Any Receiver will (in addition to the powers conferred by the LPA and (notwithstanding that he is not an administrative receiver) schedule 1 to the Insolvency Act 1986 but without any of the restrictions imposed upon the exercise of those powers by those statutes) have the following powers:

8.8.1 the same powers to do, or to omit to do, in the name of and on behalf of the Chargor, anything which the Chargor itself could have done or omitted to do with the Property were it not the subject of this charge and the Chargor were not in insolvency proceedings;

8.8.2 to take possession of, collect and get in the Property and/or income in respect of which he was appointed;

8.8.3 to manage the Property and the Business;

8.8.4 to redeem any Security Interest and to borrow or raise any money and secure the payment of any money in priority to the Secured Liabilities for the purpose of the exercise of his powers and/or defraying any costs or liabilities incurred by him in such exercise;

8.8.5 to alter, improve, develop, complete, construct, modify, refurbish or repair any building or land and to complete or undertake or concur in the completion or undertaking (with or without modification) of any project in which the Chargor is concerned or interested prior to his appointment, being a project for the alteration, improvement, development, completion, construction, modification, refurbishment or repair of the Property;

8.8.6 to sell or concur in selling, leasing or otherwise disposing of the Property without the need to observe any restriction imposed by section 103 or 109 LPA and for that purpose, to enter into covenants and other contractual obligations in the name of, and so as to bind, the Chargor;

8.8.7 to lease, make agreements for leases, accept surrenders of leases and grant options as the Chargee thinks fit and without the need to comply with any of the provisions of sections 99 and 100 LPA;

8.8.8 to take any proceedings, in the name of the Chargor or otherwise, as he thinks fit in respect of the Property, including proceedings for recovery of rental income or other money in arrears at the date of his appointment;

8.8.9 to enter into or make any agreement, arrangement or compromise as he thinks fit;

8.8.10 to insure, and renew any insurances in respect of, the Property as he thinks fit;

8.8.11 to appoint and employ such managers, officers and workmen and engage such professional advisers as he thinks fit, including power to employ his partners and firm;

8.8.12 to operate any rent review clause in respect of the Property and to apply for any new or extended lease; and

8.8.13 to do all other things as may seem to him to be incidental or conducive to any other power vested in him in the realisation of the security constituted by this charge.

8.9 In making any disposal in the exercise of their respective powers, the Receiver, the Chargee or any Delegate may accept as consideration for that disposal, cash, shares, loan capital or other Assets on such terms (including the method of calculation and timing of payment) as the Receiver, the Chargee or any Delegate may agree. Any contract for any such disposal by the Receiver, the Chargee or any Delegate may contain conditions excluding or restricting the personal liability of that Receiver, the Chargee or that Delegate.

8.10 Any Receiver will be the agent of the Chargor and the Chargor will be solely responsible for his acts and defaults and for his remuneration.

8.11 Any Receiver will be entitled to remuneration for his services at a rate to be fixed by agreement between him and the Chargee (or failing agreement to be fixed by the Chargee) without the restrictions contained in section 109 LPA.

8.12 Only money actually paid by a Receiver to the Chargee in satisfaction or discharge of the Secured Liabilities will be capable of being applied by the Chargee in satisfaction of the Secured Liabilities.

8.13 Neither the Chargee nor any Receiver or Delegate will be liable in respect of the Property or for any loss or damage which arises out of the exercise or the attempted or purported exercise of, or the failure to exercise any of, their respective powers, unless the loss or damage is caused by its gross negligence or wilful misconduct.

8.14 Without prejudice to the generality of clause 8.13, entry into possession of the Property will not render the Chargee or the Receiver or any Delegate liable to account as mortgagee in possession. If and when the Chargee or any Receiver or Delegate enters into possession of the Property, it will be entitled at any time at its discretion to go out of possession.

8.15 All or any of the powers which are conferred by this charge on a Receiver may be exercised by the Chargee or any Delegate without first appointing a Receiver or notwithstanding the appointment of any Receiver.

8.16 Except to the extent provided by law, none of the powers described in clauses 8.8 to 8.15 will be affected by an insolvency event in relation to the Chargor.

8.17 No purchaser from or other person dealing with the Chargee or with any Receiver or Delegate will be obliged or concerned:

8.17.1 to enquire whether the right of the Chargee to appoint a Receiver or Delegate or the right of the Chargee or any Receiver or Delegate to exercise any of the powers conferred by this charge in relation to the Property have arisen or become exercisable by the Chargee or by any Receiver or Delegate; nor

8.17.2 with notice to the contrary, or with the propriety of the exercise or purported exercise of those powers.

The title of such a purchaser and the position of such a person will not be impeachable by reference to any of the above matters.

9. CONTINUING SECURITY AND CHARGEE'S PROTECTIONS

9.1 This charge will remain in full force and effect as a continuing security until the Chargee has certified in writing that the Secured Liabilities have been discharged in full. The Chargee may make one or more demands under this charge.

9.2 The Chargor's obligations under this charge will not be affected by any time, waiver or consent granted to, or composition with the Chargor, the Borrower or any other person.

9.3 This charge will be in addition to, and without prejudice to and will not merge with, any other right, remedy, guarantee or Security Interest which the Chargee may at any time hold in respect of any of the Secured Liabilities and this charge may be enforced without the Chargee first having:

9.3.1 recourse to any other right, remedy, guarantee or Security Interest held or available to it;

9.3.2 to take action or obtain judgment in any court against the Chargor or any other person;

9.3.3 to make or file any claim in a bankruptcy, liquidation, administration or insolvency of the Chargor or any other person; or

9.3.4 to make demand, enforce or seek to enforce any claim, right or remedy against the Chargor or any other person.

10. FURTHER ASSURANCE AND POWER OF ATTORNEY

10.1 The Chargor must promptly do all acts or execute all documents (including assignments, transfers, mortgages, charges, other Security Interests or notices and instructions) as the Chargee may reasonably specify (and in the form the Chargee may reasonably require) in favour of the Chargee or its nominee:

10.1.1 to create, perfect, protect or maintain the Security Interest created or intended to be created under or evidenced by this charge or for the exercise of any rights, powers and remedies of the Chargee provided by law;

10.1.2 to ensure the Chargee is named as co-insured on any insurance policy relating to the Property; and/or

10.1.3 to facilitate the realisation of the Property.

10.2 Any document required to be executed by the Chargor under clause 10.1 will be prepared at the cost of the Chargor.

10.3 The Chargor by way of security irrevocably appoints the Chargee and any Receiver or Delegate (in writing under hand signed by an officer of the Chargee or any Receiver or Delegate) severally to be its agents and attorneys in its name and on its behalf to:

10.3.1 do all things which the Chargor may be required to do under this charge;

10.3.2 sign, execute, deliver and otherwise perfect any document or Security Interest required to be signed or executed under the terms of this charge; and

10.3.3 sign, execute, deliver and complete any deeds, instruments or other documents and to do all acts and things which may be required by the Chargee or any Receiver or Delegate in the exercise of any of their powers under this charge, or to perfect or vest in the Chargee, any Receiver, any Delegate, its nominees or any purchaser, title to the Property or which they may deem

expedient in connection with the getting in, disposal, or realisation of the Property.

10.4 Each agent and attorney may appoint a substitute or delegate his authority. The Chargor ratifies and confirms (and agrees to ratify and confirm) anything which an attorney does under the power of attorney conferred by clause 10.3.

11. PAYMENTS

11.1 Subject to clause 11.2, all payments to be made by the Chargor in respect of this charge, will be made in immediately available funds to the credit of any account as the Chargee may designate. All payments will be made free and clear of, and without any deduction for, or on account of, any set-off or counterclaim or, except to the extent required by law, any deduction on account of any taxes.

11.2 If the Chargor or Borrower is required by law to withhold or deduct any taxes from any sum payable under this charge to the Chargee, the sum so payable by the Chargor will be increased so as to result in the receipt by the Chargee of a net amount equal to the full amount expressed to be payable under this charge.

11.3 The Chargee may set-off any matured obligation due from the Chargor under this charge against any matured obligation owed by the Chargee to the Chargor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange reasonably determined by the Chargee.

11.4 Any demand, notification or certificate given by the Chargee specifying amounts due and payable under or in connection with any of the provisions of this charge will, in the absence of manifest error, be conclusive and binding on the Chargor.

11.5 Any release, discharge or settlement between the Chargor, the Borrower and the Chargee will be deemed conditional upon no payment or Security Interest received or held by the Chargee in respect of the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration or receivership. Notwithstanding any release, discharge or settlement, the Chargee will be entitled to recover the value or amount of such Security Interest or payment from the Chargor or the Bororwer or to enforce this charge as if that release, discharge or settlement had not occurred.

11.6 The Chargee may apply or refrain from applying all payments received for the Secured Liabilities as it thinks fit. All money received, recovered or realised by the Chargee under this charge may at the discretion of the Chargee be credited to any suspense account for so long as the Chargee determines (with interest accruing at the rate, if any, as the Chargee may determine for the account of the Chargor).

12. COSTS, EXPENSES AND INDEMNITIES

12.1 The Chargor must reimburse the Chargee, any Receiver and any Delegate for all costs and expenses, including legal fees (and any value added or similar tax thereon) incurred in connection with the enforcement, attempted enforcement or preservation of any of their respective rights under this charge, or any of the documents referred to in this charge.

12.2 The Chargor must on demand indemnify the Chargee and any Receiver or Delegate and any of its and their officers and employees (each an **Indemnified Party**) in respect of all costs, losses (including consequential losses), actions, claims, expenses, demands or liabilities

whether in contract, tort, or otherwise and whether arising at common law, in equity or by statute which may be incurred by, or made against any of them at any time relating to or arising directly or indirectly out of:

12.2.1 the exercise or purported exercise of the powers contained in this charge;

12.2.2 a claim of any kind made or asserted against any Indemnified Party which would not have arisen if this charge had not been executed and/or registered;

12.2.3 the creation, imposition, recording or registration of any Security Interest over the Property securing the reimbursement to or recovery by any third party (including any regulatory authority or government agency) of any costs expenses or other sums incurred in consequence of a breach contravention or violation of any Environmental Law or the release discharge or emission of any harmful or hazardous material and the redemption, removal, vacation or discharge of any such Security Interest;

12.2.4 the making of any Environmental Claim against any Indemnified Party or the Chargor in respect of the Property and/or the Business;

12.2.5 any liability or potential liability upon any Indemnified Party to remedy clean-up or make good any breach contravention or violation of any Environmental Law by the Chargor or any harm actual or potential to the environment caused directly or indirectly by any release emission or discharge of any harmful or hazardous material from in or to the Property; or

12.2.6 a breach by the Chargor of any of its obligations under this charge

unless, in the case of clauses 12.2.1 and 12.2.2, it was caused by the negligence or wilful misconduct of the Indemnified Party.

12.3 No Indemnified Party will in any way be liable or responsible to the Chargor for any loss or liability of any kind arising from any act or omission by it of any kind (whether as mortgagee in possession or otherwise) in relation to the Property, except to the extent caused by its own negligence or wilful misconduct.

12.4 The Chargor must pay all present and future stamp, registration and similar taxes or charges which may be payable, or determined to be payable, in connection with the execution, delivery, performance or enforcement of this charge or any judgment given in connection with this charge.

13. THIRD PARTY RIGHTS

13.1 Subject to clauses 13.2 and 13.3, a person who is not a Party will have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce or rely upon a provision of this charge. No Party may hold itself out as trustee of any rights under this charge for the benefit of any third party unless specifically provided for in this charge. This clause 13.1 does not affect any right or remedy of any person which exists, or is available, otherwise than under the Contracts (Rights of Third Parties) Act 1999.

13.2 Any person to whom the benefit of any provision of this charge is assigned in accordance with the terms of this charge is entitled under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this charge which confers (expressly or impliedly) any benefit on any such person.

13.3 Any Receiver or Delegate may, subject to the Contracts (Rights of Third Parties) Act 1999 rely on any clause of this charge which expressly confers rights on it.

13.4 The Chargee and the Chargor may, by agreement in writing, rescind or vary any of the provisions in this charge or waive or settle any right or claim under it in any way without the consent of any third party.

14. NOTICES

14.1 Any notice given pursuant to this Charge shall be in writing signed by, or on behalf of, the person issuing the notice. Any notice may be delivered by hand or by prepaid recorded delivery first class post:

14.1.1 in the case of the Chargee, its registered office address for the time being marked for the attention of the Directors; and

14.1.2 in the case of the Chargor:

(a) *address: 121 Bramhall Lane South, Bramhall, SK7 2PP*

or, in relation to any Party, such other address for service in the United Kingdom as that Party may from time to time notify to the other.

14.2 In the absence of evidence of earlier receipt and subject to clause 14.3, a notice served in accordance with clause 14.1 shall be deemed to have been received:

14.2.1 if delivered by hand, at the time of actual delivery to the address referred to in clause 14.1;

14.2.2 if delivered by prepaid recorded delivery first class post, two Business Days from the date of posting.

14.3 If deemed receipt under clause 14.2 occurs on a day which is not a Business Day or after 5.00pm on a Business Day, the relevant notice shall be deemed to have been received at 9.00am on the next Business Day.

14.4 For the avoidance of doubt, notice given under the Finance Documents shall not be validly served if sent by fax or e-mail.

15. GENERAL

15.1 If the Chargee receives notice (whether actual or otherwise) of any subsequent Security Interest affecting the Property, it may open a new account or accounts for the Chargor in its books.

15.2 If the Chargee does not open a new account immediately on receipt of notice under clause 15.1, then (unless the Chargee gives express written notice to the contrary to the Chargor) all payments made by the Chargor to the Chargee will be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities, as from the time of receipt of the relevant notice by the Chargee.

15.3 The Chargee may assign or transfer all or any of its rights under this charge. The Chargor may not assign, transfer, charge, make the subject of a trust or deal in any other manner with this charge or any of its rights under this charge or purport to do any of the same without the prior written consent of the Chargee.

15.4 No variation to this charge will be effective unless made in writing and signed by or on behalf of all the Parties. A waiver given or consent granted by the Chargee under this charge will be effective only if given in writing and then only in the instance and for the purpose for which it is given.

15.5 Each provision of this charge is severable and distinct from the others. If at any time any provision of this charge is or becomes unlawful, invalid or unenforceable to any extent or in any circumstances for any reason, it will to that extent or in those circumstances be deemed not to form part of this charge but (except to that extent or in those circumstances in the case of that provision) the legality, validity and enforceability of that and all other provisions of this charge will not be affected in any way.

15.6 If any provision of this charge is found to be illegal, invalid or unenforceable in accordance with clause 15.5 but would be legal, valid or enforceable if some part of the provision were deleted, the provision in question will apply with those modifications as may be necessary to make it legal, valid or enforceable.

15.7 Failure or delay in exercising a right or remedy provided by this charge or by law does not constitute a waiver of that (or any other) right or remedy. No single or partial exercise, or non-exercise or non-enforcement of any right or remedy provided by this charge or by law prevents or restricts any further or other exercise or enforcement of that (or any other) right or remedy.

15.8 The Chargee's rights and remedies contained in this charge are cumulative and not exclusive of any rights or remedies provided by law.

15.9 This charge may be executed in any number of counterparts each of which when executed and delivered will be an original. All the counterparts together will constitute one and the same document.

16. GOVERNING LAW AND JURISDICTION

16.1 This charge (including any associated non-contractual disputes or claims) is governed by the laws of England and Wales.

16.2 The Parties agree to submit to the non-exclusive jurisdiction of the English Courts in relation to any claim or matter (whether contractual or non-contractual) arising under this charge. This clause 16.2 is for the benefit of the Chargee only.

Executed as a deed and delivered it on the date first set out above

SCHEDULE

The Property

Freehold land being land at Daisy Bank Mill, Terence Street, Manchester (M40 1GD) and registered at the Land Registry under title number MAN162503

SIGNED as a Deed by

NICHOLAS JOHNATHAN LOWE

in the presence of:

Witness Signature

Witness Name

(in BLOCK CAPITALS)

Address

JAMES A SCHOFIELD
25 YORK ST
HEYWOOD OL10 4NJ
SOLICITOR

Occupation

SIGNED as a Deed by

CINDY JOANNE ROBERTS

in the presence of:

Witness Signature

Witness Name

ANDY DARLINGTON

(in BLOCK CAPITALS)

Address

37 DARK LANE
ROYTON
OLDHAM
OL2 6AE

EXECUTED as a **DEED** by **SPLASH DEVELOPMENTS LIMITED** acting by a director in the presence of:

.....
Director

Witness Signature

Witness Name KEVIN NICHOLAS
(in BLOCK CAPITALS)

Address FAIRMEAD, VICTORIA RD.
CHURWELL, MORLEY LS27 9JJ

Occupation SOLICITOR.

SIGNED as a Deed by

CARL GARRITY

in the presence of:

Witness Signature

Witness Name
(in BLOCK CAPITALS) KEVIN NICHOLAS

Address FAIRMEAD, VICTORIA RD
CHURWELL.
MORLEY
LS27 9JJ

Occupation SOLICITOR